



EMERGING BUSINESS TRENDS AND MANAGEMENT PRACTICES

Editors

Dr.A.Anitha

Mrs.R.C.Shantha Kumari

Dr.S.Selvanathan



Virudhunagar Hindu Nadars' Senthikumara Nadar College

(An Autonomous Institution Affiliated to Madurai Kamaraj University)

(Accredited with "A" Grade by NAAC)

76th Rank at College Category in NIRF Ranking 2023

Virudhunagar 626 001, Tamil Nadu, India

Title of the Book	Emerging Business Trends and Management Practices
Editors	Dr.A.Anitha Mrs.R.C.Shantha Kumari Dr.S.Selvanathan
First Impression	December 2023
Pages	296
ISBN	978-81-967593-9-1
Printed at	Muthu Computers & Printers 25-B, T.T.K.Road, (Near M.G.R. Statue) Virudhunagar – 626 001, Tamil Nadu, India. E-Mail: muthucolorprint@gmail.com Phone: 9442997429
College Website	www.vhnsnc.edu.in
College E-Mail	support@vhnsnc.edu.in

Publishers:

**Virudhunagar Hindu Nadars' Senthikumara Nadar College (Autonomous),
Virudhunagar 626001, Tamil Nadu, India**

&

**Mangayarkarasi College of Arts and Science for Women, Paravai, Madurai 625402,
Tamil Nadu, India**

All rights reserved. No part of this publication may be reproduced, stored in a retrieval system, transmitted or utilized in any form or by any means, electronic, mechanical, photocopy, recording or otherwise without the prior permission of the copyright owner. Application permission should be addressed to the publisher.

Disclaimer

The authors are solely responsible for the contents of the papers edited in this book. The publishers or editors do not take any responsibility for the same in any manner. Errors, if any, are purely unintentional and readers are requested to communicate such errors to the editors or publishers to avoid discrepancies in future.

List of Contents

S.No.	Contents	Page No.
Track 1 Marketing Management		
Chapter 1	Personalised Discount Prediction for Retail Stores Consumers Using Hybrid Artificial Intelligence Models - <i>Prakash M C & Dr. P. Saravanan</i>	1-5
Chapter 2	Changing Practices of Business and Latest Developments in Business Practices - <i>Dr. N. Alagumanikumar & Dr. M. Subasini</i>	6-13
Chapter 3	Role and Prospects of Ethics in Marketing - <i>S.P.Neehalika Bayya</i>	14-19
Chapter 4	A Study On Consumer Behavior in Service Industries Theoretical Overview - <i>Dr.M.Niyasahamed & Dr.A.Fayasahamed</i>	20-25
Chapter 5	A Study on the Impact of Misleading Advertisements in Social Media - <i>Dr.E.Nirmala</i>	26-30
Chapter 6	Emerging Issues in Marketing – Organic Products - <i>Dr. C. Sankar & J. Aruna</i>	31-36
Chapter 7	Social Media Marketing for Business - <i>J.Nagasudha & R.Maheswari</i>	37-42
Chapter 8	Swiggy’s Innovative Marketing Strategies - <i>Dr.Deepa Shridhar</i>	43-46
Chapter 9	A Conceptual Study on A Sustainability in Business – Importance, Benefits, and Challenges - <i>Dr. S. Arumugam</i>	47-49
Track 2 - Entrepreneurship and Digitalization		
Chapter 10	Technological Advancements in the Toll Collection System in India - <i>Sukritha K R & Dr.V.Vimala</i>	50-56
Chapter 11	Sustainability of Innovation in E-Commerce - <i>V.Subathra</i>	57-63
Chapter 12	Entrepreneurship in Emerging Markets and New Economy - <i>M.Saraswathi</i>	64-67
Chapter 13	Social Media Marketing and Entrepreneurship: A Synergic Approach for Business Growth - <i>Sinu Mary Devasia</i>	68-72
Chapter 14	Overview of E-Commerce Impact on the Business - <i>Dr.H.Sulaiman</i>	73-77
Chapter 15	E-Tailing Behaviour Special Mention to Amazon India in Triucharappalli - <i>Dr.S.Mohamed Faizal</i>	78-81

Chapter 16	A Study on Social Media Marketing and its Influence on Entrepreneurship - <i>M.Aarathy</i>	82-87
Chapter 17	The Green Frontier: An Introduction to Green Entrepreneurship - <i>Ritu Kumari & Dr. Vinay Pal Singh</i>	88-99
Chapter 18	Electric Vehicles - The Current State and Future Considerations - <i>Dr. Saranya S & Dr.Nittymol Antony</i>	100-104
Chapter 19	Strategies for Sustainable Development: Building Entrepreneurial Self-Efficacy and Motivation Among Students for A Better Future - <i>Kajal J Mehta & Dr. C. Jothi Baskara Mohan</i>	105-109
Chapter 20	The Role of Technology in Online Disinformation - <i>A.Nivedha</i>	110-115
Chapter 21	Social Media Marketing and its Influence on Entrepreneurship - <i>Dr. S. Arokia Punitha</i>	116-123
Chapter 22	A Saga of Innovative Business Models in India: Challenges and Triumphs Innovative Business Models - <i>Dr M. Sravani & D. Soumith</i>	124-129
Chapter 23	A Study on Analysis of Digital Marketing - <i>Dr. V. Nirmala Devi & Dr. Sangeetha. A</i>	130-131
Chapter 24	Business Sustainability with New Automation Strategies – <i>Dr. M. Dhana Lakshmi & Dr.M.Priyadarshini</i>	132-134
Track 3 - Accounting & Finance		
Chapter 25	Fintech Revolution - <i>S.Atchaya</i>	135-138
Chapter 26	Financial Inclusion Through Promotion of Digital Payment Technologies - <i>Dr.R.Sangeetha & S.Pradeepa</i>	139-143
Chapter 27	Anti-Profitteering Mechanism and its Interplay with Direct Taxes - <i>Dr.S.Raj Bino</i>	144-155
Chapter 28	An Empirical Study on Crowdfunding in Digital ERA - <i>G.Suvarchala Reddy</i>	156-162
Chapter 29	Reforming Indian Financial System and Promoting Sustainable Development - <i>Dr. N. Vijayalakshmi</i>	163-167
Chapter 30	Verve of Cash Crash on the Tourism Business - <i>Sandhiya. M & K.S.Pavithra</i>	168-173
Chapter 31	A Study on Growth of Insurance Industry in India - <i>Dr. V. Nirmala Devi & Nivetha.R.P</i>	174-177

Chapter 32	A Study on Overall Problems and Solutions of E-Insurance in India - <i>Dr. V. Nirmala Devi & S. Jeevikaa</i>	178-180
Track 4 - Human Resource Management		
Chapter 33	Transforming to Digital Human Resource: Getting Started, Tools and Examples - <i>J.Nagasudha</i>	181-185
Chapter 34	Strategic HR Planning and Management - <i>Janhavi V Rao</i>	186-192
Chapter 35	A Study of Emotional Intelligence of Leaders in Higher Education Institutions - <i>Dr. Meeta Seta</i>	193-196
Chapter 36	Innovate to Elevate: The Future Landscape of Marketing and Digital HRM - <i>P.M.Shiyana & Dr.V.Kavitha</i>	197-205
Chapter 37	Green HRM – A Novel Initiative to Sustainability - <i>Dr.A.Martina & Dr.J.M.Velmurugan</i>	206-210
Chapter 38	A Study on Work-Life Balance of College Teachers - An Overview- <i>Dr.Sumathi Franklin & Dr.K.Anitha</i>	211-219
Chapter 39	An Overview of the Performance Appraisal Method and its Impact on Professional Development - <i>S. Gayathri</i>	220-224
Track 5 – Economics		
Chapter 40	Economic Implications of the Paradigm Shift: Analysing the Performance of Sustainable Businesses - <i>Trimisiyu Omotayo Lawal & Dr. Bola Olufunke Jenyo</i>	225-238
Chapter 41	Role of Financial Advisors in Improving the Financial Literacy among Indian Investors - <i>K. Banumathy</i>	239-244
Chapter 42	Indian Consumer Protection: Common Concerns and Upcoming Paths - <i>Dr.(Lt.Cdr)A.Asok & Dr.G.Sumathi</i>	245-249
Track 6 - General Management		
Chapter 43	A Study on Impact of Digital India Initiative - <i>Dr. V.Saillaja & Dr. P.Maheswari</i>	250-259
Chapter 44	Ethical and Legal Issues of AI Technology - <i>Dr.C.M.Sudha Arogya Mary & Dr.G.Thiyagarajan</i>	260-265
Chapter 45	The Impact of Performance Management on Employee Performance - <i>Dr.C.R. Mageshwar & Dr. K. Jothimani</i>	266-272
Chapter 46	The Authenticity Paradox: Balancing Transparency and Brand Identity on Social Media - <i>S. Mohanarithanya & J. Sherlin Niktha</i>	273-277

Chapter 47	The Power of Social Media Platforms in Modern Business Strategies - <i>Dr.C.Nithya</i>	278-283
Chapter 48	A Study on Eco-Friendly Women Entrepreneurship in Rural Areas - <i>Dr. V. Nirmala Devi & Dr Sangeetha. A</i>	284-287
Chapter 49	A Study on the Role of Disinformation in Artificial Intelligence - <i>A.Prathiba</i>	288-291
Chapter 50	A Study of the Effects of Disinformation on Social Media - <i>D.Aishwarya</i>	292-296

Chapter 1

PERSONALISED DISCOUNT PREDICTION FOR RETAIL STORES CONSUMERS USING HYBRID ARTIFICIAL INTELLIGENCE MODELS

Prakash M C

Research Scholar, SRM Faculty of Management, SRM Institute of Science and Technology,
Kattankulathur, Tamil Nadu

Dr. P. Saravanan

Associate Professor, SRM Faculty of Management, SRM Institute of Science and Technology,
Kattankulathur, Tamil Nadu

Abstract

This research article focuses on utilising Artificial Intelligence Models for predicting personalised discounts that can be given to customers who purchase agricultural products from retail stores. Currently, personalised discounts are given to selected customers based on suggestions given by retail stores' salesmen. Though this is an appreciable initiative, if it is done using Artificial Intelligence Models then human bias (salesmen bias) can be eliminated and all eligible customers can benefit from it. The dataset used in this study consists of 202 respondents' purchase details and it was taken from an online repository named Kaggle. The entire population is used for analysis. The proposed model consists of nine variables out of which eight are independent variables and one is a dependent variable. Customer ID, No. of Years as Customer, Date of Purchase, Branch, No. of Items Purchased, Total Quantity Purchased, Total Bill Amount and Discount Eligibility are the independent variables. Discount Percentage is the dependent variable. As far as Artificial Intelligence Models are concerned both Non-Hybrid and Hybrid Regression Models will be used. The most accurate among the Regression Models used in this study will be used for predicting personalised discount for eligible customers. This study will lead to two advantages – it helps retain customers who may churn due to less discounts being given to them and it helps prevent unnecessary revenue loss due to more discounts being given to customers.

Keywords: Personalised Discount, Artificial Intelligence, Non-Hybrid Regression Models, Hybrid Regression Models, Salesmen Bias

Introduction

Predicting personalised discounts for agricultural products in retail stores using AI models can greatly improve the profitability of the retail business by providing more accurate and appropriate discount offers to customers. AI models use machine learning algorithms to analyse large amounts of data in order to identify patterns and relationships between various factors that influence consumer behaviour, such as demographic information, purchase history etc. By including this information in their predictions, AI models can make highly customised discount recommendations that are more likely to appeal to each customer's specific needs and preferences.

One of the key benefits of using AI models for discount prediction is that they can be much faster and more accurate than traditional methods of discounting. Traditional methods, such as manual calculation of discounts based on average consumer spending and market trends, can take a long time to execute and may not accurately reflect consumer behaviour. AI models, on the other hand, can process huge amounts of data in real-time, providing discount recommendations almost immediately that are more closely aligned with the needs and preferences of each individual customer.

Another important advantage of using AI models for discount prediction is that they can be continuously enhanced over time. As more data is collected and analysed, AI models can learn from past experiences and refine their predictions, making them even more accurate and efficient over time. This means that retailers who use AI models for discount prediction can stay ahead of the competition by continuously adapting their discount strategies to changing market conditions and consumer behaviours.

To implement AI models for discount prediction, retailers need to gather and clean large amounts of data on consumer behaviour, purchase history and other relevant factors. This data can come from various sources, such as point-of-sale systems, customer surveys, and demographic databases. The data must then be pre-processed and prepared for analysis by the AI models, which can be a complex and time-consuming process.

Once the data is prepared, the AI models can be trained on this data to identify patterns and relationships that influence consumer behaviour. This training process can be done using various machine learning algorithms, such as decision trees, random forests etc. The choice of algorithm will depend on the nature of the data and the specific requirements of the discount prediction task.

Once the AI models are trained, they can be deployed in the retail environment to make real-time predictions about consumer behaviour and discount preferences. These predictions can be used to generate highly customised discount offers for each customer, which can be communicated through various channels, such as email, text message, or in-store display. The discounts can be applied automatically at the point of sale, making the process fast and convenient for both the retailer and the customer.

Literature Review

Tong et al. (2019) talks about Uber harnessing advanced algorithms to determine the best distribution of resources

based on the number of ride requests and available drivers followed by the company computing and charging customized prices to customers who start from the same starting point and want to reach the same destination and adjusting pricing with higher prices during busy times and lower prices during lean periods. Algorithms that track consumers' purchases at discount stores indicate that there is an increased likelihood of loan default among shoppers of such stores (Lui and Lamb (2018)).

Studies in predicting personalised discounts could look at a variety of machine learning techniques, such as decision tree, random forest and others. These techniques could be used to analyse data from a variety of sources such as sales data, customer data, product data and weather data to determine the factors that influence discounting decisions for agricultural products.

One important area of research in this field is the development of customised discount recommendations for individual customers. This could involve using machine learning models to analyse data on customer behavior, purchase history and customer preferences in order to create tailored discount recommendations that meet each customer's specific needs and preferences.

Another important area of research is the use of machine learning models to optimise the discounting process for agricultural products in retail stores. This could involve harnessing these models to determine the best possible discount levels and timing for different products based on different factors such as supply and demand, market trends and consumer behavior.

Research Methodology

Descriptive Research was the method used in this research article. This study uses a dataset of purchase information from 202 customers obtained from Kaggle and it involves analysing the entire population. The research objectives are to help retain customers of retail stores who may churn due to less discounts being given to them and to help prevent unnecessary revenue loss to retail stores due to more discounts

being given to its customers. The proposed model named “ensemble learning prediction model (modified)” is based on the existing model named “ensemble learning prediction model” suggested by Kim and Lee (2021). It contains nine variables, with eight serving as independent variables and one serving as the dependent variable. The independent variables include Customer ID, Years as a Customer, Purchase Date, Branch, Number of Items Purchased, Total Quantity Purchased, Total Bill Amount, and Discount Eligibility. The dependent variable in this model is Discount Percentage. The proposed model differs from the existing model in terms of the local variable Discount Eligibility which was added to make the model work more efficiently.

The variables in the proposed model are briefly described below.

Customer ID: A unique value used to uniquely identify a customer in the given dataset.

Years as a Customer: Number of years a customer is associated with a particular retail store.

Purchase Date: Date on which items were purchased from a particular retail store.

Branch: The place in which a retail store outlet is located.

Number of Items Purchased: Total number of agricultural products purchased from a retail store.

Total Quantity Purchased: Sum of the product of each agricultural product purchased and its quantity.

Total Bill Amount: The final amount that a customer is charged for goods purchased after all relevant taxes have been added.

Discount Eligibility: Tells whether a customer is eligible for discount or not based on his/her profile.”0” means “not eligible” and “1” means “eligible”.

Discount Percentage: This is the dependent variable. A personalised discount percentage value determined based on a customer’s profile.

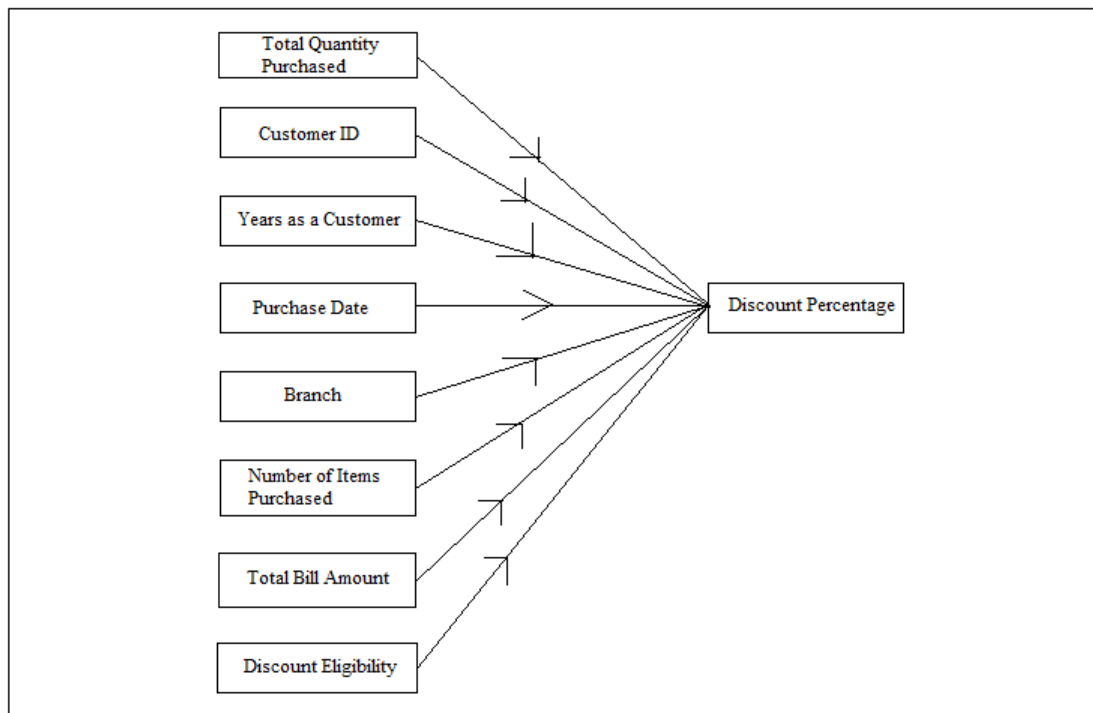


Figure 1. Proposed Model

Ensemble learning is a machine learning technique that combines multiple models to obtain better performance compared to using a single model. In the context of a personalised discount prediction model,

ensemble learning would involve training multiple individual Artificial Intelligence models on the same data with different algorithms or variations of the same algorithm and then combining the

predictions of these models to make a final prediction.

For example, a discount prediction model based on ensemble learning could use a decision tree model, a random forest model and a gradient boosting model and combine their predictions to make a final prediction. Such a model is called as a Hybrid Artificial Intelligence model and this approach can help to mitigate the limitations of each individual model and provide a more accurate prediction.

Adaptive Boosting is a boosting algorithm which tries different predictors in a sequential manner and each subsequent model attempts to rectify the errors of its predecessor. The sample distribution is altered in each iteration by altering the weights attached to each instance.

Gradient boosting is also a boosting algorithm like Adaptive Boosting with respect to trying predictors sequentially. The previous under fitted predictions are sequentially added to the ensemble and rectification of previous errors too is done by Gradient boosting algorithm. It is different from Adaptive Boosting algorithm with respect to its approach in trying to fit the new predictor to the outstanding errors made by the previous predictor.

Extremely randomized trees is a slightly varied form of random forest algorithm. It works like random forest algorithm with respect to building trees and splitting nodes, but varies by selecting observations without replacement and selecting a random split to separate the parent node into two random child nodes.

Hypothesis Testing needs to be done in order to ensure that all constructs in the proposed model are statistically significant.

H₀₁: There is no significant relationship between Customer ID and Discount Percentage.

H₁: There is a significant relationship between Customer ID and Discount Percentage.

H₀₂: There is no significant relationship between Years as a Customer and Discount Percentage.

H₂: There is a significant relationship between Years as a Customer and Discount Percentage.

H₀₃: There is no significant relationship between Purchase Date and Discount Percentage.

H₃: There is a significant relationship between Purchase Date and Discount Percentage.

H₀₄: There is no significant relationship between Branch and Discount Percentage.

H₄: There is a significant relationship between Branch and Discount Percentage.

H₀₅: There is no significant relationship between Number of Items Purchased and Discount Percentage.

H₅: There is a significant relationship between Number of Items Purchased and Discount Percentage.

H₀₆: There is no significant relationship between Total Quantity Purchased and Discount Percentage.

H₆: There is a significant relationship between Total Quantity Purchased and Discount

Percentage.

H₀₇: There is no significant relationship between Total Bill Amount and Discount Percentage.

H₇: There is a significant relationship between Total Bill Amount and Discount Percentage.

H₀₈: There is no significant relationship between Discount Eligibility and Discount Percentage.

H₈: There is a significant relationship between Discount Eligibility and Discount Percentage.

When Ordinary Least Squares regression method was used, all constructs in the proposed model were found to be statistically significant. Hence, all constructs in the proposed model can be used to predict the value of the dependent variable which is Discount percentage.

Results and Discussion

Non-Hybrid Regression models such as Adaptive Boosting Regression model, Gradient Boosting Regression model and Extremely Randomized Trees Regression

model were checked for accuracy using the given dataset. Similarly, Hybrid Regression models such as Adaptive Boosting Regression model and Gradient Boosting Regression model, Gradient Boosting Regression model and Extremely Randomized Trees Regression model, and Adaptive Boosting Regression model and Extremely Randomized Trees Regression

model were checked for accuracy using the given dataset. The results are given below in tabular format.

Table 1. Accuracy Scores of Regression models

Model	Accuracy
AdaBoost Regression	76.76%
Gradient Boosting Regression	84.51%
Extra Trees Regression	79.83%
AdaBoost Regression and Gradient Boosting Regression	89.42%
Gradient Boosting Regression and Extra Trees Regression	86.79%
AdaBoost Regression and Extra Trees Regression	91.19%

Conclusion

Thus, we see that Ada Boost Regression and Extra Trees Regression hybrid model give the highest accuracy and hence will be used for predicting personalised discounts of agricultural products in retail stores. The proposed model helps to meet the research objectives by retaining customers who may churn due to less discounts being given to retail stores customers and preventing unnecessary revenue loss due to more discounts being given to retail stores customers. Additionally, by continuously refining their predictions over time, Artificial Intelligence models can help retailers stay ahead of the competition and respond quickly to changing market conditions and consumer behaviours.

References

- ❖ Kim, J., & Lee, Y. (2021). An ensemble learning approach for customized discount prediction in retail supply chain

management. *Supply Chain Management Review*, 25(6), 45-54.

- ❖ Lui, A., & Lamb, G. W. (2018). Artificial intelligence and augmented intelligence collaboration: regaining trust and confidence in the financial sector. *Information & Communications Technology Law*, 27(3), 267-283.
- ❖ 3. Tong, S., Luo, X., & Xu, B. (2020). Personalized mobile marketing strategies. *Journal of the Academy of Marketing Science*, 48, 64-78.

Chapter 2

CHANGING PRACTICES OF BUSINESS AND LATEST DEVELOPMENTS IN BUSINESS PRACTICES

Dr. N. Alagumanikumar

Assistant Professor of Zoology, VHNSN College (Autonomous), Virudhunagar, Tamil Nadu

Dr. M. Subasini

Assistant Professor of Commerce, V.V.Vanniaperumal College for Women, Virudhunagar,
Tamil Nadu

ABSTRACT

The growth and development of any nation depends upon the functioning of business industries. India is not an exception to this. Basically our country is an agricultural country. After independence, our former Prime Minister Pandit Jawaharlal Nehru stressed the importance of starting industries as it is realized that agricultural income does not give big push to economic expansion. As a result, many small scale industries are established. Some business units gained profit and expanded their business while others move in the position of sick units. The business units who adopt the changing technologies and change their way of doing business as per the latest trend are able to grow. Each and every function of business has changed continuously. The flexibility of the business helps the proprietor to increase the turnover, earn more profit, win the hearts of the customers, improve goodwill, maintain quality and expand the business either nationally or globally. It is the main duty of the businessmen to invest money in the business. The sufficient amount of investment enables of businessmen to carry out the business continuously. Procurement of raw materials and machinery is a second important function of business. The purchased raw materials are stored in the proper places till moving to production. The purchased machinery has to be properly maintained so as to avoid accidents and breakdowns. Selection of human resources and engaging them in the work is an significant function which is the base for success of the business. Selling the products via marketing practices, earning profit and reinvestment

of profit in the business again is a routine activity of business. In all these activities, changes occur and it is advisable to the business to adopt the changes. Hence, the present study focuses on changing business practices in the field of finance, procurement of raw materials, production, marketing, selling and investment. It also spells out the latest developments in the field of business.

Keyword: Just in time, Retained earnings, Celebrity endorsement, Bin card, Quick response

INTRODUCTION

Business is the process of either trading goods or services and manufacturing goods. It is the connecting link between buyer and seller. Everyone in the world is not self-dependent; they depend upon others for various reasons. This means that all goods and services required by the people are not manufactured by themselves. They bought the needed goods and services from others. Like this, they sold the goods and services owned by them. Business is a single word which includes many components. It includes the task of acquiring money for starting business, buying raw material, essential machineries, storing, transforming it to the production function, packaging, marketing, selling, earning profit, investing money in own business, etc.

STATEMENT OF THE PROBLEM

Business not only satisfies the demands and expectations of the people but also improve the economic position of the country. The Gross Domestic Product indicates the total production of goods and services of the country. The increase in the level of GDP indicates the national

income. Business provides employment opportunities to many unemployed people. As a result, per capita income increases. Even though business is a yardstick for national growth, business is influenced by many seasonal, cyclical and situational fluctuations. It does not guarantee stable income. The business men faced lot of struggles in each and every stage of business process. Careful planning and change the process of business as per the changing trends will help the business men to survive in a sustainable manner. This study focuses on process of business and latest developments in the process of business.

SCOPE OF THE STUDY

The business undergoes various practices for successful conduct of their business transactions. Each and every activity of business requires careful planning, execution and long term forecasting. The growth and expansion of business depends upon the qualitative decisions taken by the proprietor. Running a business successfully is just like walking between two mountains keeping a water bucket in a hand. Spilling of water denotes wasting the efforts taken by the business men to carry over the business. In this article, the changing business practices and latest developments in the business world are studied.

PROGRESSION OF BUSINESS

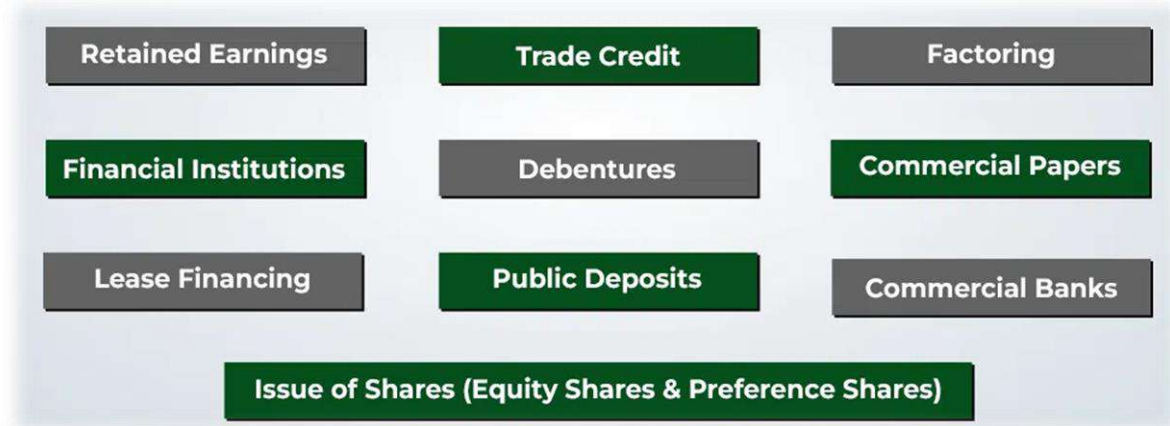
Business is progressive due changes in technological developments, globalization and aspirations of the people. Each and every step in business from acquiring finance to reinvestment changed. The changes acts as challenges to the business men whether they are new one or experienced one. The business men who considered the obstacles as stepping stones develop their business to a mountainous growth.

Acquiring Money

Finance is the life blood of every business. Before starting the business, the business men have to estimate the capital

requirements. They have to decide about fixed and working capital requirements. Fixed capital is used for buying capital assets such as land, building, machinery and equipment. Working capital is used for meeting the day to day requirement of the business. The capital acquired by the business men must be sufficient. It should not be over capitalized or under capitalized. If the capital is over capitalized, idle funds locked in the business and it yield no return. If the capital is under capitalized, the business will not grow as per the expected level. The capital requirement depends upon the size of the business. Before four decades, the business are categorized into small, medium and large level. After 2006, the business is classified as micro, small and medium as the definition given by Micro, Small and Medium Enterprises Act. The businessmen raise the finance from banks and financial institutions. In order to boost industrial revolution, Government direct the banks and financial institutions to disburse loans and advances to the business through Reserve Bank of India. Many industrial corporations such as Industrial Development Bank of India, Industrial Finance Corporation of India, State Financial Corporation, District Industries Centre, etc provide variety of assistance to business men. Our honourable Prime Minister introduced many schemes such as Mudra Yojana, Prime Ministers Rozgar Yojana, Make India, Skill India, *etc* to revamp the business line among educated youth. Lease financing is better financing method for making capital investment decision. Venture capital is suitable for risky business projects. The business men have to search the sources of finance, compute the cost for such finance and estimate return from investment. In the changing scenario of finance world, apart from indigenous bankers, banks and financial institutions, the business may increase their finance from foreign sources also.

Figure 1: Different Sources of Finance



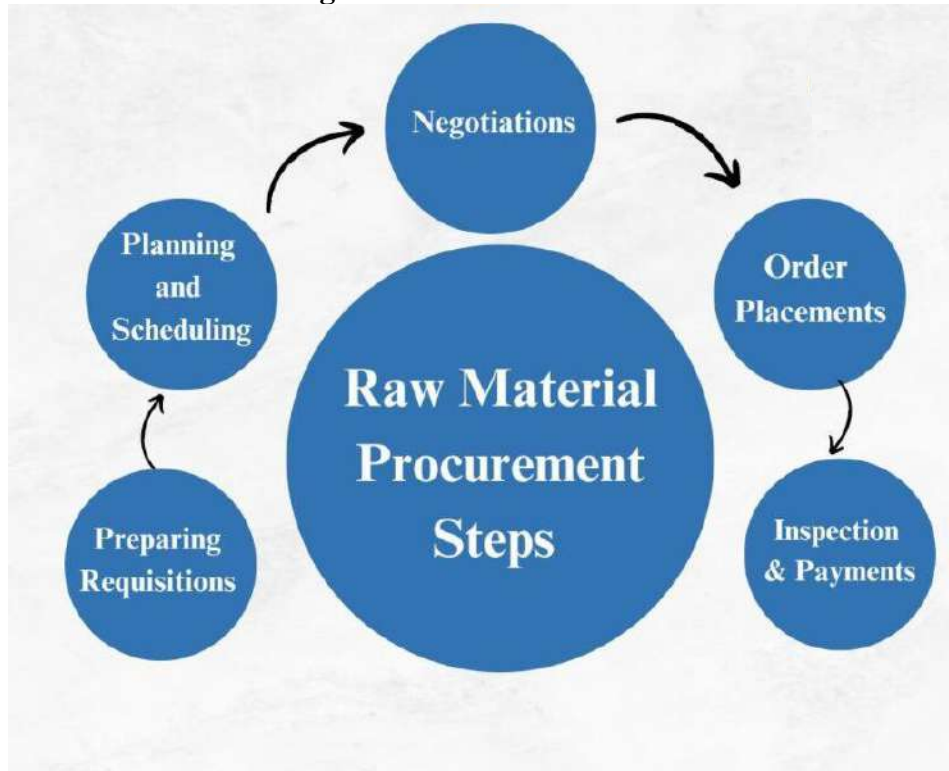
Source: <https://geeksforgEEKS.org>

Purchase of Raw Material

For production, raw material is an important component. The daily requirement of raw materials is estimated by the production manager and communicated to the purchase department. Daily consumption, monthly consumption and annual consumption have to be decided earlier. The Purchase department is in charge for purchase of materials. It is purchased by the businessmen from local, national and global areas. The purchase department has to obtain quotations and tenders for buying raw materials. Quality, Price, Proximity are the factors considered while purchasing the raw materials. Economic Ordering Quantity (EOQ) is calculated by the business units to order sufficient quantity raw materials at reduce the cost of ordering. The production units must estimate the raw material requirement properly. Apart from EOQ, they have to computer maximum level of inventory, minimum level of inventory, re order level and danger level of inventory. In case raw materials are purchased in excess position, the raw materials are kept as idle and it may become outdated one. If

raw materials are purchased in low quantities, it affect the production process. Government gave priority for micro business units for allocation of materials. The quality of output depends upon the quality of input. Qualified raw materials are to be purchased to give quality finished goods to the customers. The whole sale price, retail price and discount available should be given much importance. Some business units have partnership agreement with supplier of raw material to ensure uninterrupted supply. Some businesses procure the goods on cash basis while others procure the materials on credit basis. In case of credit purchase, Prompt payment of money to the suppliers helps the businessmen to have a smooth relationship with supplier. Some kind of raw materials are available in local or nearby regions. Some materials may be available in national or outside India. If necessary, the raw materials may be imported from foreign counties. Government allows the business units to procure materials from abroad for Special Economic Zone Units (SEZ) and Export Oriented Unit (EOU).

Figure 2: Procurement of Raw material



Storing of Raw Materials

The purchased raw materials are stored in the proper place in order to reduce wastage. Warehouses and godowns are used for storing materials. Some business units have own storage places while others have rented or leased storage places. Air conditioned storage houses are useful for storing perishable nature of commodities such as fruits, vegetables and flowers. Store keeper has to maintain a register for inward and outward movement of materials. Stores ledger is useful for issue of raw materials under First in First Out method, Last in First Out method, Average stock method, base stock method and weighted average method. Bin card is maintained by the storage keeper ensure the availability of materials in the storage houses. The expiry date of raw materials are compulsorily noted by the store keeper. In case the raw materials crossed the expiry date, they should be properly discarded and not used in production process. The burning nature of goods such as chemicals, fire works and crackers have to be maintained in the proper and safety warehouses. The storage houses are not

used for storing raw materials it is also used for storing finished goods upto sales period. It is essential to insure the goods which are stored at the godowns. In case any fire accident or disaster occurs, the claim amount may be obtained from insurance companies. The storage houses must be situated near the production units. If the storage house is situated in a long distance, it will take much time to reach production units. It is essential to store all the goods in a same storage house. If it is available in many storage houses, it is an extra work to check the materials position in each and every storage houses. The raw materials stored in the godowns are issued to the production units as per the requirement of production team. There is a direct link between purchase department, store keeper and production department. The store keeper has to maintain the stock levels and inform it to the purchase department often. It is the main duty of the store keeper to prevent the entry of outsiders inside the godown. Some companies adopt electronic safety measures such as thumb impression scanning, pass

code, bar code fixed in identity card and eye ball scanning for entry.

Transforming Materials into Production

The stored raw materials are transferred into production units for converting raw materials into finished goods. Before producing the products, it is essential to estimate the demand for the product. Demand forecasting techniques are applied to forecast the demand. The firm produces the products less than their demand; the consumers switch over to other products. Otherwise, it produce the products over than demand, finished goods kept in godown as unsold goods. The production technology used by the business units must be advanced to complete the production in a quick manner. Some units produced the goods in manual manner while others produced the goods in mechanical manner. For producing the goods, machineries are used by most of the business units. Manual productions are replaced by machinery production for uniform quality of production. Before five decades, local technology is used for production. Due to the impact of Liberalization, Globalization and Privatization (LPG), foreign technology entered into our nation. Imported technologies are used by many firms to improve their production standards. For that purpose, Indian business units have a collaboration with foreign firms. Production time is considered because some products are produced within an hour while some others taken long duration for production. At that time, semi produced goods belong to the category of Work in Progress. It is the position between raw material and finished goods. Human

resources are required for operating the machinery. Skilled and semi-skilled labourers are required by the production units to carry out the production process. Usage of child labour in the production process or engaging women in hazardous production work are prohibited as per Factories Act, 1948. Shift basis of work is adopted and working time of eight hours is fixed under legislation. Women are allowed only in morning shift. In case there is a heavy demand for products, overtime work may be given. Extra monetary benefits must be given for overtime work. Induction and training programmed are arranged for the labourers to handle machineries and learn about modern production process. Proper installation and fencing of machinery will reduce the accident level. Standard Operating Procedures (SOP) for operating the machinery will be posted near the location of machinery. The production capacity of the machinery and machine hour rate is considered while running the production units. The life time of the machinery, depreciation charged, servicing and replacement of machinery are the requisite factors maintenance of machinery. Predictive maintenance, preventive maintenance and breakdown maintenance are the three types of maintenance used for proper maintenance of machineries. Line production, batch production, continuous production and intermittent production are the different types of production methods used by the business firms. The business adopt any one of the production method as per the nature of the product produced by them.

Table 1: Production Technology Used by Indian Firms

Business Units	Technology	Percentage
Micro level business units	Manual production	20%
	Semi automatic production	67.5%
	Fully automatic production	12.5%
Small level business units	Manual production	32.5%
	Semi automatic production	51%
	Fully automatic production	16.5%
Medium level business units	Manual production	11.25%

	Semi automatic production	58%
	Fully automatic production	30.75%
Large level business units	Manual production	13.25%
	Semi automatic production	22%
	Fully automatic production	64.75%

Source: Production report of business units, India 2023

Packaging of Finished Products

Packaging helps to keep the products in a standard quality. Attractive packages attract the attention of the customers towards the product. The printed labels are fixed in the packages. In the printed labels, company details are printed in large size letters. Many companies use bright colours in packages. In olden days, papers are used to wrapping the products. Plastic tins, cans, glasses and card boards are used to hold the products. After that, product information is displayed in the packaging. Date of manufacturing the product, expiry date of the product, ingredients used in the product, weight of the product and nutritional value of the products are printed in the packaging. As a result of Environment Protection Act 1986, hazardous nature of packaging materials is disallowed and eco-friendly products are allowed for wrapping the products. If packaging is damaged, customers may refuse the products and ask for new product. If product information is not printed on the package, the consumers have a right to sue the case in the court. When the information given in the packaging is wrong and it is proved by the consumer, the business firm will face crucial consequences. Government advised the consumers to check the details of products printed on the package of the product.

Marketing the product

Marketing is the process of popularizing the product among the public, inducing them to buy it and ensure repeat purchase. In the traditional scenario, marketing is a combination of four Ps namely product, price, place and promotion. After that due to period evolution, three Ps are added. They are

people, process and physical evidence. In olden days, word of mouth is the best method under this the user of the product spread the information about the product to many people. After that advertisement play a significant role in marketing process. Printed advertisement such as circular, pamphlets, newspaper advertisement reach limited number of people. After the invention of television and cable channels, television advertisement reached more people. The usage of film stars, sports men and popular models in the advertisement is known as celebrity endorsement. Now a days, social media advertisements gained popularity among the people. Push advertisement and pull advertisement are used by social media to cover the people. Sales promotion activities are treated as marketing practices. Demonstration, contest, coupons, games and buy one get one free are the examples of sales promotion activities. Personal selling is the traditional method which is used by some traditional firms. Forward integration that is linking with customers is the base of marketing. The firms segment their markets on the basis of socio-economic profile (Age, gender, education, occupation, marital status, type of the family, size of the family, location, monthly income), culture, geography, etc. Branding is one of the marketing strategies followed by firms to create impression among the people. Popular logo, design, symbol, slogans, taglines fascinate the customers towards the goods. Either traditional marketing or modern marketing, it creates time utility, place utility and possession utility of the product. Market penetration and new market development are the continuous steps taken by the firms. Marketing helps

the firms for new product development, product modification, product elimination.

Selling

Selling is the process of transfer of goods and services from manufacturers/traders to customers at a fixed rate. The businessmen sold the goods either for cash or credit. In the initial period, they sold the products locally, district level, state level, national level and global level. It is not possible for the traders to go everywhere to sell the goods. Hence, they create channels of distribution. The manufacturers sold the goods directly to the customers which is known as zero level channel. The manufacturers sold the goods to wholesalers and wholesalers sold the goods to customers. This is known as one level channel. The manufacturers sold the goods to wholesalers and wholesalers sold the goods to retailers and retailers sold the goods to customers. This is known as two level channel. Chain stores, departmental stores and shopping complexes are the places where the goods are sold. Now a days, shopping complexes are built with many floors. All kinds of goods are sold in the malls. The offers, advertisement and display influence the buyers to visit again and again. The best examples are Saravana stores, D Mart and Reliance show room. In online platforms, Amazon, Flipkart and many other shopping sites displayed their products on kiosks. They disseminate the product details. If the products are desired by the customers, they ordered it. They have more options for payment such as Cash On Delivery (COD), NEFT, RTGS, debit and credit cards. The products and bill are delivered to the customers via courier services.

Earning Profit

Earning profit is the main aim of every business. Profit is considered as a yardstick for measuring the growth of the business. Profit maximization have some issues that is whether it is a accounting profit, operating profit, gross profit or net profit. After that, in addition to profit

maximization, wealth maximization is also taken as important by the business. Wealth maximization is nothing but increasing the value of the company in the minds of the customers. In order to increase profit, lots of strategies are adopted by business units. Among them, most significant one is cost control and cost cutting strategy. Cost control along with quality maintenance is essential one. Now a days, Corporate Social Responsibility (CSR) is adopted by many firms. Some percentage of profit is utilized for social improvement. Social audit is undertaken by TATA Company every year. It estimates the social benefits and social costs and compensates the social costs. This will improve the goodwill of the business.

Investment of Profit

Some business firms reinvest their profit into their own business which is called as ploughing back of profits. This denotes retained earnings in the business. After allocating all expenses, a significant portion is profit is reinvested. Many business men are interested in investing money in banks, insurance companies, post offices, etc. Now a days, their view point goes to stock exchanges. Online stock trading and online investment eliminate the third party brokers and investors directly engaged in buying and selling of shares. Via computer networks, they can easily know about the stock exchange details. Investment in gold, silver and precious metals and real estates are also considered as most significant investments. Return and growth of investments, liquidity and safety of investments are the determination factors considered by the investors.

DEVELOPMENTS IN THE PROCESS OF BUSINESS

The latest developments in the process of business in the evolving world are as follows:

Just In Time (JIT)

The just-in-time (JIT) inventory system is a management strategy that aligns raw-material orders from suppliers

directly with production schedules. Companies employ this inventory strategy to increase efficiency and decrease waste by receiving goods only as they need them for the production process, which reduces inventory costs.

Quick Response (QR)

Quick response is a method that enables retailers or manufacturers to share their inventory needs almost in real-time. For the retailers, quick response helps to communicate the need for goods on the shelves and to consumer demands. In the case of manufacturers, it helps in the assembly line. Quick response, in general, helps companies to boost their supply chain management efficiency. In addition, it reduces operational expenses.

Supply Chain Management (SCM)

Supply chain management (SCM) is the process of managing the flow of goods and services to and from a business, including every step involved in turning raw materials and components into final products and getting them to the ultimate customer. Effective SCM can help streamline a company's activities to eliminate waste, maximize customer value, and gain a competitive advantage in the marketplace.

Electronic Data Interchange (EDI)

Electronic Data Interchange (EDI) is the computer-to-computer exchange of business documents in a standard electronic format between business partners. By moving from a paper-based exchange of business document to one that is electronic, businesses enjoy major benefits such as reduced cost, increased processing speed, reduced errors and improved relationships with business partners.

Electronic Funds Transfer (EFT)

Electronic Fund Transfer (EFT) is used to move money from one account to another. The transaction is completed electronically, and the two accounts can be at the same financial institution or different financial institutions.

CONCLUSION

In India, business units focus on monitoring the changes in legal, social, economic, cultural and technical environment. The cyclical variation and seasonal fluctuation make the business flexible to divert their areas of operation. Business does not emphasis on exchanging of goods and services. It concentrate on social development by rendering proper quality of goods without adulteration, charging reasonable prices, adopting best marketing practices, paying reasonable wages/salaries, repayment of credit and development of the business. New technologies and inventions are aspired by the society. It is the prime duty of the business men to innovate new products by adopting latest developments in the world. This will keep the business in the mountainous height

Reference

- Aswathappa, K., Sudarsana Reddy, G., (2010). Strategic Management. Mumbai:Himalaya Publishing House.
- Francis Cherunilam, (2016). Business Environment. Mumbai: Himalaya Publications, 24 th Revised Edition.
- Francis Cherunilam. (2008). Business Environment Text & Cases. New Delhi:Himalaya Publishers.
- Gupta S.P., (2015). Elementary Statistical Methods. New Delhi: Sultan Chand Sons, 37th Revised Edition.
- Jothi Sivagnanam, K., & Srinivasan. R., (2010). Business Economics. New Delhi : S Chand Publishers
- Kapoor, N.D., (2016). Elements of Mercantile Law. New Delhi: Sultan Chand Publishing House
- Maheshwari. (2014). S.N., Financial Management Principles and Practice. New Delhi:Sultan Chand Publishing House, Fourteenth Edition.
- Om Trivedi. (2019). Enterprise Information System. Carvinowledge Press.

Chapter 3

ROLE AND PROSPECTS OF ETHICS IN MARKETING

S.P.Neehalika Bavya

Assistant Professor of Management, St.Mary's Centenary Degree College, Secunderabad,
Telangana

Abstract:

Ethical marketing refers to the practice of promoting products or services in a manner that is honest, transparent, and respects the principles of fairness, integrity, and social responsibility. It involves making ethical decisions throughout the entire marketing process, from the development of products to advertising and customer relationships. Ethical marketing is crucial for businesses to build trust, maintain credibility, and create long-term relationships with customers. It involves practicing honesty, transparency, and fairness in all marketing efforts. This approach not only benefits consumers but also contributes to the overall reputation and success of a company. Ethical marketing prioritizes the well-being of customers, respects their privacy, and ensures that advertising and promotional practices are truthful and do not manipulate or deceive. Ultimately, it's about doing the right thing, which not only aligns with moral principles but also makes good business sense in the long run. This paper majorly focuses on objectives, features and strategies of marketing ethics. And emphasizes ethical marketing role in the digital era and various challenges faced.

Keywords: Ethical marketing, marketing process, advertising, promotional practices, trust, credibility, customer relationships, well-being, customers, reputation, strategies, marketing ethics.

1.1. Introduction:

In today's digital landscape, ethical marketing has become a paramount concern for businesses aiming to strike the delicate balance between leveraging customer data and maintaining consumer trust. Marketers face both challenges and opportunities in upholding ethical practices

while navigating privacy concerns, managing consumer trust amidst data breaches, and promoting transparency in marketing strategies.

The digital era, which permeates almost every facet of our lives, has caused a fundamental shift in marketing. ROI and audience engagement still matter, but there's a new heavyweight contender in the ring: ethics. Information is abundant online, so consumers are savvier. They're making informed decisions and considering more than just the price and quality of a product. They're scrutinizing the company behind the product—its values, its practices and its environmental footprint.

1.2.Let's define what is meant by ethical marketing :

In layman's terms, it's simply about being decent and not tricking people into buying things they don't need. It's about being honest and transparent in your marketing efforts and avoiding deceptive or misleading claims. Ethical marketing is about being honest and transparent, avoiding deceptive claims, and treating customers with respect. In the digital age, accuracy and transparency in messaging, respecting consumer privacy, and promoting environmentally friendly products are key aspects of ethical marketing. By prioritizing ethics in your marketing efforts, you can build solid and value-driven relationships with customers and avoid being seen as a "jerk".

1.3.Main stay of Ethical Marketing

Over the years, I've worked with many high-end luxury brands for whom reputation is everything, and this has enabled me to pinpoint two crucial pillars of ethical digital marketing: transparency and cause-related marketing.

a. Transparency

Trust is an invaluable currency. It takes years to build, seconds to shatter and an eternity to repair. Thus, transparency and honest communication are not merely a choice; they're necessities.

For example, as counterintuitive as it may seem, admitting when you're not the best fit for a customer can spare you the fallout of negative reviews. Interestingly, customers tend to appreciate this kind of honesty, and it goes a long way in brand recall and reputation building.

b. Cause-Related Marketing

Today, many consumers want to associate with brands that have values and are making a positive impact. This signifies your commitment to something bigger than just profit, which fosters a deeper emotional connection with your audience.

1.4. Features of ethical marketing:

Ethical marketing involves promoting products and services while adhering to a set of moral principles and values. Key features of ethical marketing include:

1. **Transparency:** Providing clear and honest information about products and services, including their features, pricing, and potential drawbacks.
2. **Fairness:** Treating all customers and stakeholders fairly and avoiding discriminatory practices.
3. **Honesty:** Avoiding deceptive advertising or false claims about products or services.
4. **Sustainability:** Promoting environmentally friendly practices and sustainable products to minimize harm to the planet.
5. **Social Responsibility:** Contributing to the welfare of society by supporting causes or initiatives that benefit the community.
6. **Customer Privacy:** Respecting and protecting the privacy of customer data and using it responsibly.
7. **Accountability:** Taking responsibility for the impact of marketing activities on society, the environment, and consumers.
8. **Avoidance of Manipulation:** Avoiding psychological manipulation or coercion in marketing tactics.

9. **Ethical Sourcing:** Ensuring that products are sourced from suppliers who adhere to ethical labor and production practices.

10. **Compliance with Laws and Regulations:** Adhering to local and international laws and regulations related to marketing and advertising.

11. **Consumer Education:** Providing information that helps consumers make informed choices and decisions.

12. **Empowerment:** Empowering consumers to make choices that align with their values and interests.

Ethical marketing aims to build trust, enhance brand reputation, and create long-term relationships with customers by demonstrating a commitment to ethical principles and values.

1.5.Utilizing Customer Data Responsibly:

One of the critical challenges for marketers lies in utilizing customer data while respecting privacy boundaries. With increasing regulations, obtaining explicit consent and ensuring data security have become crucial challenges for marketing leaders. Brands must adopt transparent practices and clearly communicate their data collection methods, providing customers understanding of how their information will be used. Marketers can build trust and foster stronger relationships with their customers by offering opt-in choices and giving individuals control over their data.

Example: Patagonia, the well-known outdoor clothing brand, explicitly states their commitment to customer privacy on their website, clearly outlining their data practices and allowing users to opt out of data sharing. This transparency helps build trust and ensures customers feel empowered in their relationship with the brand.

1.5.1.Here are some strategic tips for effective cause-related marketing:

- **Choose a relevant cause:** Align with a cause that is relevant to your brand. The synergy between your business and the cause you support will make your

commitment more believable and impactful.

- **Engage authentically:** Your involvement should extend beyond mere financial contributions. Encourage employees to participate in cause-related activities and show your commitment in action.

- **Communicate consistently:** Communicate your involvement with the cause across all marketing channels. This includes your website, social media, email marketing and other promotional materials.

- **Be transparent:** Share regular updates about your contributions and the impact they're making. This shows that you're truly committed to the cause and reassures people that you're not merely using it as a marketing gimmick.

- **Involve your audience:** Encourage your audience to participate in the cause. This could be through donation matching, volunteer opportunities or awareness campaigns. Involved customers are more likely to feel a connection to your brand.

Remember, the key to effective cause-related marketing is authenticity. Businesses that use cause-related marketing merely as a marketing strategy, without a genuine commitment to the cause, may face backlash.

1.6. Combining Sustainability Into Ethical Strategies:

Sustainability is the buzzword of the decade. It's no longer just an environmental concern but something that's deeply intertwined with business ethics. By aligning your digital marketing strategy with sustainable practices, you're not only appealing to the growing demographic of eco-conscious consumers but also forging a path to long-term success.

1.7. Key steps to guide this integration:

Step-1: Understand Your Audience's Values:

A solid understanding of your audience's values is pivotal. Conduct research to gauge their stance on sustainability and ethical matters. This data will help you align your marketing messages with what matters most to them.

Step-2: Develop A Sustainability Policy:

Create a comprehensive policy that outlines your commitment to sustainable practices. Make this policy readily available to the public to promote trust and accountability.

Step-3: Promote Sustainable Products And Services:

If your company offers environmentally friendly products or services, emphasize these in your marketing efforts. Explain how they contribute to sustainability and why this is important.

Step-4: Encourage Sustainable Actions:

Use your platform to encourage your audience to make sustainable choices. This could include sharing tips on recycling, reducing energy use or supporting other sustainable businesses.

Step-5: Practice Transparency:

Be transparent about your company's efforts toward sustainability and ethics. Regularly report on your progress and any challenges you face. Honesty about your journey can foster trust and earn respect from your audience.

1.8. Partner With Other Ethical And Sustainable Businesses:

Consider collaborations or partnerships with businesses that share your commitment to sustainable and ethical practices. This can amplify your efforts and reach.

Remember, genuine commitment and consistent action are the keys to successfully integrating sustainability and ethics into your digital marketing strategy. It's not about jumping on a trend but making real changes that benefit your business, your customers and the world.

1.9. How to avoid Unethical Marketing:

Following are some of the ways to be exercised to avoid unethical marketing:

- 1. Accuracy and Transparency:** How can you ensure that your marketing efforts are ethical and not jerk-like? Well, first and foremost, prioritize accuracy and transparency in your messaging. Research and verify the information before making claims, and be clear about any biases or

conflicts of interest. And for the love of all that is good, please don't make false claims about curing diseases or turning your hair from brown to blonde in one wash.

2.Privacy: Another critical aspect of ethical marketing is respecting consumer privacy. In the digital age, data is king, but it's also a sensitive topic. Make sure you're transparent about the data you collect, why, and how you will use it. Give consumers control over their data, and avoid being creepy with tracking.

3.Respect: R-E-S-P-E-C-T, we'll tell you what it means- Right. You get it. In addition to respecting consumer privacy, ethical marketing also means treating your customers with respect and empathy. Avoid manipulative or exploitative marketing tactics, and focus on creating positive, value-driven customer relationships. And for goodness sake, don't scare them into buying your product.

4.Sustainability: Lastly, promoting good products and services for both consumers and the environment is crucial in ethical marketing. Avoid products that are harmful to the environment or that exploit workers or other vulnerable populations. Use sustainable production methods, and be transparent about the environmental impact of your products.

2.0. Ethical Challenges In Today's Marketing

Here are some of the common ethical challenges marketers face:

1.Misleading Advertising:

This involves exaggerating product capabilities or hiding possible side effects, which can damage consumer trust. Always provide clear, accurate and honest information. A long-term customer relationship built on trust is much more valuable than a short-term sales boost.

2.Data Privacy And Security:

With more data being collected about customers, misusing this data can result in breaches of privacy. Only collect the data you need. Inform consumers about the data you collect and ensure stringent data

protection measures. Transparency is pivotal.

3.Influencer Partnerships:

Consumers may be misled if influencers promote products they don't truly believe in or fail to disclose paid partnerships. Make sure influencers are authentic and disclose paid partnerships.

4.Diversity And Representation:

There's been historic underrepresentation and misrepresentation of certain groups in advertising. Make sure your marketing is inclusive and diverse and that it reflects the real world and avoids stereotypes.

2.1.Implications of ethical marketing

Ethical marketing has several implications for businesses, consumers, and society as a whole:

1. **Trust and Reputation Building:** Ethical marketing practices help build trust and a positive reputation for businesses. When consumers believe that a company is committed to ethical principles, they are more likely to trust the brand and become loyal customers.
2. **Consumer Confidence:** Ethical marketing can boost consumer confidence. When customers know that a company is honest, transparent, and socially responsible, they feel more confident in their purchasing decisions.
3. **Competitive Advantage:** Businesses that engage in ethical marketing can gain a competitive edge. Ethical practices can differentiate a company from its competitors and attract socially conscious consumers.
4. **Long-Term Customer Relationships:** Ethical marketing fosters long-term relationships with customers. When companies consistently deliver on their ethical promises, customers are more likely to remain loyal and make repeat purchases.
5. **Risk Mitigation:** Ethical marketing helps businesses mitigate legal and reputational risks. By adhering to ethical principles and complying with laws and regulations, companies can avoid legal troubles and negative publicity.

6. **Positive Impact on Society:** Ethical marketing practices contribute to a more responsible and sustainable society. Companies that support ethical causes or engage in socially responsible activities can have a positive impact on the communities they serve.
7. **Environmental Sustainability:** Ethical marketing encourages environmentally sustainable practices. Companies that promote eco-friendly products and practices can help reduce the environmental impact of their operations.
8. **Employee Morale:** Ethical marketing can boost employee morale. When employees work for a company that aligns with their ethical values, they are more engaged and motivated.
9. **Consumer Education:** Ethical marketing educates consumers about important issues and encourages them to make more informed choices. It can raise awareness about ethical, social, and environmental concerns.
10. **Regulatory Compliance:** Adhering to ethical marketing principles can help companies stay in compliance with marketing and advertising regulations, reducing the risk of legal consequences.
11. **Cost Savings:** Ethical marketing can lead to cost savings by encouraging more sustainable and efficient business practices. Overall, ethical marketing has a positive impact on businesses, consumers, and society by fostering trust, responsible behavior, and a more sustainable and socially conscious marketplace.

Conclusion

Ethics are the beating heart of modern digital marketing. As consumers grow increasingly conscious of corporate responsibility, aligning marketing strategies with ethical and sustainable practices isn't just commendable, it's crucial. Businesses that embrace honesty, transparency and respect for their audience will undoubtedly lead the future of digital marketing. Ethical marketing in the digital age necessitates careful consideration of privacy, trust, and consumer

empowerment. Marketing leaders must navigate the challenges of utilizing customer data responsibly, managing trust in the wake of data breaches, and promoting transparency. By adopting transparent practices, prioritizing data security, and providing accurate information, marketers can build trust, strengthen customer relationships, and thrive in an era where ethical considerations are paramount. Brands like Patagonia showcase how companies can integrate ethical practices into their marketing strategies, while privacy laws such as the GDPR, PIPEDA, and CCPA provide a regulatory framework for protecting consumer data and privacy.

References:

- An integrated model for ethical decisions in marketing research. Naresh K. Malhotra & Gina L. Miller (1998) - Journal of Business Ethics 17 (3):263-280.
- Johannes Brinkmann - (2002) - Business and marketing ethics as professional ethics. Concepts, approaches and typologies. Journal of Business Ethics 41 (1-2):159 - 177.
- Epistemological Structures in Marketing. Donald P. Robin - 1991 - Business Ethics Quarterly 1 (2):185-200.
- Explicating Ethical Corporate Marketing. Insights from the BP Deepwater Horizon Catastrophe: The Ethical Brand that Exploded and then Imploded. [REVIEW] John M. T. Balmer, Shaun M. Powell & Stephen A. Greyser - 2011 - Journal of Business Ethics 102 (1):1-14.
- Hofstede, G. (2011). Dimensionalizing Cultures: The Hofstede Model in Context. Online Readings in Psychology and Culture, 2(1), 8.
- Howard, A. (2010). A new global ethic. Journal of Management Development, 29(5), 506–517.
- Iyer, G. R. (2001). International exchanges as the basis for conceptualizing ethics in international business. Journal of Business Ethics, 31(1), 3–24.
- Keating, M., Martin, G. S., Resick, C. J., & Dickson, M. W. (2007). A comparative study of the endorsement of ethical

- leadership in Ireland and the United States. *Irish Journal of Management*, 28(1), 5–30.
- Kwok, L., Bhagat, R. S., Buchan, N. R., Erez, M., & Gibson, C. B. (2005). Culture and international business: Recent advances and their implications for future research. *Journal of International Business Studies*, 36(4), 357–378.
 - Leonidou, L. C., Barnes, B. R., Spyropoulou, S., & Katsikeas, C. S. (2010). Assessing the contribution of leading mainstream marketing journals to the international marketing discipline. *International Marketing Review*, 27(5), 491–518.
 - McKinney, J., & Moore, C. (2008). International bribery: Does a written code of ethics make a difference in perceptions of business professionals. *Journal Of Business Ethics*, 79(1/2), 103–111.
 - Mayo, M., and L. Marks (1990). An empirical investigation of a general theory of marketing ethics. *Journal of the Academy of Marketing Science* 18 (2): 163—71.
 - McCarthy, Jerome (1960). *Basic marketing: A managerial approach*. Homewood, IL: Richard D. Irwin.
 - Murphy, Patrick (1999). Character and virtue ethics in international marketing: An agenda for managers, researchers and educators. *Journal of Business Ethics* 18 (1): 107—24.
 - Murphy, Patrick, Gene Laczniak, Norman Bowie, and Thomas Klein (2005). *Ethical marketing*. Upper Saddle River, NJ: Prentice Hall.
 - *Reconnecting Marketing to Markets*. Luis Araujo, John Finch & Hans Kjellberg (2010) - Oxford University Press.
 - Rawwas, M., Arjoon, S., & Sidani, Y. (2013). An introduction of epistemology to business ethics: A study of marketing middle-managers. *Journal of Business Ethics*, 117(3), 525–539.
 - Schlegelmilch, B., & Öberseder, M. (2010). Half a century of marketing ethics: Shifting perspectives and emerging trends. *Journal of Business Ethics*, 93(1), 1–19.
 - Singhapakdi, A., Gopinath, M., Marta, J., & Carter, L. (2008). Antecedents and consequences of perceived importance of ethics in marketing situations: A study of Thai businesspeople. *Journal of Business Ethics*, 81(4), 887–904.
 - Soares, A., Farhangmehr, M., & Shoham, A. (2007). Hofstede's dimensions of culture in international marketing studies. *Journal of Business Research*, 60(3), 277–284.
 - The marketing challenge: Towards being profitable and socially responsible. [REVIEW] Russell Abratt & Diane Sacks - (1988)- *Journal of Business Ethics* 7 (7):497 - 507.
 - Vitell, S. J., & Hidalgo, E. (2006). The impact of corporate ethical values and enforcement of ethical codes on the perceived importance of ethics in business: A comparison of U.S. and Spanish managers. *Journal of Business Ethics*, 64(1), 31–43.
 - Yücel, R., Elibol, H., & Dagdelen, O. (2009). Globalization and international marketing ethics problems. *International Research Journal of Finance & Economics*, 26, 93–104.

Chapter 4

A STUDY ON CONSUMER BEHAVIOR IN SERVICE INDUSTRIES

THEORETICAL OVERVIEW

Dr.M.Niyasahamed

Assistant Professor, PG & Research Department of Commerce,
Khadir Mohideen College, Adirampattinam, Tamil Nadu

Dr.A.Fayasahamed

Assistant Professor, PG & Research Department of Commerce,
Khadir Mohideen College, Adirampattinam, Tamil Nadu

Abstract

“Behaviour can be viewed as a process of responding to stimuli” According to Webster and wind “Buying” is defined as “The decision-Making process by which formal organizations establish the need for purchased products and services, and identify, evaluate and choose among alternative brands and suppliers.

Thus, every individual’s behavior is unique and conditioned by his/her own environment and other psychological factors. Inspire of this diversity in individuals behavior there does exist certain common behavioural pattern.

In this paper the researcher proposes to present a vivid picture of the buyer behavior with reference to decision process and the various factors, influencing the behavior of consumers. Consumer behavior encompasses the study of the processes that consumers undergo when they make purchase decisions, and the field includes a growing numbers of concepts, models and theories that are of increasing interest to the researchers.

Keywords: Decision making products and services, individual Behaviour, Service industry.

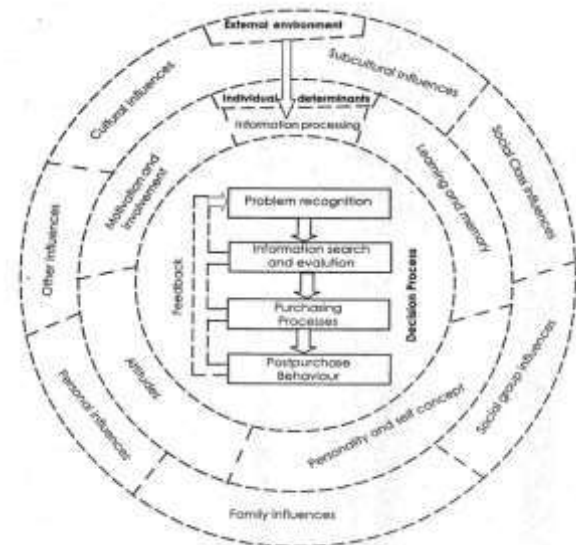
Introduction

Problematic appreciation results when a consumer identifies a difference of insufficient magnitude between what is perceived as the desired state of affairs and the actual state of affairs sufficient to arouse and activate the decision process. Consumers must become aware of the problem or need through processing of information arising internally or externally

then they become motivated thus, the process of problem recognition means that the consumer becomes aroused and activated to engage in some purposeful purchase decision activity. Thus motivation to arouse a particular problem, however, depends on two factors; the magnitude of the discrepancy between the desired and actual status, and the importance of the problem.

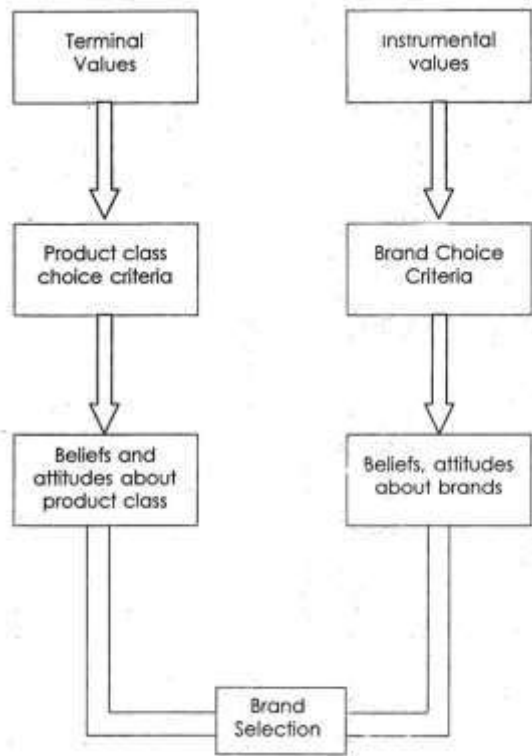
Expectancy of the problem can affect such facts as the sources of information used in the decision process as well as the number of alternatives considered. Thus importance of the problem will be a significant factor influencing decisions within each category of problem recognition.

Fig.1. a Simple Model of consumer decision making



Source: London/Della/Betta “Consumer Behaviour”

Fig.2: Diagram depicting the brand selection of durables



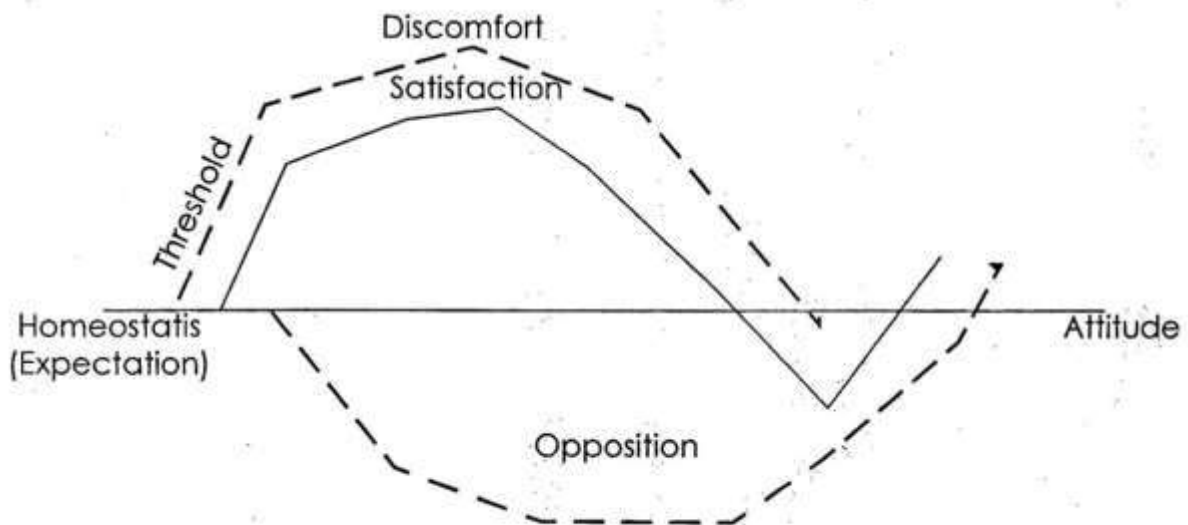
Source: Leon G.Shiffman, “Consumer Behaviour)”

Furthermore, two or more people shopping together were almost twice as likely to buy more than planned than if they had shopped alone. Shopping groups tend to cover more territory in the store

than individuals shopping alone and thus had more opportunity and to make unplanned purchases.

A special type of shopping group is the “in-home shopping group”, which typically consists of a group of women rather gather in the home of a friend to attend a “Party” devoted to the marketing of a specific line of products. Early purchasers tend to create a bandwagon effect in that undecided guests often overcome a reluctance to buy when they see their friends make positive purchase decision.

Fig.3. shopping experience



Source: Richard L. Satisfaction Process in retail setting “*Journal of Retailing*” 57: 31.

Factors influencing the behavior of the consumer

a. Culture

According to Edward T.Hall, “Culture is not an exotic notion studied by a select group of anthropologists in the “South seas”. It is a mound in which we are all cast, and it controls our daily lives in many unsuspected ways. Culture is a complex whole that includes knowledge, belief, art, morals, law, custom and any other capabilities and habits acquired by man as a member of society¹. The distinctive way of life of a group of people, their complete design for living².

Culture is defined as the sum total of learned beliefs, values and customs which serve to regulate the consumer behavior of members of a particular society. Belief and value refer to the accumulated feelings and priorities that individuals have about “Things”. Both beliefs and values are mental images that affect a wide range of specific attitudes which in turn influence the way a person is likely to respond in a specific situation. Some of the characterization of culture is invisible, it satisfies human needs, and culture is learned.

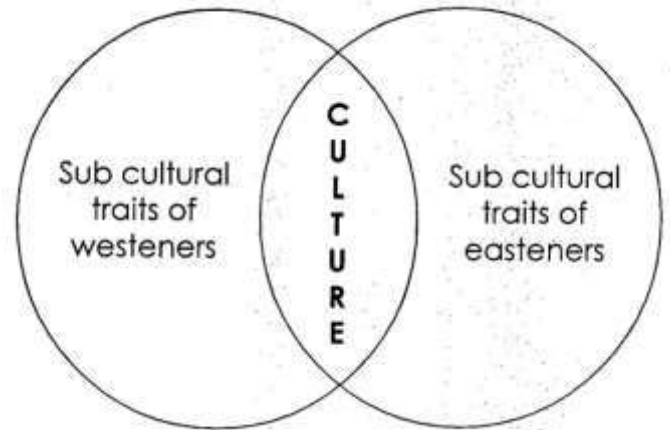
Basically, it is the symbolic nature of human language that sets it apart from all other animal communication. A symbol is anything that stands for something else.

b. Sub culture

A “Subculture” can be thought of as a distinct cultural group which exists as an identifiable segment within a larger,

more complex society¹. The members of a specific subculture tend to possess beliefs, values, and customs that set them apart from other members of the same society. In addition, they adhere to most of the dominant cultural beliefs, values, and behavioural pattern of the overall society.

Fig.4: Relationship between culture and subculture

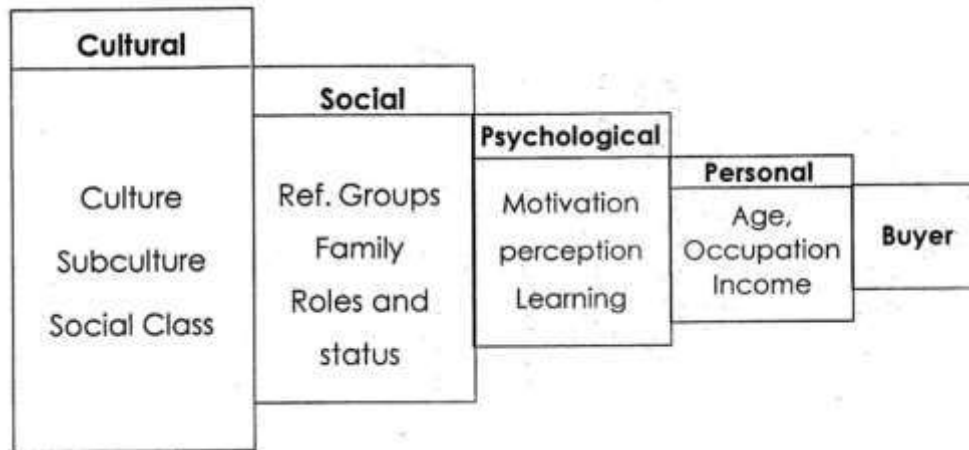


Source: Leon G.Shiffman, “Consumer Behavior” 1988, India; Prentice-Hall, P.513.

Religious Subcultures

The major protestant denomination, Roman Catholicism and Judaism are the principal religious faiths. The members of all these religious, groups are at times likely to make purchase decisions, that are influenced by their religious identity. Consumer behavior is most directly affected by religion in terms of products and services.

Fig.5: Detailed model of factors influencing behavior



Source: Leon G.Shiffman, “Consumer Behaviour”

Geographic or regional subcultures

There are also geographic differences in the consumption of consumer durables. Fashion, taste and preferences also seem to have a regional identity. Indeed, two major cities in the same stage may have quite different fashion orientations such regional differences tend to dispel the myth sometimes held that consumers represent on a big mass market, and re-inforce the need for market segmentation for a variety of goods and services.

Age subculture

Each stage of the life cycle,(bachelor hood, honey mooners, parent hood, and dissolution) could be considered separate sub culture since important shifts occur in the demand for specific types of products and services.

Consumer products and sex roles

Within every society, it is quite common to find products that are either exclusively or strongly associated with the members of one sex. Despite the fact that the line between “Male only” and “female only” products have become blurred in recent years. Research indicates that male and female tend to impute a sex, or gender to products.

The career women

In this study the researcher recognizes that working wives are on the increase and in the growing market

segment whose needs differ from those of the women who do not have a career. It is their career that makes them to go for certain decisions, pertaining to situations at home and at office.

Sub cultural analysis enables marketers to segment their markets to meet the specific needs, motivations, perceptions and attitudes that are shared by members of a specific subcultural group. Thus sub culture influence the consumer’s overall purchase decisions.

Consumers are often influenced by advice they receive from other people especially in choosing products to be bought and services to be utilized. Today 80 percent of all buying decisions are influenced by someone’s direct recommendations¹. In this section the researcher seeks to describe the influence of friends, neighbours, acquaintances, co-workers and others having an influence in the individuals consumption behavior. The researcher examines the nature and dynamics of this influence, called the “opinion leadership” process and the personality and motivation of those who influence and those who are influence. This influence is informal and verbal, but it may be supported by observing the actions of others.

Opinion leaders

These leaders are highly credible sources of product related information because they are usually perceived as natural concerning the information or advise they dispense. Consumers are

especially likely to not negative information and generally avoid products, or brands receiving negative evaluations. In this way negative comments about a product or service tend to focus consumer attention on a selected few brands that receive positive commentary from others.

An opinion leader may also be influenced by an opinion receiver as the result of a product related conversation. In addition to self influence, the opinion leader may also be influenced by product involvement and message involvement². So, they use their product – related conversations as an expression of friendship, neighbourliness, love and care for each other.

Researchers identify opinion leaders by the self-designated method, the key-information method, the sociometric method and the objective method.

Social factors

“Brooks Atkinson” said, “Every man with an idea has atleast two or three followers”. A group may be defined as two or more people who interact to accomplish either individual or mutual goals. Social groups are more remote and serve a different function for the individual. A person joins a social group to fulfill such specific goals as making new friends, meeting important people etc.

Reference Groups

A persons reference group consists of all the groups that have a direct (face-to-face) or indirect influence on the person’s attitude or behavior. Some are primary groups with which there is fairly continuous interaction such as family, friends, neighbours and co-workers. Secondary groups tend to be more formal and there is less continuous interaction, which include religious, professional and trade union groups.

Family

The family is a major influence in the consumer behavior process. As the basic group to which an individual belongs the family provides early childhood learning about products and product

categories, provides the opportunity for product exposure and repetition, and sets the consumption norms for family members. As a major consumption unit, the family is a prime target for most products and product categories.

Family members constitute the most influential primary reference groups shaping a buyer’s Behaviour. A more direct influence on everyday buying behavior is one’s family of procreation, namely one’s spouse and children. The family is the most important consumer buying organization in society, and it has been researched extensively¹.

Husband –wife involvement varies widely by product category. The wife has traditionally acted as the family’s main purchasing agent, especially for food, sundries and staple clothing items. This is changing with the increased number of working wives and the husbands doing more family shopping; in case of expensive products and services, husbands and wives engage in more joint decision, or the wife may be, or they may have equal influence.

Roles and status

A person participate in many groups thorough out life-family, clubs, organizations. A role consists of the activities that a person is expected to perform according to the persons around him or her. Each role carries a status reflecting the general esteem according to it by society. The role of supreme court justice carries more status than the role of branch manager; and the role of branch manager carries more status than the role of office clerk. People often choose products to communicate their role and status in society.

Personal factors

A buyer’s decisions are also influenced by his or her personal characteristics notably the buyers age, and life cycle stage, occupation, economic circumstances, life style, personality and self-concept.

Age and life cycle stage

People change the goods and services they buy over their life time. people's tastes towards clothes, furniture and recreation is also age related. Consumption is also shaped by the stage of the family life cycle.

Occupation

A person's consumption pattern is also influenced by his/her occupation. Product choice is greatly affected by one's economic circumstances.

Personality and self-concept

Each person has a distinct personality that will influence his/her buying behavior. By personality, we mean the persons distinguishing psychological characteristics that lead to relatively consistent and enduring responses to his/her environment.

Personality is usually described in terms of such traits as self-confidence, dominance, autonomy, defence, defensiveness and adaptability¹.

Conclusion

A person's buying choices are also influenced by four major psychological factors-motivation, perception, learning and beliefs and attitudes.

A motive is a need that is sufficiently pressing to drive the person to act satisfying the need reduces the tension. "Perception" can be defined as the process by which an individual reacts, organizes and interprets information, to create a meaningful picture of the world¹.

People can emerge with different perceptions of the stimulus object because of three perceptual processes selective attention, selective distortion, and selective retention.

People are exposed to tremendous amount of daily stimuli, and are more likely to notice stimuli that relate to a current need, and people are more likely to notice stimuli that they anticipate.

Selective distortion describes the tendency of people to twist information into personal meanings. People interpret information in a way that will support rather than challenge their perception.

People will forget much what they learn. They will tend to retain information that supports their attitudes and beliefs for chosen alternatives.

Describes changes in an individual's behavior arising from experience most human behavior is learned.

Reference:

1. Maurice I. Mandell, Larry J.Rosenburg, Prentice Hall of India, Pvt.Ltd., New Delhi, P.174.
2. Frederick E. Webster, "Buying Behaviour", Englewood Cliffs, New Jersey: Prentice Hall, 1972, P.2.
3. Philip Kotler, "Marketing Management", Prentice Hall of India, New Delhi, P.208.
4. Norman R.F. Maier, "Psychology in Industry", Third Ed., Oxford & IBH Publishing Co., 1965, P.22.
5. William D. Wells and Arthur D.Beard, "Personality and Consumer Behaviour", Englewood Cliffs, (New Jersey: Prentice-Hall, 1973)
6. Ressel Colley, "Defining Advertising Roles for Measured Advertising Results" (New York, 1961).
7. James F.Engle and Roger D.Blackwell, "Consumer Behaviour" 4th edn., Dryden Press, New york, 1982, P.300.
8. Del. I. Hawkins, "Consumer Behaviour", Business Publication Inc., Dolls, 1980, P. 382.

Chapter 5

A STUDY ON THE IMPACT OF MISLEADING ADVERTISEMENTS IN SOCIAL MEDIA

Dr.E.Nirmala

Assistant Professor, Dr.MGR Janaki College of Arts and Science for Women, Chennai,
Tamil Nadu

ABSTRACT

Misleading advertising represents a significant concern within India's dynamic marketing landscape. It encompasses the dissemination of deceptive or false information through various promotional channels, aiming to influence consumer behaviour or perceptions. This practice not only undermines the credibility of brands but also considers the trust between businesses and consumers. This study investigates the pervasive impact of misleading advertisements within the realm of social media, delving into the multifaceted consequences on consumer behaviour and trust. The study emphasizes the pressing need for regulatory interventions and heightened consumer awareness initiatives to foster transparency and safeguard consumers in the evolving landscape of social media advertising.

Keywords: Misleading advertising, Social media, Consumers

INTRODUCTION

In India, misleading advertising presents ethical, legal, and social challenges, impacting consumer choices and market dynamics. Understanding the prevalence and implications of misleading advertising is crucial for fostering transparency, protecting consumer interests, and upholding ethical standards in the realm of marketing and consumer communication. False advertising, a pervasive issue in the realm of marketing, denotes the dissemination of misleading or inaccurate information in promotional materials, campaigns, or communication channels. This deceptive practice aims to sway consumer perceptions, influence purchase decisions, or create an unfair advantage for products or services in the marketplace

(Anderson,2014). False advertising can manifest through exaggerated claims, misrepresented product benefits, manipulated visuals, or incomplete information, ultimately breaching the trust between consumers and advertisers. This unethical tactic not only impacts consumer choices but also undermines the credibility of brands, leading to potential legal consequences and destroyed reputations. Addressing the complexities and implications of false advertising is crucial in safeguarding consumer interests, promoting fair competition, and upholding ethical standards within the advertising industry (Guess,2019).

REVIEW OF LITERATURE

The evolution of advertising as a marketing tool has been based on the principles of truthfulness and accuracy (Hankinson, 2007). Researchers have studied advertising as a function of marketing by a business (Doborji, 2013). Advertisements are meant to pass long information and ensure that consumers know what is being sold. This role of advertising, however, is changing. Numerous media exist through which advertisements can be scattered (Davis et al. 2013).

According to the study of Evans (2015) entitled the importance of trust for personalized online advertisements, personalization depth and breadth define a targeting banner's advertisement personalization. Moreover, according to the article entitled impact of misleading advertisement: Issues and remedies (Allcott,2017). There are several types of misleading advertisement like scare techniques it relies on manipulation to encourage ascertain response or behaviour from the users. (Muela,2014).

OBJECTIVES OF THE STUDY

1. To review and assess the concept of misleading advertising.
2. To study the impact of misleading advertisements in social media.
3. To provide suggestions to consumers relating to misleading advertisements

METHODOLOGY OF THE STUDY

The study is descriptive in nature.

SOCIAL MEDIA ADVERTISEMENT

Social media advertising has revolutionized marketing, offering businesses unparalleled opportunities to connect directly with their target audiences. Through platforms like Facebook, Instagram, Twitter, and more, companies can precisely target specific demographics, engage in two-way communication, and foster brand loyalty. With cost-effective options, detailed analytics, diverse ad formats, and the potential for content virality, social media advertising has become an indispensable tool for enhancing brand visibility, driving engagement, and achieving tangible business results in today's digital landscape.

Social media advertisement refers to the strategic use of various social platforms to promote products, services, or content to specific target audiences. It involves creating and delivering tailored marketing messages through platforms like Facebook, Instagram, Twitter, LinkedIn, and others. These ads can take the form of images, videos, carousels, influencer collaborations, or sponsored content, strategically placed within users' feeds or timelines. The unique aspect of social media advertising lies in its ability to leverage user data and preferences, allowing businesses to precisely target their intended audience based on demographics, interests, behaviours, and more. This form of advertising facilitates engagement, interaction, and feedback; offering brands an avenue for direct communication with consumers while providing detailed analytics to optimize

campaigns for better performance and impact.

In the domain of social media advertisement, key players include platforms like Facebook, renowned for its vast user base and diverse ad formats, Instagram, known for visual storytelling and influencer collaborations, Twitter, prized for real-time engagement and concise messaging, LinkedIn, valued for professional networking and B2B marketing, and emerging platforms like TikTok, gaining popularity for its engaging short-form video content, all offering businesses unique opportunities to reach specific audiences and drive impactful advertising campaigns.

BENEFITS OF SOCIAL MEDIA ADVERTISEMENT

Social media advertisement offers a multitude of benefits for businesses looking to expand their reach, engage with audiences, and drive conversions:

Targeted Reach: Precise targeting options enable businesses to reach specific demographics, ensuring ads are seen by those most likely to be interested in the product or service.

Enhanced Engagement: Interactive features allow for direct communication with audiences, fostering engagement through likes, comments, shares, and direct messages, building relationships and brand loyalty.

Cost-Effectiveness: Compared to traditional advertising channels, social media often offers more cost-effective solutions, with flexible budgets and options tailored to different financial capacities.

Analytics and Insights: Detailed analytics provide valuable data on ad performance, audience engagement, demographics, and more, aiding in refining strategies for better results.

Brand Awareness: With the potential for content to go viral, social media enables rapid brand visibility among a broader audience, boosting brand awareness and recognition.

Diverse Ad Formats: Platforms offer various ad formats (videos, images, stories, etc.) suited to different campaign objectives, providing flexibility and creativity in advertising strategies.

Real-Time Feedback: Immediate responses and feedback from audiences offer valuable insights, allowing businesses to adapt quickly and optimize campaigns based on audience preferences and responses.

Mobile Accessibility: As most users access social media via mobile devices, advertisements reach audiences wherever they are, ensuring higher accessibility and potential engagement.

Community Building: Social media platforms allow businesses to build communities around their brands, fostering discussions, sharing user-generated content, and creating a sense of belonging among followers.

These benefits collectively empower businesses to establish a strong online presence, connect with their target audiences, drive conversions, and ultimately, achieve business growth and success.

MISLEADING ADVERTISEMENTS

Misleading advertisements have a potent influence within the sphere of social media, impacting users and businesses in profound ways. Social platforms, serving as channels for communication and commerce, have become upbringing grounds for deceptive marketing practices. Firstly, the pervasive nature of social media increases the reach and impact of misleading advertisements. With a vast user base and complex targeting algorithms, deceptive content can quickly reach a wide audience, increasing its potential to influence consumer perceptions and behaviours.

The interactive and dynamic nature of social media shapes the lines between genuine content and advertising. Native advertising seamlessly integrated into users' feeds often mimics authentic user-generated content (Pennycook,G,2020).

This fusion can unclear the distinction between what is an objective endorsement or information and what is a paid promotional tactic, making it challenging for users to discriminate the authenticity of the message they are exposed to.

Furthermore, the immediacy and rapid spreading of information on social platforms impair the spread of misleading advertisements. Viral content, even if misleading or inaccurate, can rapidly gain traction, reaching millions before corrections or clarifications surface. This speed enlarges the potential harm caused by deceptive marketing, magnifying its impact on consumer trust and perceptions.

Social media's data-driven nature enables precise targeting based on user preferences, behaviours, and demographics. While this can enhance advertising relevance, it also opens avenues for tailored unreliable practices (Sahni,2016). Advertisers can micro-target vulnerable or susceptible demographics, strengthening the impact of misleading content on those more likely to fall target to such tactics, further highlighting the ethical dilemma associated with these practices.

Regulation in the realm of social media advertising presents a significant challenge. The dynamic and global nature of these platforms complicates the enforcement of rigorous advertising standards. Despite efforts by platforms to curtail misleading content, loopholes often persist, allowing deceptive advertisers to avoid policies or exploit algorithmic vulnerabilities.

In conclusion, the impact of misleading advertisements in social media invades the fabric of online interactions, affecting users' trust, perceptions, and decision-making processes. The inherent characteristics of social platforms, such as their expansive reach, blending of advertising with authentic content, rapid dissemination, precise targeting, and regulatory complexities, collectively contribute to the creation and influence of

misleading advertisements. Addressing these challenges necessitates a concerted effort by platforms, advertisers, regulators, and users alike to uphold ethical standards, promote transparency, and safeguard the integrity of information disseminated through social media channels.

IMPACT OF MISLEADING ADVERTISEMENTS IN SOCIAL MEDIA

Misleading advertisements in the realm of social media wield a significant impact, affecting both users and the digital landscape at large. One of the profound consequences lies in the erosion of user trust. Social media users engage with platforms under the assumption of authenticity and genuineness in the content they encounter (Zhu, 2015). However, misleading advertisements disrupt this trust, confusing the lines between organic and sponsored content, leading to caution among users regarding the credibility of information shared on these platforms.

Financial implications also weigh heavily on consumers. Deceptive marketing appeals users into purchasing products or services based on misrepresented claims or exaggerated promises. When reality fails to meet these expectations, consumers not only incur financial losses but also experience disappointment and dissatisfaction. This breach of trust impacts their future interactions with advertised products or services, potentially tarnishing brand loyalty and advocacy.

The pervasive nature of social media amplifies the reach and impact of misleading advertisements. Viral content, regardless of its accuracy, can rapidly flourish across networks, reaching a vast audience before any corrections or clarifications emerge. This phenomenon highlights the potential harm of deceptive marketing, undermining the collective trust in online content and disseminating misinformation on a larger scale.

Moreover, the targeted nature of social media advertising worsens the impact of misleading content. Algorithms enable

advertisers to pinpoint specific demographics, tailoring deceptive messages to vulnerable or susceptible groups. This precise targeting magnifies the influence of misleading advertisements on those more likely to fall victim to such tactics, heightening the ethical concerns associated with these practices.

The regulatory challenges surrounding misleading advertisements in social media compound these issues. The dynamic and global nature of social platforms presents hurdles in enforcing inflexible advertising standards. Despite platform policies aimed at shortening deceptive content, loopholes persist, allowing manipulative advertisers to exploit vulnerabilities and evade detection.

In essence, the creation of misleading advertisements in social media engenders a climate of distrust, financial vulnerability, and misinformation. Addressing these challenges necessitates collaborative efforts from platforms, advertisers, regulators, and users to uphold ethical standards, foster transparency, and reinforce the accuracy of information disseminated through social media channels. Initiatives focused on enhancing user education, stricter enforcement of advertising policies, and technological innovations to detect and mitigate unreliable practices are crucial steps toward mitigating the adverse impacts of misleading advertisements on social media.

REGULATIONS GOVERNING MISLEADING ADVERTISEMENT

Regulations governing misleading advertising aim to ensure truthfulness and transparency in marketing communications. These regulations vary across countries but commonly involve laws prohibiting false or deceptive claims, mandating the substantiation of advertising claims, and requiring clear and conspicuous disclosures. Regulatory bodies such as the Federal Trade Commission (FTC) in the United States, Advertising Standards Authority (ASA) in

the United Kingdom, and similar entities globally monitor and enforce these regulations, imposing penalties or corrective actions on advertisers found guilty of deceptive practices, thereby safeguarding consumer interests and promoting fair competition in the marketplace.

Regulations governing misleading advertisements are typically enforced by authorities like the Advertising Standards Council of India (ASCI) and governed by statutes such as the Consumer Protection Act, 2019. These regulations aim to limit deceptive practices in advertising, prohibiting false claims, misleading statements, or exaggerations that could potentially mislead or deceive consumers. Advertisers are required to ensure accuracy, validate claims, and adhere to ethical standards, failing which could lead to penalties, warnings, or the withdrawal of the misleading advertisement. The regulatory framework emphasizes consumer protection and upholding the integrity of advertising content to maintain transparency and trust in the market.

CONCLUSION

The prevalence of misleading advertisements on social media has emerged as a concerning issue, influencing consumer behaviours and perceptions. This study underscores the detrimental effects of deceptive content, highlighting its potential to erode trust between consumers and brands, thereby destroying brand reputation and diminishing consumer confidence. The far-reaching implications of such misleading practices necessitate inflexible regulatory measures and enhanced consumer awareness campaigns. As social media continues to evolve as a dominant platform for advertising, addressing these misleading tactics becomes imperative to safeguard consumer interests and foster a more transparent and trustworthy online environment.

REFERENCES:

- [1] Allcott, A. and M. Gentzkow (2017), "Social Media and Fake News in the 2016 Election", *Journal of Economic Perspectives*, 31(2), 211-236.
- [2] Anderson, E. T., and D.I. Simester (2014), "Reviews without a Purchase: Low Ratings, Loyal Customers, and Deception", *Journal of Marketing Research*, 51(3), 249–269.
- [3] Doborji, P.K. and Hamed, A.Q. (2016) The Role of Advertisements in Protection of Consumer's Right of Choice. *Journal of Politics and Law*, Vol. 9, No. 8, pp.65–72.
- [4] Evans, D. (2010) *Social media marketing: An hour a day*. John Wiley & Sons.
- [5] Guess, A., J. Nagler, and J. Tucker (2019), "Less than you think: Prevalence and predictors of fake news dissemination on Facebook", *Science Advances*, 5(1):4586.
- [6] Hankinson, G. (2007) The management of destination brands: Five guiding principles based on recent developments in corporate branding theory. *Journal of Brand Management*, Vol. 14, No. 3, pp.240–254.
- [7] Pennycook, G., A. Bear, E. T. Collins and D. G. Rand (2020), "The Implied Truth Effect: Attaching Warnings to a Subset of Fake News Headlines Increases Perceived Accuracy of Headlines Without Warnings", *Management Science*, in press.
- [8] Muela C. Communication and body image. In: Sanchez M., Jiménez M., Carrillo Y.M.V., editors. *Misleading Advertising in Food Product*. Pearson, Spain: 2014. pp. 149–164.
- [9] Sahni, N. and H. Nair (2016), "Native Advertising, Sponsorship Disclosure and Consumer Deception: Evidence from Mobile Search-Ad Experiments", *Marketing Science*, forthcoming.
- [10] Zhu, Y. and A. Duke (2015), "Selective Reporting of Factual Content by Commercial Media", *Journal of Marketing Research*, 52, 56-76.

Chapter 6 **EMERGING ISSUES IN MARKETING – ORGANIC PRODUCTS**

Dr. C. Sankar

Research supervisor, Vivekanandha College of Arts & Science for Women,
Ellayapalayam, Tamil Nadu

J. Aruna

Research Scholar, Vivekanandha College of Arts & Science for Women Ellayapalayam,
Tamil Nadu

Abstract:

Organic farming is a growing industry, but it faces some challenges in marketing its products. According to the Food and Agriculture Organization of the United Nations (FAO), organic agriculture is one mode of production that aims at utilizing natural resources in a sustainable way. Hence, it is consistent with FAO's objectives of working towards conservation and sustainable utilization of natural resources. However, there are some challenges that the organic industry faces in marketing its products. Some of these challenges include the higher cost of organic food, the expensive process in the form of intensive management and labor used in organic production, consumer changing perception on health benefits of organic food, inadequate government support, lack of awareness of consumers and producers, shortage of bio-mass, and inefficient marketing and distribution. The study examines how further expansion and satisfying these and other demands can. For the majority of producers, using mainstream distribution channels will be challenging and necessitate a combination of private and governmental backing.

Keywords: *organic, standards, certification, consumer.*

1.1 INTRODUCTION

As most operators in the organic food sector know, market demand for organic products has expanded rapidly over the past decade. According to the International Trade Centre, world-wide sales of organic products exceeded US\$10 billion in 1997, with the European Union, the United States and Japan as the main markets. Other industrialised countries have also

experienced market growth, for example in Eastern Europe and in Australia and New Zealand. Similarly, in some developing countries, for example, China, Egypt and Brazil, India domestic markets for organic foods are beginning to emerge. In major markets, sales of organic foods are estimated to account on average for between one and two percent of total food sales. Although this may seem low, the growth rate over the last ten years has been impressive. In the United States, alone, a survey released by the Organic Trade Association estimates that sales of organic foods have grown at over twenty percent annually since the mid-1980s. In France, it is estimated that the retail turnover of organic products has increased by fifty percent over the past three years. Although the currently high growth rate is unlikely to be maintained in the long run, (as generally happens for any product segment when it becomes "mature"), medium-term prospects are that demand will likely continue to grow at a high pace. Furthermore, in most major organic markets, demand for organic products far outstrips domestic supply, and therefore imports are required to fill the gap. In the United Kingdom, for example, where strong market growth is driving imports of organic foods, it is estimated that in 1998 seventy percent of organic foods were imported. Opportunities exist in both developed and developing countries for meeting this gap between demand and supply. A major issue confronting producer, particularly those in developing countries, is meeting the demanding quality and safety standards of the major markets

1.2 Market Opportunities for Organic Products

Under conditions of excess demand for organic products, there should be good markets for production from both developed and developing countries. For example, the Dominican Republic and Mexico have become the world's leading exporters of fresh organic bananas, accounting for some 75 percent of world supply. Argentina has become a significant exporter of organic products gaining access to the List of Third Countries that can market their products in the European Union without additional inspection as defined by Article 11 of Regulation EEC/2092/91.

In Uganda, many farmers grow organic cotton for the export market, using far fewer imported inputs or chemicals than conventional cotton production, thus increasing their revenues, which in turn can be spent on increased food consumption, education and other basic needs. Many developing countries have a potential comparative advantage in meeting demand for many organic foods in major markets. First, due to climatic constraints, some products cannot be grown profitably in the cooler, mostly industrialised, countries as exemplified by tropical fruits and off-season fruits and vegetables. Second, in a number of developing countries, traditional production systems may be more attuned to the production of organic foods than the more intensive input production systems usually found in developed countries.

As there are traditional systems that do not use agro-chemicals and do maintain soil fertility in sustainable ways, conversion to organic agriculture may be easier, and require less investment than for farmers in countries with highly intensive agriculture. Finally, the fact that organic farming tends to be labour intensive may give a comparative advantage to developing countries where labour costs are relatively lower than in developed countries. Nevertheless, as producers and traders are very much aware, there are significant

constraints to the profitable production, processing and marketing of organic products. Achieving and maintaining the critical quality requirements of the major markets is a significant constraint.

This indeed proves highly problematic for many developing countries in tropical regions where adverse climate can render storage and transport of perishable organic foods difficult and costly. Inadequate cool storage in food chains have long limited the exports of many fruits and vegetables from these countries. These difficulties may become even more felt in the long run, as the price premium for organic products is not likely to remain at the currently high level when supply rises and catches up with demand. Prices could be expected to decline under such conditions.

1.3 Organic farming methods and the environment

Some consumers associate environmental and ethical values with organic farming. As regards the impact of organic farming on the environment and the natural resource base, it is often claimed that the process leads to a greater protection of the environment and a more sustainable usage of natural resources, such as the maintenance of soil structure and fertility, water resources, biodiversity, etc. I do not propose to discuss these very complex issues here but just to underline that FAO, in supporting organic agriculture, does also deal in many ways with conventional farming systems and methods. FAO advocates in particular the use of integrated plant-nutrition systems and integrated pest management which make maximal use of the natural regulation of pest populations within and between farmers' fields and the surrounding ecosystem, use pesticides only as a last resort and in minimal amounts, and combine mineral with organic fertilisers as far as possible. Where used appropriately, and in accordance with the local conditions of the natural resource base, these systems have proved to enhance productivity

1.4 Building Consumer Confidence - Monitoring and Verification of Standards

Establishing standards is only the first step in building consumer confidence. Shoppers demand guarantees that the organic products they buy are actually produced in compliance with both process and product standards. Consequently, reliable systems of monitoring and verification for certifying the organic nature of the products are necessary. Presently many developing countries lack a certification system or, when it exists, the importing countries sometimes do not recognise their system. As a result, producers and exporters frequently have to pay for inspection services by foreign certification bodies, which entails high costs. It is therefore not surprising that representatives of poor farmers often mention the cost of certification as the greatest deterrent to the adoption of organic agriculture. Clearly, there is a need for establishing reliable, effective and low-cost national certification systems, based on appropriate regulation

1.5 Challenges in marketing organic products in India

In India, more than 80% farmers are holding less than two acres of land (Agriculture Census, 2011), which comes under small and marginal categories. Jouzi et al. (2017) studied small-scale organic farmers and found that certification and market issues are major challenges for them. Kirsten and Sartorius (2002) studied about developing linkages between agribusiness and small-scale farmers in developing countries and suggested that contract farming for small-scale farmers can provide an opportunity to participate in the market. Hazell and Diao (2005) highlighted that in the developing countries, small-scale farmers face unfair competition from the farmers of the developed countries in both the export and domestic markets. Jari and Fraser (2009) highlighted that most of the small farmers usually sold their products in the informal markets; therefore, the government can

provide support to the small farmers through technical innovations and investments in infrastructural facilities such as improved roads, telecommunications, and marketplaces. The following are faced by the farmers to market organic based products

➤ **Lack of warehousing facilities**

Warehousing and storage facilities are one of the key challenges faced by the farmers. During the harvest seasons, the supply of agricultural produce in the market tends to be very high; hence, the market price of such commodity is significantly lesser in the non-seasonal period. Therefore, farmers who do not wish to sell their crops owing to the low price in the market during harvest seasons are left with no choice. The nonavailability of warehousing and storage facilities for the farmers compels them to sell their crops to the middlemen at a very unreasonable rate

➤ **Lack of price information** The prices of agricultural commodities are very unstable in the Indian market. During the focus discussion, we found that majority of the farmers were either illiterate or just had primary education. These farmers are almost detached from the urban or semiurban areas and are far off from the mainstream information system. Therefore, these farmers tend to be dependent on the middlemen for price-related information. Hence, the lack of price information was found to be another major problem among the farmers

➤ **Inadequate demand for crops** The different types of crops have their respective harvest seasons. During the harvest season, the supply of particular produce in the market tends to be significantly higher. The perceived notions among the farmers highlight that the surplus supply of their produce during the harvest seasons in the market results in less demand of their produce, which is another challenge for the farmers. Hence, middlemen offer unreasonable prices for their crops.

- **Costly transportation** During the focus group discussion, farmers unanimously brought transportation problems as one of the major challenges. Farmers need transportation facilities not only for supplying their produce to the main market but also for buying seeds and fertilizers for cultivation. Most of the farmers do not have their own conveyance for transporting the agricultural produce. Further, owing to the lack of connectivity between rural and urban areas, the means of transportation has become more expensive. Hence; both the organic and conventional farmers consider the rise in transportation cost and inappropriate supply chain as one of the major issues
- **Market price variations of agricultural produce** The price variations in agricultural produce were described as volatile by farmers. The reasons behind the variations are differences in the annual crop yield, irregular crop seasons, middlemen's role in price determination, irregularities in the supply and demand, etc. During the harvest seasons, the price of agricultural produce is found to be lower than other seasons, as most of the farmers do not have the accessibility of warehousing facilities for the farmers to sell their harvest immediately, which leads to a sudden upsurge in supply thus resulting in lower demand.
- **Lack of government support** Farmers intensely consider that there is a lack of government support with regard to the marketing of their produce. During the discussion, both the organic and conventional farmers highlighted that they do not have control over the price of their crops. Predominantly, the price of their produce is decided by the group of large middlemen. However, the government intervenes to ensure that there is no sharp fall in the market price of the crops through the Minimum Support Price, but this scheme does not cover many crops such as vegetables and fruits.

1.6 Suggestions for marketing organic products:

Implementation of organic farming policy in a phased manner. Compact area group approach in organic farming. Strengthen soil and ensure water conservation measures. Promote a mixed farming approach for livelihood security Conserve and improve agro – biodiversity and undomesticated biodiversity. Launch a state wide intensive campaign on organic farming. Ensure farm input for organic farming. Ensure availability of quality organic manure to the farmers. Capacity building for farmers, implementing officers, agencies. Develop model sustainable organic farms in the state. Ensure and improved the health and wellbeing of the tribal.

Establish producer companies promote by organic farmers. Establish storage and transportation facilities. Promote farm level processing, value addition. Develop diverse channels for marketing of organic produce. Develop a simple certification process in the state for all organic farmers. Provide financial incentives for promoting organic farming. Encourage the use of renewable energy sources. Introduce organic farming in education institutions. Reorient research, education and extension Phase out chemical pesticides and fertilizer from the farming sector. Integrate the programmes and activities of various departments. Organizational set-up for promotion of organic

Organic farming.

- Providing quality food to the population.
- Encouraging growing of organic foods.
- Encouraging more growers to go organic.
- Encouraging less use of chemical in agriculture

Marketing Strategy

- Interpersonal contacts are important, also to get feedback on products. Work with grassroots (association, community club, schools) for farm visits.
- Use interest of mass media to publish on new and trendy issues. • Base marketing strategy on knowledge of culture and habits of consumers.

- Use logo for communicating the product and the company.
- Focus on both local and export market (export market as money generator for local market development)

Marketing Promotion

- Be pro-active with certification (expensive, but essential to build consumer trust)
- Good packaging with clear (corporate) identity and labelling.
- Use the media (TV, Radio, Newspaper, etc) for publicity of organic food quality.
- Collaboration with other in organic sector for generic promotion activities.

Organic marketing

- Often a high price policy is desirable because a high price is closely associated with the image of the product and an indicator of quality.
- Price of the organic product about 20-30% higher than conventional products may increase the demand.
- As supply expands and consumers become more price conscious, education become the key to expanding the consumer base
- This requires a communication to present organic food as a value for money alternative, even with a premium.

Cooperative Marketing

- Group marketing by producer co-operatives is a mean of co-ordinating supply and overcoming problems of fragmentation and discontinuity of supply.
- By co-operation, producers are not only able to endure adequate and reliable supply, but also offer greater variety and strengthen their bargaining position.
- This is particularly important when supplying to the supermarkets. Forward Contracting
- To increase supply, producers need to be confident about long term future of the market. Forward contracting between producer and processor/ Industry is a way to do this.
- It demonstrates commitment and provides a secure market for the producer. Local and Regional Initiatives

- The local distribution schemes include local shop, farm shop food co-operative, with their strong commitment to direct marketing should be encouraged to promote a regional marketing network.

1.7 Conclusion:

The growing health consciousness among the consumer and increasing awareness about organic food has led numerous opportunities for organic producers. Along with opportunities, there also arise challenges; thus, the main purpose of this study is to explore the marketing challenges faced by the organic and conventional farmers in India. The study also aims to examine the differential association of the marketing challenges on various farm sizes. The sample comprised 400 Indian farmers including both conventional and organic producers. A sequential form of mixed-method design, that is, qualitative–quantitative, was applied. In the first phase, an exploratory study was convened to find out the marketing challenges among organic and conventional farmers. In the second (quantitative) phase, binomial and multinomial logistics regression was applied to ascertain the differential impact of the marketing challenges on the type of farming and different farm sizes. The results of the qualitative analysis revealed six major marketing challenges faced by the farmers, namely, lack of warehousing facility, lack of price information, inadequate demand for crop, costly transportation, market price variations, and lack of government support. The results suggest there are significant differences in the marketing challenges faced by the conventional and organic farmers across farm sizes. This study is among the few to examine the marketing challenges of organic and conventional farmers in a developing country such as India. The findings will help different stakeholders to frame policies and build strategies to promote organic farming, which will lead to sustainable and responsible consumption in India.

Bibliography:

- [1] Blowfield, Mick. 2000. Fundamentals of Ethical Trading. In D. Giovannucci (Ed.), *The Guide to Developing Agricultural Markets and Agro-enterprises*. Washington D.C.: The World Bank.
- [2] Giovannucci, Daniele. 2002. Who Shall We Blame? The Politics of Coffee. *Tea and Coffee Trade Journal* 174 (1).
- [3] Youssefi, Minou, H, Willer. 2002. *Organic Agriculture Worldwide 2002 Statistics and Future Prospects*. Bad Dürkheim, Germany
- [4] Yadav R., Pathak G.S 2016 Intention to purchase organic food among young consumers: Evidences from a developing nation. *Appetite*. 2016;**96**:122–128.
- [5] Tent H. Research on food safety in the 21st century. *Food Control*. 1999;**10**:239–241.
- [6] Groening C., Sarkis J., Zhu Q. Green marketing consumer-level theory review: A compendium of applied theories and further research directions. *J. Clean. Prod.* 2018
- [7] Reardon, Thomas and Julio Berdegue. September 2002. *The Rapid Rise of Supermarkets in Latin America: Challenges and Opportunities for Development*. Development Policy Review

Chapter 7

SOCIAL MEDIA MARKETING FOR BUSINESS

J.Nagasudha

Assistant Professor of Information Technology, VHNSN College (Autonomous),
Virudhunagar, Tamil Nadu

R.Maheswari

Assistant Professor of Commerce CA (SF), VHNSN College (Autonomous), Virudhunagar,
Tamil Nadu

Abstract: *The world of Marketing has undergone unimaginable changes in the last century. The level of transformation marketing practices, tools and techniques have undergone, is beyond one's wildest imagination. A market, in a traditional economy, was only confined to a physical place with many limitations of place, time and utility. The era of globalization has ensured that the world market is shrunk to the size of human palm as all the markets are accessible with the touch of our fingertips. Social Media, today, is among the 'best opportunities available' to a brand for connecting with prospective consumers. Social media is the medium to socialize. These new media win the trust of consumers by connecting with them at a deeper level. Social media marketing is the new mantra for several brands since early last year. Marketers are taking note of many different social media opportunities and beginning to implement new social initiatives at a higher rate than ever before. Social media marketing and the businesses that utilize it have become more sophisticated. One cannot afford to have no presence on the social channels if the competitor is making waves with its products and services. The explosion of social media phenomenon is as mind boggling as that and the pace at which it is growing is maddening. Global companies have recognized social media marketing as a potential marketing platform, utilized them with innovations to power their advertising campaign with social media marketing. This paper discusses about the concepts of social media marketing and other aspects like the foundations of social media marketing, its strategies and some*

tips for successful social media marketing. It also presents an overview on social media marketing statistics.

INTRODUCTION:

The foundation for sharing, studying, debating and discussing is communication and interacting. They have been an integral component of our lives, of our culture, since ancient times. The content and means of communication, however, have not stayed unchanged. They began with Pigeon's post, went on to postal letters, then to mobile, and now to social media and smartphones. Interestingly, social media not only affects the way people interact, but also the way people interact. Social media is becoming an important part of our lives today. Our day begins with our social media accounts being reviewed and updated and ends on a similar note. In today's day and age, industry is dominated by consumers and their demands. Prior to buying a product, people like to see referrals, feedback of Google search results, or a website. It is important to learn what people think about us to stand by the flow. In order to connect and influence the masses, businessmen need to actively participate in relevant communities and need to communicate with social media to manage their online reputation. In order to reach a broader consumer base and grow your business, social media marketing is a must. The task of driving website traffic through social media sites is Social Media Marketing. India has 574 million active Internet users as of 2019. India is the second-largest online market, behind China. It was estimated that by December 2020 there will be around 639 million active internet

users in India. The majority of India's internet users are mobile phone internet users. The overall data traffic in India increased by 47% in 2019 driven by continued 4G consumption. 4G constituted 96% of the total data traffic consumed across the country while 3G data traffic registered its highest-ever decline of 30%.

WHAT IS SOCIAL MEDIA MARKETING?

Social media marketing (also known as digital marketing and e-marketing) is the use of social media—the platforms on which users build social networks and share information—to build a company's brand, increase sales, and drive website traffic. In addition to providing companies with a way to engage with existing customers and reach new ones, SMM has purpose-built data analytics that allows marketers to track the success of their efforts and identify even more ways to engage. Within 18 years, from 2004 (when MySpace became the first social media site to reach one million users) to 2022, the dramatic growth of interactive digital channels took social media to levels that challenge even the reach of television and radio. At the start of 2023, there were 4.76 billion social media users globally—over 59% of the world's population.

With over 80% of consumers reporting that social media—especially influencer content—significantly impacts buying decisions, marketers across industries are driving the evolution of social media marketing (SMM) from a stand-alone tool to a multipronged source of marketing intelligence on an increasingly important—and growing—audience.

FOUNDATIONS OF SOCIAL MEDIA MARKETING:

Social media marketing is vital for brands to do business effectively. According to Data Reportal, over 75% of customers use social media to research products. To be most effective, irrespective of the types of social media

marketing, it is necessary to understand its foundations:

1. Analytics

Quality social media marketing campaigns depend on analytics to track and collect data. This information is vital for:

- Understanding user behavior
- Refining your content strategy
- Choosing the platforms that work for your brand
- Picking the best times to post

With this information, you can be sure of what works for you and what doesn't. This helps you make your social media marketing more efficient. Analytics also informs your future campaigns and helps determine their success.

2. Strategy

A well-defined social media strategy is vital for an effective social media presence. Without a proper strategy, it will be very difficult to achieve your marketing goals, and you will struggle to get through to your target audience.

A content strategy involves getting the right content to the right people at the right time. It enables you to achieve your business goals by helping you:

- Create interesting content
- Drive engagement
- Boost conversions

A proper social media strategy needs to have well-defined, measurable goals. This will help you determine whether or not your strategy is working.

3. Listening and Engagement

Audience engagement and listening are necessary to understand how your business is performing on social media and identify the changes you need to make. They help you understand exactly what your customers and potential customers think about you by analyzing their social media conversations. They also help you in:

- Identifying new trends
- Identifying new income sources
- Gaining industry insights

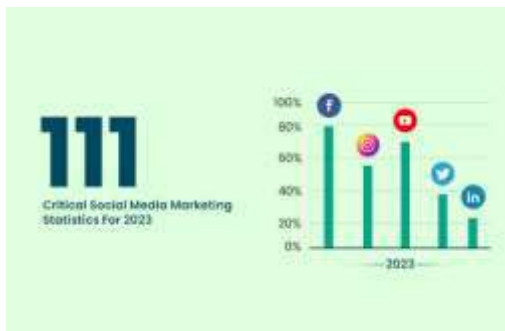
4. Advertising

Advertising on social media can help you greatly expand your audience. In

fact, according to Oberlo, in 2022, there were 4.59 billion daily active social media users globally. Clearly, social media offers businesses a large base of potential customers to reach.

Some of the ways you can advertise on social media include:

- Boosted content: By paying the social media channel, you can greatly increase the reach of your content
- Targeted ads: Target users on the platform with ads based on demographics, behaviors, interests, etc



Over the years, it has grown to be an epicenter of a range of digital marketing activities. Brands have shifted their focus from mainstream marketing to improving their promotional strategies for social media. Here's why- it's easily accessible for all and has great selling potential. This number isn't expected to stay stagnant, though, with forecasts predicting a compound annual growth rate (CAGR) of 26.2% from 2023 to 2030. The increasing global adoption of 5G technology. Social media platforms will need to continuously evolve to meet the demands of this blistering rate of growth, which means marketers, will need to adapt and evolve their strategies to keep up.

Figure 1 : Statistics of Social Media Marketing

- Since 2012, social media platforms have recorded an annual growth rate of around 12%.
- As of October 2022, approximately 4.74 billion

- Retargeting: Target users who have interacted with ads or made purchases in your previous campaigns

5. Planning and Publishing

While social media is exceptionally powerful as a marketing tool, you need to have a plan for your efforts to reap any benefit.

Here are some things you should do when planning social media content:

- Understand your audience
- Plan quality content
- Define your brand

SOCIAL MEDIA MARKETING STATISTICS 2023 :

people were using social media platform.

- More than 93% of regular users of the internet use popular social media platform every month.
- Social media platforms have been reported to grow at 4.2%, at a rate of six new users per second on average.
- Recent data reveals that people aged between 20 and 29 are the biggest social media users, making up 32.2% of the global user base.
- 72% of the US population uses social media platform.

The Top Social Media Channels:

We are going to see top two social media channels statistics

Facebook Statistics

- Facebook users spend 58 minutes per day on average.
- Recent data suggests that the platform experienced a 3% growth in web traffic from one year to another.

- Facebook stands third in terms of popularity, closely following Instagram and WhatsApp. It recorded 11.2 billion visits on the whole, an average of 31 min online time for every visit, and 1.5 billion unique visitors.
- The average internet user in the US spends 35 minutes daily on the platform.
- Only 1.7% of visitors check their Facebook accounts through a desktop Activity.
- Video ads have been shown to perform better than other formats on Facebook.
- Stories on Facebook are used by a whopping 300 million daily users.
- In 2022, Facebook will continue to be the most widely used social media platform in Australia.
- 31% of US users say they get news updates regularly from Facebook.
- The average reach rate for Facebook is 8.60%.
- Facebook Groups are used by 1.8 billion people every month and also has tens of millions of active communities.

Instagram

- Instagram is currently the 4th most popular social networking site, having recorded 2 billion active users.
- Reel ads on the platform reach 758.5 million users, as per data published in October, 2022.
- Brunei is the country that recently recorded the highest Instagram audience reach with 89 percent.
- Instagram ads reached 1.2 billion people, which translates to 20% of the world's population over age 13.
- 58% of the people using Instagram say they've clicked through to a brand website after coming across their stories.
- According to a survey of active Instagram users, 91% reported

watching videos on Instagram weekly.

- 18 to 34-year-olds comprise the biggest group among the Instagram audience.
- Love and Instagood are the most popular hashtags on Instagram, with more than 1.835 billion and 1.150 billion posts to their credit.

SOCIAL MEDIA MARKETING STRATEGY:

A successful social media marketing strategy will look different for every business, but here are the things they will all have in common:

- **Knowledge of your audience:** What platforms they use, when they go on them and why, what content they like, who else they're following, and more.
- **Brand identity:** What is the message you want to convey to your audience? How do you want them to feel when viewing your content?
- **Content strategy:** While there is a level of spontaneity on social, you'll need a structured content strategy to be able to have a consistent voice and produce quality content regularly.
- **Analytics:** Quantifiable insights will inform your strategy, including who you're reaching, the right content to share, the best times to post, and more.
- **Regular activity:** Social media is a real-time platform. If you want to use it to grow your business, you need to post regularly, stay on top of engagements with your business, engage back, keep up with trends, and maintain accurate profiles.
- **Inbound approach:** Don't use social media to pitch your business. Focus on adding value through useful and interesting content and building up those around you. This, in turn, will organically promote

your business and others will promote it for you.

SOCIAL MEDIA MARKETING TIPS :

There are 5 simple tips to up our social media and successfully market your brand.

Create a Strategy

Each platform needs its strategy. Every platform is different in some way and it is important to understand what works best to create targeted content and generate engagement.

Some questions to consider are:

- ✚ Why am I using this platform?
- ✚ Who is my target audience?
- ✚ What brand message am I trying to push?
- ✚ What content works best on this platform?
- ✚ How can I make my content unique?

Be Consistent

While posting consistency depends on the platform, posting content regularly is always a good rule of thumb to follow. Also tying into a social media strategy, creating a content calendar for each platform is another way to keep things on track. This calendar will lay out what kind of content to post over a long period.

Regardless of your business size and what platform you are using, be conscious of keeping these aspects consistent:

- Brand image
- Brand message
- Posting frequency
- Hashtags

Create Engaging & Interesting Content

With social media feeds and timelines being saturated by millions of people, it is important to stand out from the crowd by creating good content.

Newsworthiness

Anything that is considered newsworthy is a good idea to generate content around. The pillars of newsworthiness are timeliness, proximity,

conflict and controversy, human interest, and relevance.

Media

- ✚ Static images should have a clear visual and not include a lot of words (that is what the caption is for).
- ✚ Using gifs or videos is excellent – the movement attracts the audience’s attention and is more interesting to look at than just an image.
- ✚ Include your staff! It is a great way for your audience to get to know the faces behind the brand.

Storytelling

Use storytelling as a way to engage the audience and develop a brand voice.

It is a creative way to convey your message without seeming like you are trying to sell a product.

Trends

Current digital and societal trends are important to stay relevant, but always make sure that it aligns with your brand.

Engagement

Engaging with your followers is important in building a community and feeling more personable. Ways to do this include:

- ✚ Liking and responding to comments
- ✚ Live streaming
- ✚ Creating polls and quizzes
- ✚ Post content that starts

Track and Analyze Metrics

Diving deep into social media analytics is one of the most important steps to do when building your brand online. Thankfully, most social media apps already track your metrics, as long as it is a business account. With the data and statistics, you can effectively analyze your strategy and continue to drive performance.

CONCLUSION:

In the world with over 70% of internet users’ active on social networks, who spend at least one hour a day on

average on those social networks, we have to conclude that social networks have become a sort of reality in which people communicate, interact, and obviously trust. We also have to be aware that over 60% of those users access social networks via mobile devices, with strong indicators that this percent will only increase in the future years.

In such world, we have to admit that social networks are a new dimension of reality that has become a part of the business world as well. Over 90% marketers report they are or will be using social networks for business, while over 60% of them claim to have acquired new customers over social networks.

REFERENCES:

- 1.Ravi B. and Sujaya kumar S. (2021), Social Media Marketing – A conceptual study, IJRAR February, Volume 8, Issue , E-ISSN 2348-1269, P- ISSN 2349-5138
2. Jamil, K., Dunnan, L., Gul, R. F., Shehzad, M.U., Gillani, S. H. M., and Awan, F.H. (2022). Role of Social Media Marketing Activities in Influencing Customer Intentions: A Perspective of a New Emerging Era. *Front. Psychol.* 12:808525.
3. <https://www.wordstream.com/social-media-marketing>
4. <https://www.investopedia.com/terms/s/social-media-marketing-smm.asp>

Chapter 8 SWIGGY'S INNOVATIVE MARKETING STRATEGIES

Dr. Deepa Shridhar

Assistant Professor & HOD, Department of BBA, Retail Management, Guru Nanak College, Chennai, Tamil Nadu

ABSTRACT

A marketing strategy is a business's overall game plan for reaching the consumers and making them become their customers of their company's products or services. This paper deals with the case study analysis of one of the food delivering company's application. Recently, Swiggy was in the news for its innovative marketing strategies. Swiggy's marketing strategies were a hit among the people. First marketing strategy for 'Farzi' a web episode in 'Over The Top' (OTT) media provider platform and Second by exiting from the cloud Kitchen. This paper aims to analyse this companies marketing strategies with facts.

Key Words: *Over The Top, Strategy, Delivery partner, Application*

INTRODUCTION



Nandan Reddy, Rahul Jaimini, and Sriharsha Majety founded Swiggy in the year 2014. Swiggy started with a full focus on simplicity and transparency as there existed many apps during that time. There was a tough competition for Swiggy, when it entered the markets. Zomato had already

taken up and the market was ready for another aggregator to join the competition. Till then, people had depend upon the restaurants nearby for ordering their food. Ordering food from the nearby restaurants had already started and it transformed as a culture. The market was ripe for Swiggy to join with other competitors like Zomato. To capture the market and reach the customers, Swiggy had to find innovative marketing strategies.

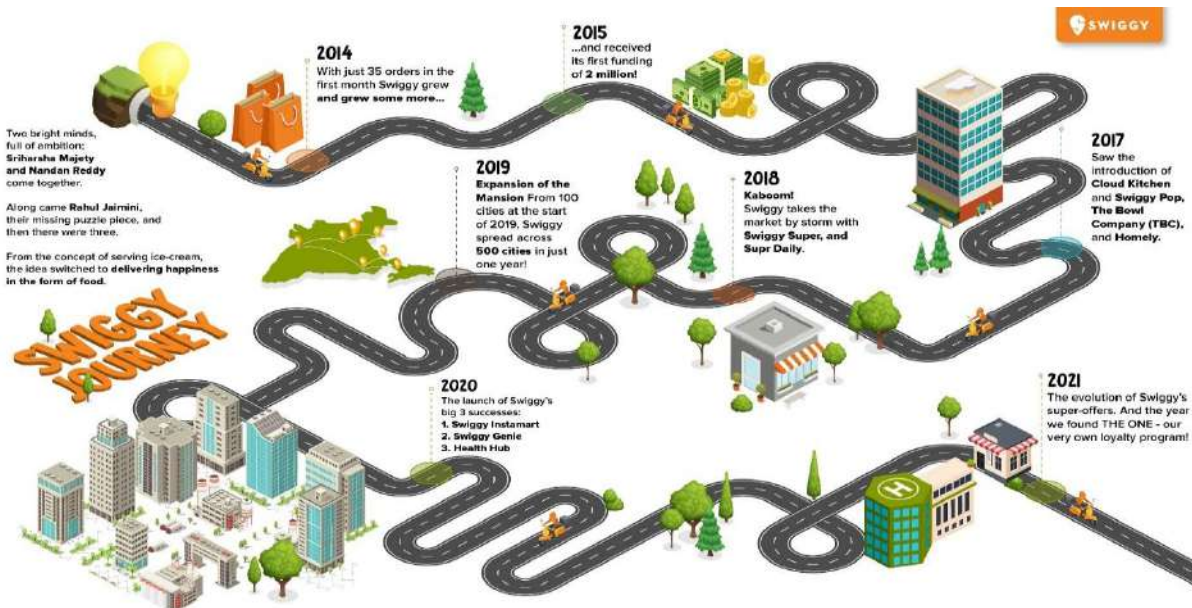
Objectives

1. The main objective is to understand the marketing strategies adopted by Swiggy.
2. To analyse the innovative marketing strategies of Swiggy.

Tapping the Opportunity

The founders of Swiggy created an easy-to-use Swiggy app, which provided an on-demand food ordering and delivery platform for the customers to get a list of nearby restaurants and to choose from the wide variety of menu that can get the food delivered around 30 minutes with just a tap. The important point to be noted is that the customers can track their order and know exactly the time of delivery.

Swiggy's valuation was of \$5 billion /37,000 Crore. This is equivalent to the organized biscuit market in India. Swiggy demonstrated its potential in the market. Swiggy & Zomato, they went on doubling their profits every year. Swiggy operates in more than 500 cities and has an active delivery partners of more than 200,000 restaurants.



The Business Model of Swiggy

The Revenue model of Swiggy are based on a hyperlocal on-demand food delivery business operation. It acts as a bridge between restaurants and customers. It connects them through an innovative technology platform like other competitors and works as a single point of contact for delivery of food.

Once customers click on the app, the customers are presented with a bunch of nearby restaurants and their actual delivery times. Once the customer places an order, the order is broadcasted to their available delivery partners and in turn they save their effort & costs of the restaurants in delivering and reaching the customers. The delivery personal are trained to deliver the order within 30 minutes and this is an advantage for the consumers and the restaurants in terms of convenience.

One of the reasons for Swiggy's hyped valuation is their vision to profitability. It is based on a solid revenue model which has 6 main robust revenue streams.

1. Delivery Charges
2. Commissions
3. Advertising
4. Swiggy Access
5. Swiggy Super
6. Swiggy Go and now this is changed into Swiggy Genie.

Differentiated Marketing Strategy of Swiggy

Swiggy spent nearly Rs 778 crore on advertising and differentiated marketing in the financial year 2019 as compared to Rs 130 crore in 2018. Swiggy's marketing strategy emerges from the main marketing principles are Target Segment, Segment Attitudes, Communication Task, and Digital Marketing.

Innovation

"Swiggy Karo, Fir Jo Chahe Karo," is the caption of Swiggy which reinforces the importance of family time that the customer will gain if they order food from Swiggy. Swiggy's Digital Marketing Strategy includes Search Engine Optimization, Search Engine Marketing, Social Media Marketing and Email Marketing. Swiggy's campaign compared to Zomato has set a new benchmark in Email Marketing. Swiggy Instamart, Genie and Health Club were a hit in this segment.

Swiggy and Farzi



Swiggy's unique marketing

Swiggy Instamart did a unique marketing of promoting a OTT by sending out fake ₹2,000 notes for a new action-thriller titled 'Farzi' (fake). They did it in collaboration with content streaming



During the pandemic, there was one capitalising business model in the food industry and it is the cloud kitchen. A cloud kitchen or virtual kitchen or ghost kitchen is a space where multiple cooks and restaurants cook together. There's an infrastructure-as-a-service provider like Swiggy and Zomato being the giant in providing infrastructure as a service provider helps out in providing a huge well equipped area divided into kitchens.

A common space help in fixing lower rents for restaurants. It is easy to access the customers and faster deliveries as there are many partners in areas depending on consumer demand. This was a great business model even in the post-

platform Amazon's Prime Video, where the show is being streamed. This show is about a con man (Shahid Kapoor) counterfeiting ₹2,000 notes, along with a police officer (Vijay Sethupathy) on his trail.

Many drew an inspiration from the 'Farzi effect', and the day after the release, the Instamart orders in Delhi, Mumbai, Gurgaon, Noida, Chennai, Kolkata, Bengaluru, Pune and Hyderabad were accompanied with a flyer in like *farzi* (fake) ₹2,000 notes.

Ashish Lingamneni, Head, of Marketing at Swiggy, commented about the web series "Farzi as a unique and thrilling story. He also said that they would partner with Prime Video and do more marketing in an unique way in future. The note flyer of Farzi which accompanied all Swiggy Instamart orders were a perfect fit in with the series and aroused the interest of many Instamart customers across India.

Swiggy's cloud kitchen exit

COVID as people were not ready about eating out. Even today cloud kitchens are considered to be more lucrative and hassle-free as compared to setting up restaurants where people dine out. In fact, by 2025 the cloud kitchen market size is expected to be close to around 3 billion dollars.

Swiggy exited Swiggy Access a few days back from its cloud kitchen service by selling it off to Kitchens. But, Swiggy did not actually break up with cloud kitchens. It only took a step back from managing the business directly since it had agreed to accept Kitchens's shares instead of cash for the deal. Swiggy will remain invested in cloud kitchens.

Despite revenues increased by 125% in the Financial Year 2022 over the

previous year, its losses went up to almost the same percentage. While it initially planned on to cut down only the infrastructure and office facilities, its food delivery growth rate didn't meet expectations. So they had to compromise on other overall costs too. And the proof lies in its latest layoff round, in which Swiggy showed the door to 380 of its employees. It could just do a backflip in the long run if things get better because cloud kitchens aren't a dying business model any time soon.

Conclusion

Swiggy has become an integral part of our lives and the customers look forward to companies like this. The pandemic tested the ability of the founders. But with their brilliance that the organization has demonstrated in their strategic thinking, the creative finesse of their communications and the innovative zeal of launching new services tells us that the story of Swiggy. There are many new strategies that the brand will share with its customers and will increase its customer base in the near future. Until then, **Swiggy karo, fir jo chahe karo!**

References

1. <https://www.thehindubusinessline.com/news/variety/swiggy-sends-out-fake-2000-notes>
2. Business Line, Feb 20, 2023
3. The Economic Times, March 02, 2023.
4. The Indian Express, March 02, 2023.
5. <https://www.moneycontrol.com/news/business/startup/swiggy-sells-its-cloud-kitchen>
6. <https://www.bibs.co.in/blog/a-case-study-on-swiggys-marketing-strategy>
7. <https://thestrategystory.com/2021/06/20/swiggy-business-revenue-model-marketing-strategy/>
8. <https://www.peppercontent.io/blog/marketing-lessons-swiggy-teaches-us/>
9. <https://pdfcoffee.com/download/swiggy-v-s-zomato--pdf-free.html>

10. <https://www.jetir.org/papers/JETIRES06082.pdf>

Chapter 9

A CONCEPTUAL STUDY ON A SUSTAINABILITY IN BUSINESS – IMPORTANCE, BENEFITS, AND CHALLENGES

Dr. S. Arumugam

Assistant Professor of Commerce CA, St. Joseph's College (Autonomous),
Tiruchirappalli, Tamil Nadu

Abstract

This paper aims to understand current research scenario on sustainability in business- Competition, trade practices, channel partners, policies, and regulations are the usual business environment factors. From large corporation to the individual business owner, monitoring and managing these environmental factors takes up most of their working hours. For a moment, take your mind off the micro environmental factors of a business and focus your thoughts on the larger picture of the macro-environment - our universe, our society, our economy. Hence, arise need to study this conceptual study on sustainability in business- importance, benefits and challenges.

Key words: Sustainability

Introduction of Business Sustainability

A sustainable business cares about environmental, economic, and social issues and considers them in making business decisions. Sustainable business ambitions are facing a range of challenges in a fast-changing global context. In the past year, we have seen a growing recognition of the scale of both the climate and nature crises, geopolitical turmoil, radical changes in energy prices and inflation. Given this uncertainty, making predictions about what the coming year will hold is a difficult business. However, this article considers the main risks and challenges we believe will continue to shape the scope, scale and focus of sustainable business

Objectives of the study

1. To study importance of sustainability in business.
2. To study benefits of sustainability in business
3. To study challenges of sustainability in business

Review of literature:

1. **GOTZE ET AL. (2019)** present a concept for the assessment of human-robot collaborations using a decision theory-based procedure model. For each sustainability business dimension, they suggest target figures and methods or concepts for their determination. Regarding the economic dimension, the net present value is calculated by applying the net present value method. With a focus on integrating corporate sustainability and strategic management,
2. **Engert et al. (2016)** reviewed articles through Sustainable business descriptive and content analysis methods published until 2016. As key search terms, authors used: strategic; strategy; strategies; management; corporate sustainability; sustainability; environmental; green; eco; ecological; social; socially; ethical; responsible; and responsibility.
3. **Rustam et al., (2019).**The application logic emphasizes the thinking of the TBL (Triple Bottom Line), which brings together people, planet and profit, within the scope of its business plan. The objective of CS is that a company can positively and simultaneously impact economic growth, social equity and human development, benefiting in terms of risk management and competitive advantage. It is an approach that creates long-term value through the integration of financial and non-financial indicators

4. **Luo et al. (2020)** Based on the diverse existing challenges for companies to balance economic, social and environmental goals, conducted a systematic literature review on corporate sustainability paradox management.

Importance of sustainability:

Besides helping the green light for a pollution-free environment, sustainability can bring operational success to a company. Research studies have indicated that consumers prefer to use products of companies actively practicing sustainable initiatives. In addition, several investors use critical environmental and social metrics to judge an organisation's sustainable and ethical practices. Let us find out some of the key benefits.

Benefits of Sustainability:

Improves brand image

A business is all about customers; when they (customers) show their preference on a brand (or a company), it signals good times for the brand! On the contrary, if customers move away from a brand, it spells doom and can even lead to the death of the brand (closure). It is common to see advertising campaigns by companies talking about water conservation, reducing carbon emissions, or selling tea in a biodegradable bag and using recycled paper packaging.

Impacts costs and production

Using energy-efficient lighting or bio-fuel for the furnace leads to a direct saving in operating costs for a company. In a large manufacturing setup, such savings can be substantial. Similarly, treating factory effluents before discharge (to the disposal system) can save a company from legislative penalties. In the long run, such measures help improve the place's micro-environment (factory), leading to improved productivity.

Attracts Investments

Funds are critical to business, and enterprises are always on the lookout for funds for expansion. Beyond the usual funding route by banks and financial

institutions, many companies, particularly the large ones, approach investors. Financial experts have found that companies with sustainable business practices attract investors more. But why do investors prefer such companies? A possible chain of thoughts perhaps will explain; Companies with sustainable practices care about the environment and society; These companies are forward-looking; and therefore, better business managers; Such companies take better care of their products and services (superiority over competitors)- customers will prefer such products- the business will grow - return on investments will be better.

Help retention of employees

Several surveys have indicated that people prefer joining organizations with a corporate sustainability agenda. In addition, companies practicing such programs gain by way of better retention of employees.

Easy Compliance

Environmental issues are a significant concern globally; increasing pollution, plastic hazards, global warming, diminishing water resources, climate changes affecting agriculture are pressing problems for most countries worldwide. Increased awareness of these issues and exchanging ideas/action plans among nations leads to stricter legislation in most countries. From mining to waste disposal, many companies had to modify their operations at a considerable cost to comply with the requirements. Many companies fail to meet the new guidelines and have to pay penalties. However, enterprises that have considered sustainability issues earlier and have made it a part of their policy can comply with the revised regulation and are beyond the scope of penalties.

Challenges of Sustainability

Cost involvement

Going green is expensive and will need a high investment. In addition, companies may find it challenging to

organize the initial funding to meet sustainability requirements.

Managing corporate transition

Practicing sustainability means doing things in a different way for a company, deviating from the usual practice. Along with the common objectives and targets, the employees now have to meet ecological requirements as well. Restructuring of operational plans is necessary for effective implementation of the 'new order'; suitable training, education, and guidance of all employees for a successful transition may be expensive, time-consuming, and may even disturb the regular operations.

Management of Sustainability Programmes

Integrating the changes in the operational system of a company may turn out to be a different challenge for businesses. Therefore, sustainability is expected to be monitored at the top management or the business owner level as a corporate issue.

Generating reports

Reports are a vital element of the monitoring process. Companies need to design suitable reporting methods for regular follow-up of sustainable initiatives. At present, it is common for enterprises to include sustainability issues in the financial reporting, which may lead to a diversion of focus.

Difficult to find industry experts

Being a new and evolving subject, finding the right consultant may be difficult. In addition, the absence of experts may delay the entire process for a company.

Conclusion

Rising global concerns on the environment are forcing enterprises to act responsively. As a result, sustainability is gradually figuring in the mission statements of many companies indicating a transformation, from a mandatory business requirement as perceived to an opportunity to move ahead. Despite challenges, sustainability can help a company become stronger and

healthier (profitable) because of consumer preferences. The world will benefit immensely when every business looks at sustainable practices as a responsibility and not an imposed task.

REFERENCES

1. **E. L. Journal, R. A. Katz, R. A. Katz, and A. Page**, "Sustainable Business," vol. 62, no. 4, 2013.
2. **Comin, L.C., Aguiar, C.C., Sehnem, S., Yusliza, M.-Y., Cazella, C.F. and Julkovski, D.J.** (2020), "Sustainable business models: a literature review", *Benchmarking: An International Journal*, Vol. 27 No. 7, pp. 2028-2047.
3. **Feng J., Liu Z., Feng L.** Identifying opportunities for sustainable business models in manufacturing: Application of patent analysis and generative topographic mapping Sustain. Prod. Consum., 27 (2021), pp. 509-522
4. **Khan I.S., Ahmad M.O., Majava J.** Industry 4.0 and sustainable development: A systematic mapping of triple bottom line, circular economy and sustainable business models perspectives J. Clean. Prod., 297 (2021), Article 126655.
5. **V.Ghosal**, "Business Strategy and Firm Reorganization: Role of Changing Environmental Standards, Sustainable Business Initiatives, and Global Market Conditions," vol. 144, no. September 2013, pp. 123-144, 2015.

Chapter 10

TECHNOLOGICAL ADVANCEMENTS IN THE TOLL COLLECTION SYSTEM IN INDIA

Sukritha K R

Research Scholar, Department of Commerce, Avinashilingam Institute for Home Science and Higher Education for Women, Coimbatore, Tamil Nadu

Dr.V.Vimala

Assistant Professor (SS), Department of Commerce, Avinashilingam Institute for Home Science and Higher Education for Women, Coimbatore, Tamil Nadu

Abstract

The Indian economy has grown as a result of technologies, which are a vital component of the economy. They range from manufacturing and agriculture to communication and transportation. The quality of life will also be enhanced by technological progress, which also enables more ecologically conscious decision-making. The expansion of the economy is fueled by emerging technologies. The adoption of new technologies has played a significant role in the recent rapid economic expansion of India. The economy is undergoing technical advancements in every industry. In India, a fee is levied for each toll road, toll highway, etc. in order to recoup the cost of building and maintaining the toll facility. As a result, it levies a toll tax and other fees to cover the costs of operating and maintaining newly built toll roads. India has a vast network of 480+ toll roads that span 23 states and union territories. The National Highway Authority of India (NHAI) owns the majority of them, while private concessionaires have been given the responsibility of maintaining and collecting tolls on some of them. The toll collection system in the country has seen technical advancements, moving from a manual toll collection system to an electronic toll collection system. This study also addresses new advances in the Indian toll-collecting system.

Keywords: FASTag, RFID, ETC, Banks, Technology, Digital

Introduction

Human society has been impacted by every single technological advancement, even those that have failed. As "Necessity is the mother of invention", every technology has been built in order to meet societal demands, and as a result, it is inextricably related to the culture and behaviour of the people who inhabit the civilization. (Brainspire, October 24, 2019). A society makes social progress when it can develop new technologies and incorporate them into its social and cultural activities (Younus, Ahmed Muayad 2021).

Digital banking has advanced significantly in the current era with reduced turnaround time. The extraordinary rise of many digital payment systems, including card payments, E-payments, payment gateways, electronic fund transfers, wallets, mobile money, smart cards, etc., is primarily responsible for the success of e-commerce (Jacob 2018). India's tale of digital transformation is one of digital empowerment and inclusion, as digital transformation is founded on technology that is accessible, inclusive, and developing. All of this makes sure that the residents' ease of living is at the centre of Digital India, which has the goal of Minimum Government, Maximum Governance. Technology to transform a connected nation: Digital India, a report from the McKinsey Global Institute, emphasises the nation's hasty adoption of electronic technologies and their potential economic worth by 2025. If the public and commercial sectors collaborate to establish new digital

ecosystems, these technologies could have a significant positive impact on the Indian economy (McKinsey Global Institute, March 27, 2019). India's journey into digital payments has been shaped by certain events that have altered customer preferences and needs. The promotion of digital payments has long been a stated policy goal of the government (The Times of India, July 13, 2021).

In the Indian toll collection system, new technology has recently been deployed with the assistance of banks and it has been made mandatory for passengers to use that technology to cross the toll booths. A toll, also referred to as a toll tax, is a levy that motorists must pay while navigating certain tunnels, bridges, and national and state roads. The National Highway Authority of India (NHAI) is in charge of maintaining these toll roads (Paytm Blog, October 4, 2021). Tolls are frequently gathered in toll plazas, toll houses, toll booths, toll barriers, toll gates, etc. By virtue of their presence, they create obstructions to the efficient flow of traffic; this inherent ineffectiveness must be reduced (Chakraborty, Gill, and Chakraborty 2016). Traffic congestion rises in most regions as travel demand outperforms infrastructural and managerial advancements (Gupta and Kalmanje 2006). In order to save costs and wait times, electronic toll collection technology is widely used to collect tolls; it automatically connects to toll payers' bank accounts to charge cars by debiting those accounts. The Electronic Toll Collection (ETC) system is currently in use on a global scale. Canada, Poland, Japan, Italy, and Singapore are just a few of the many nations that use the ETC system (Joshi et al. 2017). Currently, India employs an electronic toll collection system with RFID capabilities in association with banks. This study aims to provide insight into the developments in the Indian toll collection system and the involvement of banks as well as to provide an overview of the

upcoming technologies in the Indian toll collection system.

Review of Literature

(Franciska and Sahayaselvi, 2019) Their study highlights the need and importance of digital payments. Information technology (IT) has completely altered a variety of facets of life. It has simplified the process of making digital payments. Traditional payment methods are being replaced by secure, convenient, and user-friendly digital alternatives as society moves forward. Future commerce will demand the complete adoption of digital payments, necessitating the modification of customer behaviour. Going cashless requires less time and is also safer than paying with cash. Additionally, it aids in maintaining a record of all completed transactions. (Awwad, 2022) The aim of the study is to examine electronic payments, which are thought to be among the most significant financial technology instruments. As a result, electronic payments significantly contribute to the Bank of Palestine's improved financial performance. The Bank of Palestine accepts many different types of electronic payments. To promote the greater usage of electronic payment instruments, the study recommends that the regulatory authorities be activated in addition to enhancing the information security's efficiency against fraud risks. (Amrin, 2019) It is necessary to have an electronic toll collection system, such as FASTag, a programme launched by the NHAI for Electronic Toll Collection, since this paper describes the difficulties faced by India's traditional toll collection systems. The system will tend to face significant difficulties and might not work as intended until its flaws or difficulties are uprooted to the base, despite the fact that India views RFID-based FASTag as a useful method of toll collection, providing numerous environmental and socio-economic benefits to both the collector and the user. In the years to come, in automatic toll collection systems, FASTag could

prove to be a technological game-changer by being transformed into a mode of toll collecting that is technologically superior and addresses the issues that FASTag is currently facing. (Joshi et al. 2017) This paper compares some of the current automatic toll collection systems to traditional toll collection. The electronic toll collecting system FASTag, uses RFID (Radio-Frequency Identification) technology, and BookMyToll which accepts payments via an Android app, and it uses a smart device to detect mobile devices close to toll plazas are discussed in this study. The author highlighted that manual toll collection process can be cumbersome, which frequently leads in congestion at the toll booths on the busiest routes. Generally, in order to avoid waiting in line to pay with cash at toll roads, commuters typically utilise these electronic passes to transit the toll roads daily.

Objectives

- To understand the developments in the Indian toll collection system.
- To provide an overview of the upcoming technologies in the Indian toll collection system.

Research Methodology

The study is of a descriptive kind. The study employs secondary data. The secondary data is gathered from several journals, magazines, articles, newspaper reports books that have been published, etc.

Theoretical Framework

To recoup the whole capital outlay, which covers the cost of construction, maintenance, repairs, toll operation charges, and interest on the outlay, toll tax is collected. Less travel time and better service are anticipated benefits of the newly built facility (Paytm Blog, October 4, 2021). Road tax, in turn, aids in maintaining the expense of maintaining road security and safety. Based on variables including engine power, seating capacity, unladen weight, and cost, the road tax is computed.

However, there will be differences in the laws and standards that apply to taxes in each state (iPleaders, November 14, 2019). There are two different kinds of toll collection systems are:

i. Open Toll System

In this system, toll is not applied to every customer. The toll plaza is generally located at the edge of the urban area, where the most long-distance drivers are committed to the facility, with a low possibility of moving to the parallel free route. By category, customers are identified, and they pay a certain toll. Local traffic around the plaza has the option of using a service lane or receive a rebate (Asiri 2017).

ii. Closed Toll System

Customers pay the toll in a closed toll system according to their vehicle's type and the distance they travel to the facility. Free rides are not permitted. A closed toll system has plazas at every point of entry and exit, and users are given tickets as they enter the system. When leaving, the customer surrenders the ticket to the collector, who then charges them the appropriate amount based on the type of vehicle and the distance travelled. Unlike an open system, which allows for multiple stops, it only has two stops for automobiles. However, it costs more to build a closed system than an open system (Asiri 2017). There are three different kinds of toll collection in India are,

1. Manual Toll Collection

In India, the most common toll collection method is manual toll collection. There must be an attendant or toll collector. The cash toll is paid to the collector based on the categorization of the vehicle. In addition to providing change, the collector can receive and sell cash, tickets, and coupons. They also enter the customer's vehicle into the system and give them a receipt. Processing

takes the longest due to manual involvement.

2. Automatic Toll Collection

The usage of Automated Coin Machines (ACM) is the basis of automatic toll collection. These accept operating agency-issued tokens as well as coins. Depending on the toll rate, using automated coin or token collection as opposed to manual collection cuts down on both operating costs and transaction and processing times.

3. Electronic Toll Collection System

A vehicle equipped with a properly encoded data tag or transponder is automatically recognised by an Electronic Toll Collection (ETC) system as it passes through a toll lane or checkpoint. Without the user needing to stop and pay the toll, the ETC system subsequently records a debit or charge to the user's account. ETC speeds up traffic, as there is no need to stop and pay the toll (Shahrier and Huq 2021).

FASTag, an Electronic Toll Collection (ETC) system in India operates and manages by the National Highway Authority of India, through its subsidiary Indian Highway Management Co. Ltd. (IHMCL). Direct toll payments on National Highways can be made with FASTag by using Radio Frequency Identification (RFID) technology, a technique that uses radio waves to passively identify an object that has been tagged and a linked prepaid or savings account. Any vehicle can pass through a toll plaza without making any interaction with a human by using a prepaid tag that is fastened to the windshield of the vehicle (Wion, May 11, 2020). A card and a scanner are the two parts of the FASTag system. The FASTag card is attached to the windscreen of a car, and the scanner is situated at the highway toll booths. Using RFID technology, the card on the vehicle communicates with the scanner at the toll booth. Once the vehicle reaches the toll plaza, the necessary toll amount is promptly debited from a prepaid wallet or

bank account connected to the FASTag. The owner of the FASTag then receives an SMS notification about the deduction of the money (Sweta 2021).

Waiting times, fuel costs, and vehicle running expenses will be minimized with the aid of FASTag. It will prevent accelerating, idling, and emitting hazardous vehicle emissions. It helps to lessen the congestion, pollution and usage of paper. Using centralised user accounts, avoids cash handling, which improves audit control. It will promote digital payments and enhanced information and data gathering to track traffic and revise the toll policy of government. In comparison to conventional toll collection, FASTag offers numerous benefits to the society, government, general public etc., (IAS Express, February 19, 2020).

Working of FASTag

Step 1: Every time a vehicle reaches the ETC lane at the toll plaza, the server will record the FASTag information, including the Tag ID, Vehicle class, and others, and transmit it to the acquiring bank for processing.

Step 2: To verify the tag details, the acquiring bank will submit a request to the National Electronic Toll Collection (NETC) Mapper.

Step 3: Once the Tag ID has been verified, NETC Mapper will reply with information such as Vehicle class, Tag Status, VRN, etc. It will alert that the Tag ID is not registered if the Tag ID is missing from NETC Mapper.

Step 4: After the Tag ID has been successfully validated by the NETC Mapper, the acquirer host will determine the proper toll fare and will make a debit request to the NETC system.

Step 5: In order to debit the customer's account, NETC System will redirect the debit request to the appropriate issuer bank.

Step 6: Now the Issuer host will debit the associated account of tag holder and notify the tag holder through SMS. The response message will likewise be sent to the NETC

system by the Issuer host. The transaction will be deemed accepted if the response is not sent within the specified TAT.

Step 7: The acquirer host will be notified of the response by the NETC system.

Step 8: The acquirer host will then inform the appropriate toll plaza system.

Participation of Banks in FASTag

Banking has undergone a considerable transformation. Technological advancement is also among the most significant factors that have contributed to changing the direction of the banking business (Awwad 2022). Banks are offering improved services for electronic payments in many fields. Most of the FASTag services are delivered through banks. FASTags are issued by 37 certified banks via a variety of channels, including point-of-sale (POS) terminals at some bank branches and National Highway toll plazas. They are also offered on mobile wallets like Paytm and e-commerce sites like Amazon. State Bank of India, Axis Bank, HDFC Bank, IDFC Bank, ICICI Bank, Punjab National Bank, Federal Bank, Kotak Mahindra Bank, Nagpur Nagarik Sahakari Bank Ltd, IndusInd Bank, Syndicate Bank, Yes Bank, Sarawat Bank, Punjab & Maharashtra Co-op Bank, Union Bank, etc and payments banks like Fino Payment Bank and PayTm are some of the leading banks in issuing FASTags. FASTags can be activated in two different ways: through self-activation and by going to a bank branch.

In light of the Covid-19 epidemic, FASTag has proven to be the safest method of toll payment in addition to being essential for ensuring a seamless flow of traffic on national highways. Due to the lack of human interaction between drivers and toll booth employees, unlike when paying with cash, FASTag completely eliminates the risk of Coronavirus transmission (The Economic Times, February 28, 2020).

Forthcoming Innovations

With the government getting ready to roll out new technologies for collecting toll revenue, FASTag may soon be a thing of the past. In FASTag, the tolls are collected for the entire distance between toll booths. The toll must be paid in full even if a vehicle doesn't cover the entire route and ends up somewhere else. Due to this, daily commuters need to pay an unnecessary premium for using the roadway. On March 18, 2022, Nitin Gadkari, Union Minister for Road Transport and Highways while speaking in the Lok Sabha, promised that the government would get rid of toll plaza booths all over the country in a year. He added that a GPS-based toll collection system would entirely replace toll booths. He stated that GPS imaging on moving vehicles would be used to collect tolls (The Hindu, August 3, 2022). The toll would be charged based on how many kilometres a car travelled on a roadway under this scheme. In essence, a toll will have to be paid dependent on how far someone travels on an expressway or motorway (NDTV Business Desk, August 8, 2022). However, due to the GPS-based strategy's success in European nations, efforts are being made to adopt it in India as well.

The new advancement includes the installation of traffic-monitoring cameras, which will assist the government collect taxes automatically without any human interaction. Automatic Number Plate Readers, also known as ANPRs, are devices that can read and record the licence plates of all vehicles that passes by. In order to scan the licence plates of passing vehicles, the cameras will be located at the entrance and departure of toll roadways. The owner of the vehicle's bank account will subsequently be used to deduct the toll tax (The economic Times, August 25, 2022).

Conclusion

The Study examines the technological advancements made in the Indian Toll Collection System and

explores new improvements that are currently being discussed in the toll collecting system in India. It is anticipated that all sectors will gain from the government's increasing focus on building a digitally empowered economy. According to a recent report by the US-based management consulting firm McKinsey, India has the second-fastest growing digital economy in the world. E-services were incorporated in the toll collecting system as well. In Indian toll collection system, at first it has utilised manual toll collection system and then automatic, and electronic toll collection methods were followed. FASTag, an electronic toll collection system with RFID capability, is currently following. It is a reloadable tag that is used at toll booths; it facilitates automatic deduction of toll money. Compared to manual toll collecting systems, FASTag is significantly superior. Due to some of its downsides, the introduction of new technology is being discussed. In the future, ANPR camera may be installed and may implement GPS system. It would be applicable in a shorter period, and from this it is evident that India is aiming for the fastest technical advancements. The effective adoption of FASTag was greatly aided by banks. The role of banks in FASTag technology is significant.

References

- Amrin, S. (2019). AN INTRODUCTION TO FASTAG: A GAME CHANGER IN AUTOMATIC TOLL COLLECTION SYSTEMS IN INDIA. IJRAR-International Journal of Research and Analytical Reviews (IJRAR), 6(2), 25-30.*
- Asiri, Hussain. (2017). Open Access Comparison of Different Toll Collections System 's and RFID Tool Collection System. American Journal of Engineering Research (AJER), 1: 118–21.*
- Awwad, B. S. (2021). The role of e-payments in enhancing financial performance: A case study of the Bank of Palestine. Banks and Bank Systems, 16(4), 114. [https://doi.org/10.21511/bbs.16\(4\).2021.10](https://doi.org/10.21511/bbs.16(4).2021.10).*
- Chakroborty, P., Gill, R., & Chakraborty, P. (2016). Analysing queueing at toll plazas using a coupled, multiple-queue, queueing system model: application to toll plaza design. Transportation Planning and Technology, 39(7), 675-692. <https://doi.org/10.1080/03081060.2016.1204090>.*
- Franciska, A. M., & Sahayaselvi, S. (2017). An Overview On Digital Payments. International Journal of Research, 4(13), 2101-2111.*
- Gupta, S., Kalmanje, S., & Kockelman, K. M. (2006). Road pricing simulations: traffic, land use and welfare impacts for Austin, Texas. Transportation Planning and Technology, 29(01), 1-23. <https://doi.org/10.1080/03081060600584130>.*
- Jacob, & Elsa. (2018). Digital Banking and Its Impact on Indian Economy. World Wide Journal of Multidisciplinary Research and Development, 4 (4): 83–86.*
- Joshi, B., Bhagat, K., Desai, H., Patel, M., & Parmar, J. K. (2017). A comparative study of Toll Collection Systems in India. International Journal of Engineering Research and Development, 13(11), 68-71.*
- Satao, S. (2021). AN INTRODUCTION TO FASTAG: ADVANTAGEOUS AND AUTOMATIC MODE OF TOLL COLLECTION SYSTEMS IN INDIA. Episteme: an online interdisciplinary, multidisciplinary & multi-cultural journal Bharat College of Arts and Commerce, Badlapur, MMR, India, 9 (3): 18–25.*

Younus, A. M. (2021). *Technological Advancement and Economic Growth For The Business Sector*. *Academic Journal of Digital Economics and Stability*, 10, 56-62.

Zoy, K. H., Shahrier, M., & Huq, A. S. (2020). *A SYSTEMATIC REVIEW OF ELECTRONIC TOLL COLLECTION SYSTEMS*. *1st International Conference on Transportation Research (ICTR 2020)*, 7–8.

NDTV Business Desk. 2022. "Pay Toll Only for the Distance Travelled. GPS Based Toll Collection likely soon." *NDTV Profit*, August 8.

<https://www.ndtv.com/business/will-gps-based-toll-collection-replace-toll-booths-3220687>

"New tech to replace toll booths to minimize congestion on National Highways" *The Economic Times*, August 25, 2022. <https://economictimes.indiatimes.com/news/new-updates/new-tech-to-replace-toll-booths-to-minimize-congestion-on-national-highways/articleshow/93778264.cms>

Shilpa Mankar Ahluwalia "Digital Payments a Success Story." *The Times of India*, July 13. <https://timesofindia.indiatimes.com/logs/voices/digital-payments-a-success-story/>

<https://www.brainspire.com/blog/technology-and-society-how-technology-changed-our-lives>

https://www.linkedin.com/pulse/technological-development-india-abhishek-kumar/?trk=articles_directory

<https://www.mckinsey.com/business-functions/mckinsey-digital/our-insights/digital-india-technology-to-transform-a-connected-nation>

<https://gnss.asia/blog/india-will-use-gnss-to-become-tollbooth-free-by-2022/>

<https://www.deccanherald.com/national/govt-to-bring-new-technology-to-end-traffic-snarls-at-toll-plazas-nitin-gadkari-1132774.html>

<https://economictimes.indiatimes.com/news/new-updates/new-tech-to-replace-toll-booths-to-minimize-congestion-on-national-highways/articleshow/93778264.cms>

Chapter 11

SUSTAINABILITY OF INNOVATION IN E-COMMERCE

V.Subathra

Assistant Professor of Commerce, Dr.MGR Janaki College of Arts and Science for Women,
Chennai, Tamil Nadu

ABSTRACT

E-commerce saw a paradigm shift during COVID. Consumers turned to online shopping when pandemic lockdowns caused brick-and-mortar stores to shut for extended periods. Although the pandemic drove more buyers online, it had negative impacts that affected e-commerce performance. This study assesses both positive and negative impacts and their relative significance. The findings are then used to prioritize different strategies for e-commerce development in four vibrant Middle Eastern economies: United Arab Emirates, Saudi Arabia, Qatar, and Kuwait. The study employs a hybrid approach incorporating grey analytical hierarchy process and grey relational analysis. The grey analytical hierarchy process evaluates the relative significance of impacts, whereas the grey relational analysis ranks the strategies. The study is based on the responses from 36 local e-commerce specialists. The findings revealed that the supply chain disruption was a rather significant factor, and that “expanding supplier base” was a top-ranked strategy. The study suggests that increasing market share of e-commerce will necessitate the improvement of the supply chains, including the expansion of the supply base, as well as the establishment of sustainable supply chains. In addition to that, the moment has come to implement meaningful changes, such as digital transformation of supply chains, in order to fulfil customer expectations.

Introduction

Electronic commerce (or “e-commerce”) involves the buying and selling of goods and services through the Internet (Kitukutha et al. 2021). The payment for such a transaction can be performed online, eliminating the need for the seller and purchaser to meet in person. However,

cash on delivery is still another alternative (Jaller and Pahwa 2020). E-commerce has grown in popularity since the emergence of the coronavirus disease (COVID-19). COVID-19’s spread boosted e-commerce as a platform for business between consumers and retailers and between enterprises (Myovella et al. 2020). People turned to online shopping since they were unable to leave their homes due to restrictions (Yuan et al. 2021). This made people keen to try new online shopping options for essential and non-essential goods. E-commerce platforms, on the other hand, delivered products and services to consumers’ doorsteps; sites that offered non-essentials before the pandemic began selling food, masks, sanitizers, and other essentials. (Ali Taha et al. 2021).

The growth of the e-commerce after the pandemic has been phenomenal. According to research conducted by Nint, Inc., sales in Japan’s three largest e-commerce marketplaces (Rakuten, Amazon, and Yahoo) grew by 7% in January, 13% in February, and 14% in March 2020 compared to the same month the year before. Specifically, online sales of medical products surged significantly. While global retail sales were forecasted to fall 3% in 2020, eMarketer predicted a 28% growth in retail e-commerce sales (Hayakawa et al. 2021). According to the most recent research, COVID-19-related business restrictions have triggered a global paradigm shift toward the digital economy, which has severely impacted conventional business models while simultaneously creating possibilities through the diversification of online sales. This clearly indicates the influence of the pandemic on worldwide e-commerce revenues, putting an extra 19% sales growth for 2020 and an additional 22% sales growth to the current 9% and 12%

normal anticipated sales growth rates, respectively. Aside from providing secure shopping and access to critical supplies during COVID-19 shutdown, e-commerce is also recognized for benefiting farmers by building block chain technology, which allows them to sell their products directly to wholesale purchasers, bypassing intermediaries. This has aided farmers' financial growth while also decreasing waste (Galhotra and Dewan [2020](#)).

In addition to its positive effects, COVID-19 had detrimental impacts on e-commerce. The pandemic adversely influenced e-commerce in a number of locations, including America, Europe, Asia, and the rest of the world. In Europe, the most instances were documented in Italy, Spain, Germany, France, and China, whereas in Asia, the most cases were recorded in China. Alibaba, China's largest supplier of e-commerce services, battled to sustain growth rates in its domestic market while dealing with the unpredictability of coronavirus. Amazon.com, Inc., Alibaba Group Holding Ltd., Qoo10 Pte. Ltd., Walmart Inc., eBay Inc., JD.com, Rakuten Group, and Shopify are among the major corporations affected by the market. Amazon, for example, made significant investments in a 1-day shipment that has yet to be repaid (Abdelrhim and Elsayed [2020](#)). The lockdown had a significant impact on manufacturing, transportation, and distribution, resulting in unclear supply chain concerns for the e-commerce business. This impacted a wide range of firms, including older retailers such as Walmart, which saw a decrease in informal buying, shocks, and an increase in the purchase of essential necessities, food, basic toiletries, and other items. Other online firms found it extremely difficult to sell their items online and encountered significant difficulties while getting their products from China (Moosavi et al. [2022](#)).

Despite the negative impacts, e-commerce has a bright future ahead of it. Traditional trade shares have become volatile and in

sharp decline; this will be a powerful motivator for these traditional market traders to transfer to online trading to save the remainder of their shares and keep their commercial field and market success. To succeed in the post-pandemic era, e-commerce must adopt competitive strategies that make digital platforms resilient and sustainable. Numerous such measures to enhance resilience and sustainability in e-commerce have been documented in the literature. These measures should be prioritized depending on their ability to establish resilient and sustainable e-commerce after COVID-19. Before continuing with the prioritization process, it is necessary to understand the significance of the different COVID-19 impacts on e-commerce. The efficient way of comprehending the significance of the impacts is to quantify them. However, most studies have merely identified those impacts; studies that assess the relative importance of these impacts in the adoption of e-commerce in the post-pandemic era are lacking. Thus, this work addresses a research need. It starts with a review of current literature to assess the impacts and potential strategies; later, it measures the relative importance of impacts; and finally, it prioritizes the competitive strategies to make e-commerce resilient and sustainable.

For the analysis, multi-criteria decision-making (MCDM) methods were employed because analysing impacts and strategies is a complicated and multifaceted subject, and no other approaches are as effective for such a task as MCDM methods (Solangi et al. 2019). Two well-known MCDM approaches, grey analytical hierarchy process (GAHP) and grey relational analysis (GRA), were used. The study is based on the experts' opinions, which were gathered using a couple of questionnaires. The initial questionnaire collected data for comparing impacts; this data was then processed using GAHP to obtain weights of impacts. The second questionnaire asked experts to score each strategy in relation to each

impacting factor; the resulting data was utilized in GRA for prioritizing.

The remainder of the paper is structured as follows: “Literature review” section is the literature review, which examines relevant papers and identifies research gaps. In addition, the section explores COVID’s influence on e-commerce and post-COVID digital platform strategies. “Methodology” section describes the methodological framework, which consists of two well-known MCDM methodologies (the grey analytical hierarchy process (GAHP) and the grey relational analysis (GRA)). The GAHP quantifies the relative magnitude of various impacts, while the GRA prioritizes strategic pathways. “Case study” section presents the findings and discusses them. “Results” section is the conclusion, which summarizes the work, discusses its limitations, and makes recommendations for further research.

Impacts of COVID-19 on e-commerce

Numerous latest studies have assessed the impact of COVID-19 on e-commerce. For instance, Galhotra and Dewan (2020) set out to investigate the impact of COVID-19 on e-commerce in India. The authors found remarkable dependability on China. Due to travel restriction, shipment from China hindered which ultimately reduced the growth of e-commerce in the country. The analysis in the study revealed that online businesses were critically impacted in India due to the pandemic.

Hasanat et al. (2020) assessed the effect of COVID-19 on Malaysian online businesses. The study assumed that the deadly virus had a significant impact on Malaysian e-commerce, particularly on Chinese items, because many e-commerce enterprises in Malaysia rely on China for half of their retail products. For this study, a survey was undertaken, as well as primary research, in order to obtain a better result. The findings demonstrated that the majority of the items originate from China, and the majority of the industries are locked down, implying that there is no product import or export. Kim (2020) looked at the pandemic as a catalyst

for structural changes in consumer and market digitalization. According to the study, managers frequently take a wait-and-see strategy regarding COVID-19’s influence on sales. It is sometimes unknown whether or not consumers will return once the pandemic has ended. Furthermore, certain changes may linger even after the situation improves. The research suggested that managers react to the market’s digital change in order to recoup or perhaps increase sales following COVID-19. Shahzad et al. (2020) conducted a quantitative online survey-based study to investigate the influence of COVID-19 on e-commerce in Malaysian healthcare. The information was gathered mostly from hospital administration, doctors, medical assistant nurses, and medical suppliers in Peninsular Malaysia. The study found that organizational preparation, e-commerce competence, and supply chain integration all had a considerable favourable influence. In comparison, information technology infrastructure and external pressure have little impact on e-commerce adoption.

Dinesh and MuniRaju (2021) attempted to comprehend the characteristics that help e-commerce enterprises improve their operations throughout the pandemic. The research also sought to learn about consumer behaviour during COVID-19. The study indicated that COVID-19 pandemic had a significant impact on individuals all around the world. The pandemic compelled customers to purchase online due to their concerns about safety. According to the findings, the rate of online buying has grown over the pandemic era. The study recommended that both physical and online shops must invest in intelligent technology in order to boost client engagement. Hoang et al. (2021) did empirical research on the use of e-commerce by small and medium enterprises (SMEs) to steer the economic recovery in Vietnam following COVID-19. The study underlined that COVID-19 triggered a significant economic catastrophe. It also emphasized how,

despite the pandemic's brief duration, various innovations were applied to ensure organizational survivability and revival in the digital era's competitive market environment. The primary goal of the article was to identify major determinants and their effects on e-commerce adoption among SMEs in Vietnam, particularly during pandemic times. According to the findings, technological compatibility had the greatest influence on e-commerce adoption during COVID-19, preceded by managerial support and external pressure, with external support having the least impact. It can be seen that the review of the literature revealed both good and negative effects of COVID-19 on e-commerce. The most common impacts documented in the literature are discussed in the following sub-sections.

Increased online audience

When several major cities proclaimed self-isolation and implemented lockdowns and social isolation, the activities of Internet users skyrocketed. The data shows that the number of active and new users of online and mobile applications has increased significantly. This increase in online audience numbers can be seen as early as the first week of March, 2020 (Jebril 2020). A similar pattern may be seen in online mobile applications. Apps that provide food delivery services and facilities account for the most of new and active audiences in online mobile applications.

An increase in the online audience can be critical to the growth of e-commerce. The global Internet statistics show that more than half of the world's population has Internet access (according to Nadanyiova et al. 2020, 4.2 billion people have access to the Internet), with 58% adoption, and 85% of those use it for online shopping and information search. A survey of worldwide e-commerce activity finds that the overall number of users is 4.57 billion, or 59% of the entire population, with a + 7.1% or around 301 million individuals spending roughly 6 h each day on Internet shopping; 81% use the Internet to look for

a product or service to purchase, 90% visit online shopping websites, 66% use a smartphone app to accomplish online shopping, 74% order a product or service online at least once a week, and 51% use social commerce and mobile commerce. Table 1 gives population estimates for global Internet penetration.

Increased online consumer demand

The pandemic has expedited the transition to a more digital society and spurred shifts in online buying patterns that seem to have long-term impacts. Before COVID-19, e-commerce was rapidly expanding, but the pandemic drove even more shoppers online. The pandemic is causing a dramatic and profound change in consumer behaviour. As per the United Nations Trade and Development (UNCTAD), the e-commerce industry has seen an exceptional increase in its percentage of total retail sales. The Global Consumer Insights Pulse Survey demonstrates a significant shift to online shopping, as people were initially confined by lockdowns and then managed to work from home (Villa and Monzón 2021). Additional tendencies in this transition toward digital consumption involve online customers looking for the greatest deal, choosing healthier alternatives, and becoming more eco-friendly by purchasing locally wherever feasible.

Customer behaviour was impacted by both COVID-19 and government constraints. Consumers of all generations reported buying more items and services online during the pandemic, but Baby Boomers were important drivers of e-commerce expansion. Overall, there has been a considerable shift toward digital purchase, with 43% of all respondents shopping online since the beginning of the crisis, up from 12% before the crisis. The frequency of purchases has also grown. Across all demographic groups, 25% of respondents acknowledged weekly Internet shopping, compared to 9.8% before the pandemic (Jílková and Králová 2021).

Ghandour and Woodford (2020) noted an exceptional increase in online customer

demand in many product categories following the outbreak of COVID-19. For example, they claimed that demand for skincare items increased by 143.96%, with orders from new consumers accounting for 99.92% of the increase. Likewise, they noted a worldwide increase in healthcare items including masks, sanitizers, and medications. Global corporations have also faced a comparable spike in online demand, forcing them to make critical modifications to their business procedures. To accommodate the increased online demand, Amazon, for example, employs roughly 300,000 full-time staff and expects to add another 250,000.

Additionally, even late adopters who may not have previously shopped online have been compelled to do so since they have no other option while sheltering in place. Following COVID-19, a significant portion of such late adopters who had previously been reticent to buy online rushed into e-commerce (Kim 2020).

E-commerce surged in 2020 as a result of business closures and customers' fear of contracting the coronavirus outside. Global traffic on retail platforms increased dramatically between January 2019 and June 2020. Retail websites generated approximately 22 billion visitors in June 2020, representing a 35.5% increase year on year (Villa and Monzón 2021). In the USA, e-commerce increased its percentage of overall retail sales from 11.8 to 16.1% during the first and second quarters, while in the UK, it increased from 20.3 to 31.3%. In the EU-27, retail sales over the Internet increased by 30% in April 2020 compared to April 2019, although total retail sales decreased by 17.9% (OECD 2020a). The trend persisted until 2021, when immunizations were widely accessible. Furthermore, consumer demand for products increased, as people spent their stimulus cheques and reallocated cash that would have gone toward costs like travel and restaurants to house maintenance and furnishings, among other things.

Supply chain disruption

Without a question, the economic circumstances that have resulted from COVID-19 outbreak have been unparalleled. Never before have so many worldwide closures, shortages, and travel bans happened at the same time, wreaking havoc on both communities and businesses. One of the most serious consequences of these incidents is the disruption of the global supply chain.

According to Majumdar et al. (2020), Haak-Saheem (2020), and Karmaker et al. (2021), the latest pandemic is a rare incidence of supply chain disruption that is having a significant impact on the global economy. The majority of those impacted are supply chains for critical items like healthcare and food supplies, as well as other essentials like sanitizers and toilet papers. Sharma et al. (2020) observed serious disruptions in India's healthcare supply chain as the infection worsened the situation. Barman et al. (2021) emphasized the economic ramifications of COVID-19, as well as the effects of the lockdowns on the food supply chain and agribusiness. According to the research, business operations and supply of various food items have been halted owing to a reduction in demand, the closure of food manufacturing facilities, and financial constraints. Mahajan and Tomar (2021) examined the food supply chain disruption caused by the pandemic-induced economic shutdown in India. The study found that product availability for vegetables, fruits, and edible oil decreased by 10%, but the price impact remained minor. It was mirrored by a 20% drop in vegetable and fruit arrivals at the farm gate. The analysis indicated that the major cause of the decrease was supply chain disruption. Paul and Chowdhury (2020) emphasized that COVID-19 has the greatest impact on manufacturing supply chains. This impact makes it more difficult for makers of high-demand, necessary goods like hand sanitizer and toilet paper. The authors noted that in a pandemic situation, the demand for vital items grows dramatically;

yet, the availability of raw materials reduces significantly due to manufacturing capacity constraints. These two disturbances have a sudden influence on the manufacturing process, and it may collapse if urgent and appropriate steps are not taken.

Cross-border restrictions and city lockdowns have confounded and exacerbated the issue. The majority of suppliers kept items in their warehouses, causing shortages and panic in society. As a result, people are compelled to purchase as much as possible in order to stock up at home (Chakraborty and Maity 2020). Due to the influence of COVID19, the increased demand for items with limited availability led prices to rise. The most frequently purchased things online are masks, pain relievers, vitamin C template, sanitizers, aprons, and cleaning soaps. Hospitals, on the other hand, have a strong requirement for personal protective equipment (PPE) to prevent COVID-19 from spreading further.

According to the global e-commerce industry research, the impact of COVID-19 on these industries has been widespread owing to supply chain and customer demand uncertainties throughout the world. The majority of the time, e-commerce supply chains are hectic. Apart from China, the USA and other countries have shut down factories. Electronic items are the most affected by COVID-19 epidemic, as China accounts for the majority of COVID-19 infections and is the world's largest producer of electronics and their parts (Ping and Shah 2022). A significant portion of China's imports of electronic components that are integrated into finished products such as consumer electronics and computers are subsequently included. However, as a result of the plant closure, the electronics product supply chain is now on the verge of impacting the e-commerce electronics business (Fernandes 2020).

Extended delivery time

E-commerce needs an effective trade environment in order to match client

expectations of quick and easy delivery. COVID-19, on the other hand, significantly slowed deliveries and extended delivery timeframes. This was most likely due to lockdowns in such locations and the shutdown or underutilization of local postal services. Some countries restricted the flow of post that entered their countries, resulting in significantly longer wait times for orders to be delivered. This increased delivery times in most locations by up to 30 working days, and much longer in more difficult-to-reach places (Bhatti et al. 2020). The longer delivery delays had an influence on online sales, emphasizing the complementarity of online and offline sales platforms. People began to shop at offline retailers once the lockdown was eased in order to avoid having to wait for delivery for extended periods of time. As a result, even if Amazon's own sales were 26% higher in the first quarter of 2020 than the previous year, its proportion of overall e-commerce in the USA declined from 42.1% in January 2020 to 38.5% in June 2020. Amazon, in particular, lost 4.2 to 5% of its market share to Walmart and 2.2 to 3.5% of its market share to Target (OECD 2020b). It may be assumed that these and related businesses undoubtedly benefited from extensive networks of physical stores, allowing for quick deliveries and curb side pickups.

Labour shortage

Last but not least, the business industry as a whole, including e-commerce, is experiencing a labour shortage. The pandemic increased digitization and e-commerce growth, necessitating the hiring of even more logistics workers. The rapid expansion of e-commerce makes order-picking highly labour-intensive, requiring warehouse and logistics corporations to hire more personnel than ever before. On the other hand, when more people call in sick, become infected with the virus, or struggle to find childcare, the already critical shortage of delivery personnel intensifies. In addition, e-commerce companies bracing for steps such as wage

cutbacks and layoffs to reduce the effect of company losses add to the decline in e-commerce delivery (Suguna et al. 2021). In the warehouse, good employees have been prevented from working due to the pandemic because they are afraid of contracting the virus and have childcare obligations that prevent them from working full-time hours. In other instances, state and federal unemployment benefits act as a deterrent to returning to work (Shen and Sun 2021). As a result, warehouse labour is in limited supply to satisfy the present number of e-commerce orders.

Competitive strategies for digital platforms after COVID-19

COVID-19 has accelerated the digitization process across all ecosystems, ushering in a new retail experience as a future trend (Pahwa 2020). This sub-section overviews competitive strategies that can support digital platforms to keep up with the new trend of consumer demand through e-commerce mechanisms.

Digitalization of public and private sectors

Crucial platforms for digitalizing both the commercial and public sectors of the economy must be established as working remotely will need the establishment of such platforms. These platforms should validate users' credentials and enable them to conduct transactions in a safe environment (Mahroum 2021). This might be one of the foundations for the effective digitalization of infrastructure, allowing the economy to develop and become more stable in the next years (Ghandour and Woodford 2020).

Collaboration with e-vendors

The interruption and collapse of the supply chain harmed retail and e-commerce. However, by collaborating with transporters and e-commerce sellers, it is possible to assure that products and services reach all locations (Dash and Chakraborty 2021).

CONCLUSION

Covid-19 prompted customers to alter their shopping habits, with many preferring to

purchase online rather than in-store, particularly toward the onset of the pandemic. Even older generations, who have historically relied on in-store purchases, are increasingly resorting to Internet shopping. As people get more comfortable with the conveniences of digital purchasing, this channel is projected to become their preferred form of shopping once the pandemic has passed. Similarly, the pandemic prompted several smaller retailers to enter the market by launching their own online services. If this transition becomes the normal state of affairs, as we anticipate, now is the time to identify strategies and put the necessary structures in place to sustain it.

Despite the fact that the pandemic pushed more buyers online, it had negative consequences that severely harmed e-commerce. Thus, it is vital to consider both the positive and negative repercussions of COVID-19 while positioning competing e-commerce initiatives. This research accomplishes both; it first examines consequences and then prioritizes strategies depending on the relevance of those impacts. The study identifies and evaluates five key impacts, two positive and three negatives. Positive impacts include increased online audience and increased online consumer demand; while negative impacts include supply chain disruption, extended delivery time, and labour shortage. The findings indicated that supply chain disruption, which is a negative impact, outranked all other consequences in terms of significance. Hence, while prioritizing strategies, the supply chain was given more weight. As a result, the strategy of expansion of the supply base received the highest ranking out of the eight possible strategies. Integrating cutting-edge technology and digitalizing the public and private sectors are the second and third most highly ranked strategies, respectively.

Chapter 12

ENTREPRENEURSHIP IN EMERGING MARKETS AND NEW ECONOMY

M.Saraswathi

Assistant Professor of Commerce with Computer Application (SF), VHNSN College
(Autonomous), Virudhunagar, Tamil Nadu

ABSTRACT

Productive entrepreneurship is generally assumed to be conducive to economic growth through exploiting new business opportunities and creating new jobs. Today, emerging countries, with their vast, youth labour force and low or middle income level, are starting to direct their policies towards encouraging entrepreneurship. Moreover, international, regional and local media have also focused on entrepreneurship as a vehicle for growth. This study focuses on role of entrepreneur in the Economic development and incorporate their new ideas to the wealth of a society.

Keywords: Productive entrepreneurship, economic growth, emerging countries.

1. INTRODUCTION

Several tremendous changes have occurred in the last two or three decades, such as the Rapid developments in communication and technology, the falling transportation cost and the free flow of trade and services, all of which are changing the world to become such a one small Village. Moreover, these changes have put excessive pressure, on along with providing Opportunities for the domestic firms in emerging countries to find out a way to compete with huge companies invading their markets through creating new ideas, innovating, and improving their competitive position. Moreover, the world had been shifting towards a knowledge based economy where success is mainly based on skills, knowledge and innovation that serve as a Competitive advantage of such economy.

As governments in emerging countries perceived the importance of entrepreneurship in providing these new ideas and innovation capabilities, they

started to support entrepreneurs, as being the engine of economic growth and sustainable development.

1. ENTREPRENEURSHIP DEFINITION

Entrepreneurship is a globally recognized phenomenon lacking a single agreed upon definition, as scholars have suggested various definitions for entrepreneurship. The following lines will present different definitions for entrepreneur and entrepreneurship. An entrepreneur is “*someone who specializes in taking responsibility for and making judgmental decisions that affect the location, form, and the use of goods, resources or institutions*” (Hebert and Link, 1989). While Baumol (1990) defined entrepreneurs as ‘persons who are ingenious and creative in finding ways that add to their own wealth, power, and prestige’. Kirzner (1973) defined entrepreneurship as “a process of discovery; the acting upon previously unnoticed and often marginal— profit opportunities”.

2. IMPORTANCE OF ENTREPRENEURSHIP

Entrepreneurship drives the growth and diversification of the economy and contributes to the creation of wealth. Before we get into the specifics of the role of entrepreneurship in economic development, let’s briefly encapsulate its significance. Entrepreneurship’s importance lies in the following:

- Drives economic growth and creates new job
- Encourages innovation by bringing new ideas, products, and services to the market
- Contributes to social change by developing products or services that reduce people’s dependence on outdated technologies

- Addresses social and economic problems by creating solutions that meet the needs of society
- Enables competition which improves business efficiency and lowers prices for consumers

4. ROLE OF ENTREPRENEURSHIP IN ECONOMIC DEVELOPMENT



The role of entrepreneurship in economic development has nine salient takeaways:

4.1. Raises Standard of Living

A significant role of entrepreneurship in economic development is that it can greatly enhance the standard of living for individuals and communities by setting up industries and creating wealth and new positions. Entrepreneurship not only provides large-scale employment and ways to generate income, it also has the potential to improve the quality of individual life by developing products and services that are affordable, safe to use, and add value to their lives. Entrepreneurship also introduces new products and services that remove the scarcity of essential commodities.

4.2. Economic Independence

Entrepreneurship can be a path to economic independence for both the country and the entrepreneur. It reduces the nation's dependence on imported goods and services and promotes self-reliance. The manufactured goods and services can also be exported to foreign markets, leading to expansion, self-reliance, currency inflow, and economic independence. Similarly, entrepreneurs get complete control over their financial future. Through their hard work and innovation, they generate income and create wealth, allowing them to achieve

economic independence and financial security.

4.3. Benefits of New Firms and Businesses

Entrepreneurs identify market needs and develop solutions through their products and services to begin their business venture. By starting new firms and businesses, entrepreneurs play a key role in shaping the economy and creating a more dynamic and diverse business landscape. Entrepreneurship also promotes innovation and competition, leading to new and improved products and services that contribute to economic growth and development.

4.4. Creation of Jobs

Entrepreneurship is a pivotal driver of job creation. Running the operations of new businesses and meeting the requirements of customers results in new work opportunities. Entrepreneurship also drives innovation and competition that encourages other entrepreneurs and investments, creating new jobs in a wide range of industries, from manufacturing and construction to service and technology sectors.

4.5. Encourages Capital Formation

Capital formation is the process of accumulating resources, such as savings and investments, to fund new business ventures and support economic growth. Entrepreneurship can encourage capital formation by attracting investment. In addition, the creation of new businesses and the growth of existing firms can also contribute to the development of a more diverse and dynamic economy that encourages capital formation and opens the door to a wide range of investment opportunities.

4.6. Elimination of Poverty

Entrepreneurship has the potential to lift people out of poverty by generating employment and stimulating economic activity. Entrepreneurship also contributes to the development of local economies and helps improve the overall standard of living.

“Emerging markets” is a term that refers to an economy that experiences considerable economic growth and possesses some, but not all, characteristics of a developed economy. Emerging markets are countries that are transitioning from the “developing” phase to the “developed” phase.

6.1 Entrepreneurship important in emerging markets

Entrepreneurship drives economic growth in emerging countries since new businesses and ventures allow entrepreneurs to introduce innovative products and services, create employment opportunities, stimulate market competition, attract foreign investment, and contribute to the economy's productivity.

6.2 Emerging 7 markets



The E7 (short for "Emerging 7") is the seven countries Brazil, China, India, Indonesia, Mexico, Russia and Turkey, grouped together because of their major emerging economies.

The emerging markets are the developing nations that have a crucial role to play in the global economy. The consistent GDP growth coupled with valuable investment opportunities is what makes any nation a contender for the same. India is one such emerging market!

7. Concluding Remarks

The previous discussion highlighted the importance of entrepreneurship and institutions to economic growth in emerging economies. This chapter provides an overview of entrepreneurship and the role of entrepreneurship in Indian Economy. The discussion is most relevant to the businesses contributes most to GDP in India especially service sector and

Agriculture are the back bone of the Indian Economy. This research also reveals the most emerging markets in the global Economy.

Emerging market economies in developing countries are essential in driving global economic growth. Currently, emerging market countries generate more than 50% of the world's economic growth. By 2050, it is predicted that the top three largest economies will be China, India, and the United States.

In conclusion, entrepreneurs are the driving force behind economic growth, job creation, and innovation in the Indian economy. Their activities lead to increased productivity, wealth creation, and improved living standards for many, making them a vital component of India's economic development.

Reference

1. Acs, Z. J., Desai, S., & Hessels, J. (2008). Entrepreneurship, economic development and institutions. *Small business economics*, 31(3), 219-234.
2. Aidis, R., Estrin, S. & Mickiewicz, T. (2012). Size matters: Entrepreneurial entry and government. *Small Business Economics*, 39, 119–139.
3. idis, R., Estrin, S. & Mickiewicz, T. (2012). Size matters: Entrepreneurial entry and government. *Small Business Economics*, 39, 119–139.
4. Danis, W. M., Clercq, D. De, & Petricevic, O. (2011). Are social networks more important for new business activity in emerging than developed economies? An empirical extension. *International Business Research*, 20, 394–408.
5. https://www.researchgate.net/publication/327559193_Entrepreneurship_in_Emerging_Markets

Chapter 13

SOCIAL MEDIA MARKETING AND ENTREPRENEURSHIP: A SYNERGIC APPROACH FOR BUSINESS GROWTH

Sinu Mary Devasia

Assistant Professor, Kristu Jyoti College of Management and Technology, Post Graduate Department of Commerce, Kerala

Abstract:

This abstract provides an overview of the intricate relationship between social media marketing and entrepreneurship, showcasing the significance of this symbiotic alliance in the contemporary business landscape. In the digital age, social media platforms have evolved into powerful tools for entrepreneurs to establish and grow their business. This paper explores the dynamics of social media marketing strategies and their profound impact on entrepreneurial endeavors. The paper begins by highlighting the exponential growth of social media platforms and their pervasive influence on consumers, emphasizing the need for entrepreneurs to harness the potential of these platforms for marketing and customer engagement. Through this paper illustrates how entrepreneurs can leverage social media platforms as a catalyst for business success. In conclusion, this paper provides valuable insights into the strategic integration of social media marketing and entrepreneurship, offering actionable recommendations for entrepreneurs looking to thrive in an ever-changing digital business environment.

Introduction:

In the digital age, social media has emerged as a power and transformative force, reshaping the landscape of business and entrepreneurship. With its unparalleled reach and influence, social media marketing has become an indispensable tool for both established and aspiring entrepreneurs. This research paper aims to explore the profound impact of social media on entrepreneurship, examining how it has revolutionized the way individuals create, promote, and manage their business.

The rise of social media platforms such as Facebook, Instagram, LinkedIn and TikTok has not only changed the way people connect and communicate but has also opened up new avenues for entrepreneurial endeavors. Entrepreneurs, small business owners and startups now have access to a global audience, enabling them to effectively market their products and services with minimal cost and maximum impact. The democratization of marketing and the removal of traditional barriers to entry have made it easier for individuals to pursue their entrepreneurial dreams.

In this paper, I will delve into the multifaceted ways in which social media marketing influences entrepreneurship, explore the strategies employed by entrepreneurs to harness the potential of social media, the challenges they face, and the remarkable success stories that have emerged from this digital realm. Furthermore, I will analyze the various social media platforms and their distinct features, offering specific insights into how each platform caters to different entrepreneurial goals and targets.

Additionally, I will address the evolving nature of social media marketing in response to changing algorithms, trends, and consumer behavior. As the digital landscape continues to evolve, staying updated with the latest tools and tactics is crucial for entrepreneurs seeking sustainable success.

The influence of social media on entrepreneurship extends beyond marketing alone. It has the potential to affect various aspects of entrepreneurship, such as networking, customer engagement, branding, and even the development of innovative products and services.

In conclusion, this research paper aims to provide a comprehensive understanding of the dynamic relationship between social media marketing and entrepreneurship. By exploring the challenges, opportunities and trends within this realm, we seek to equip entrepreneurs and business with the knowledge and insight needed to thrive in the ever-changing digital landscape. As social media continues to evolve, its influence on entrepreneurship is set to grow, making it imperative to stay at the forefront of this transformative force in the business world.

Objectives of the study:

1. Analyse and determine the most effective social media platforms for different entrepreneurial ventures by evaluating target audience demographics, engagement potential, and content relevance, aiming to enhance brand visibility and engagement.
2. Formulate comprehensive social media marketing strategies integrating entrepreneurial goals, emphasizing content creation, influencer collaborations, and community engagement to foster sustainable growth and brand loyalty within the market.
3. Establish metrics and assessment frameworks to measure the impact of social media marketing efforts on entrepreneurial ventures. Utilize these insights to iterate and adapt strategies for optimizing ROI, audience reach, and conversion rates, aligning with the evolving market dynamics.

Methodology

The main source of data used for the study is secondary data. The present study is conceptual survey with exploratory cum descriptive in nature. This research follows the analytical research methodology which is based on the quantitative data. The information related with study has been collected from websites and journals.

Statement of the problem:

In recent years, social media platforms have become indispensable tools for businesses, particularly entrepreneurs in reaching their target audiences and promoting their products or services. The problem at the hand revolves around the need to comprehensively explore and understand the multifaceted impact of social media marketing on entrepreneurship. This includes, but is not limited to, the following challenges:

- 1.Measuring Impact: A significant challenges is to quantitatively measure the influence of social media marketing on entrepreneurship,
 - 2.Competitive Dynamics: The rapidly evolving landscape of social media platforms and marketing strategies introduces a dynamic dimension to entrepreneurship. It is vital to examine how the entrepreneurs navigate these ever-changing environments.
 - 3.Resource Allocation: Entrepreneurs temperate with limited resources, making efficient allocation crucial. Understanding the impact of social media marketing helps in optimizing resource allocation and decision making.
 - 4.Consumer Behavior and trust: Entrepreneurs need to understand how social media influence consumer behavior, trust and loyalty.
 - 5.Long Term Sustainability: While social media marketing may offer short-term benefits. the long-term sustainability and stability entrepreneurship can be influenced by overreliances on these platforms.
- To address these challenges, a comprehensive examination of the influence of social media marketing on entrepreneurship is essential. This research aims to provide insights, frameworks and practical recommendations that will sit entrepreneurs in optimizing their use of social media for business growth and sustainability.

Research Question:

1. To what extent does social media contribute to the success and growth of startups and small businesses?

2. What are the most effective social media platforms and strategies for promoting entrepreneurial ventures and fostering customer engagement?
3. How does the interaction between social media and e-commerce impact entrepreneurship, and what are the implications for business models and revenue streams?

Literature Review:

1. Johnson, S. (2015). The Impact of Social Media on Entrepreneurial Ventures. In K. Smith & J. Lee.

This article delves into the emerging role of social media in shaping entrepreneurial ventures. Johnson explores how platforms like Facebook, Twitter, and LinkedIn provide opportunities for startups to connect with their audience, build brand awareness, and even secure funding through crowdfunding campaigns. It discusses the strategic use of social media to foster entrepreneurial success.

2. Thompson, M. (2018). Social Media and Entrepreneurship: The Power of Online Presence.

Thompson's article focuses on the significance of a strong online presence for entrepreneurs. It highlights case studies of successful startups that leveraged social media to gain visibility, engage with customers, and drive sales. The piece emphasizes the importance of authenticity and consistent branding across various social platforms.

3. Parker, E. (2020). Influence of Social Media on Entrepreneurial Mindset and Innovation

Parker's article explores how social media affects the mindset of aspiring entrepreneurs and fosters innovation. It examines the ways in which platforms like Instagram and TikTok have become avenues for creative expression and idea generation, discussing how entrepreneurs

harness these platforms to develop new business concepts and products

4. Brown, M. (2022). Social Media Strategies for Modern Entrepreneurs.

Brown's article focuses on practical social media strategies tailored for modern entrepreneurs. It discusses the evolving landscape of platforms, algorithm changes, and the necessity of adapting marketing approaches accordingly. The piece emphasizes the importance of analytics and data-driven decisions to optimize social media marketing efforts for entrepreneurial ventures

Findings:

Research on the influence of social media on entrepreneurship has yielded a range of findings that highlight both the positive and negative aspects of this relationship. Here are some key findings in research paper:

1. Social media platforms provide entrepreneurs with a cost-effective way to increase their visibility and build brand awareness. Entrepreneurs can leverage various social media channels to reach a broader audience and showcase their products or services.
2. Social media platforms offer entrepreneurs the opportunity to connect with potential business partners, customers, mentors, and investors. They can participate in online communities and engage with individuals who share similar interests and goals.
3. Entrepreneurs can use social media to conduct market research and gather valuable customer feedback. Social listening tools and data analytics can help entrepreneurs better understand their target audience and adapt their products or services accordingly
4. Compared to traditional advertising methods, social media marketing is often more cost-effective.

Entrepreneurs can create and promote content on social media platforms without significant advertising budgets, making it an attractive option for startups.

5. Entrepreneurs can access a wealth of resources and knowledge through social media. They can follow industry leaders, attend webinars, and join online forums to stay updated on industry trends and best practices.
6. Negative comments or reviews on social media can harm an entrepreneur's online reputation. Managing and responding to these issues is crucial for maintaining a positive image.
7. The constant stream of information on social media can be overwhelming for entrepreneurs. It can be challenging to filter relevant content and stay focused on business goals.
8. Maintaining a strong social media presence can be time-consuming. Entrepreneurs must invest time in content creation, engagement, and monitoring their social media channels.
9. Entrepreneurs must be cautious about the privacy and data security risks associated with social media. Sharing sensitive business information can lead to data breaches or intellectual property theft

Conclusion:

Social media marketing and entrepreneurship form an inseparable bond crucial for contemporary business growth. Through strategic utilization of social media platforms, entrepreneurs can amplify brand visibility, engage directly with their audience, and cultivate a community around their products or services. This symbiotic relationship between social media and entrepreneurship not only fosters brand recognition but also facilitates market expansion and customer acquisition.

Ultimately, harnessing the power of social media as an entrepreneurial tool is pivotal for businesses aiming to thrive in today's competitive landscape, offering unparalleled opportunities for innovation and growth. In the ever-evolving landscape of entrepreneurship, the fusion of social media marketing has emerged as a powerful catalyst for business growth. By intertwining these realms, entrepreneurs unlock a myriad of opportunities to amplify their brand presence, engage with their audience on a personal level, and leverage the vast potential of digital connectivity. The synergy between social media and entrepreneurship is transformative, offering a dynamic platform for innovation, customer interaction, and market expansion. As businesses navigate this digital ecosystem, harnessing the strategic potential of social media becomes indispensable, propelling them towards sustained growth, heightened visibility, and enduring success in the competitive market landscape.

References:

1. Smith, J. D., & Johnson, A. B. (Year). Leveraging Social Media Platforms for Entrepreneurial Success. *Journal of Business Strategies*, Volume (Issue), Page Range
2. Chen, C., & Lee, M. (Year). The Impact of Social Media Marketing Strategies on Small Business Growth. *Entrepreneurship Research Journal*, Volume (Issue), Page Range
3. Garcia, R., & Perez, S. (Year). Entrepreneurial Marketing in the Age of Social Media: Opportunities and Challenges. *Journal of Marketing Innovation and Management*, Volume (Issue), Page Range
4. Wang, L., & Jackson, K. (Year). Social Media Branding and its Influence on Entrepreneurial Ventures. *International Journal of Entrepreneurial Behavior &*

- Research*, Volume (Issue), Page Range.
5. Brown, E. F., & Adams, R. L. (Year). The Role of Social Media Engagement in Business Growth Strategies. *Journal of Marketing Development and Competitiveness*, Volume (Issue), Page Range
 6. <https://www.example.com/article1>
 7. <https://www.example.com/article3>
 8. <https://www.example.com/article4>

Chapter 14 OVERVIEW OF E-COMMERCE IMPACT ON THE BUSINESS

Dr. H.Sulaiman

Assistant Professor in Commerce, PG & Research Department of Commerce,
Khadir Mohideen College, (Affiliated Bharathidasan University-Trichy) Adirampattinam,
Tamil Nadu

Abstract

Electronic commerce is the buying and selling products or services through electronic systems such as the Internet and other computer networks. Trade occurs in this way, driving and benefiting from innovations in electronic funds transfer, supply chain management, Internet marketing, online transaction processing, electronic data interchange (EDI), inventory management and automated data capture systems. Modern e-commerce typically uses the World Wide network in at least one phase of the transaction lifecycle, but can also include a wider range of technologies such as email, mobile devices, and telephones. With the explosion of e-commerce in recent years, different shopping habits and preferences have emerged for certain groups and other demographics. These patterns have been measured and collected in numerous independent marketing, corporate and even academic studies to understand how consumers interact with the new technology. This article lays the foundation for a brief overview of the latest trends in human e-commerce. They follow their general perceptions and preferences regarding online shopping, including product and website selection. Each of these “e-commerce generalities” is compared to information from survey questions and open discussions. E-commerce companies in India offer the most practical and best e-commerce solutions while giving utmost importance to the privacy and security of the e-commerce website. The e-commerce service includes shopping carts, database developers, graphic design services, graphics, e-commerce, flash design, etc. The top 5 e-commerce companies in India

are:

- 1. 20North.com - This website offers variety of products like electronics, books, music, movies, and car accessories.*
- 2. 99labels.com - This site offers many fashion and luxury brands at good prices.*
- 3. Dealsand.com - This site offers various kinds of deals be it holidays, shirts etc. this site also gives heavy discounts on regular basis that cab be profitable for the shoppers.*
- 4. Fashionandyou.com - This site also is a great place to shop, this site declares sale and heavy discounts almost every day.*
- 5. FlipKart.com - This site offers various kinds of products and that too at one place. Mobile, its accessories, books, camera and laptop accessories and many more things are available on this site. One can find deals for home appliances also that are available at affordable prices.*

Keywords: e-commerce, marketing computer network, shopping trends, World Wide Web.

Introduction

E-commerce expresses electronic funds transfer commerce. It is defined as buying and selling products and services over the Internet (Shim et al. 2010), but this is not a complete definition of e-commerce. According to Bidgoli (2012), it is a system that includes not only transactions that focus on the purchase and sale of goods and services to generate income, but also those that generate supporting income, such as: B. generating demand for such goods and services, offering sales, etc. Customer service, e.g. It includes not only buying or selling, but also the marketing of goods and services and the transfer of money over the Internet.

Differences between Electronic

Commerce and Traditional Commerce

The major difference is the way information is exchanged and processed:

Traditional commerce:

Traditional commerce involves personal contacts, telephone lines or postal systems. This involves the manual processing of classic business transactions

In traditional trading, an individual is involved in all phases of a business

Benefits of Internet Commerce

E-commerce allows people to carry out businesses without the barriers of time or distance. One can log on to the Internet at any point of time, be it day or night and purchase or sell anything one desires at a single click of the mouse (Chaudhary, 2015).

Marketing benefits:

- Improved market analysis, product analysis and customer analysis.
- Low-cost advertising
- Easy to create and maintain customer o client database

Customer benefits:

- Dissemination of information on a large scale.
 - A large selection of good products and goods at reasonable prices.
 - Less time is spent resolving

Types of E-Commerce

1. **B2B (Business to Business)** This is the largest form of e-commerce. This model defines that buyers and sellers are two different entities (Malik, 2010). This situation is similar to when a manufacturer supplies goods to a retailer or wholesaler. For example, Dell sells computers and other related accessories online, but does not manufacture all of these products. So, in order to market these products, the first step is to buy them from other entrepreneurs, i.e. from the manufacturers of these products. This is one of the most convenient ways to sell your products worldwide. Here are some of the benefits of B2B use: Encourages businesses to go online. Facilitates the import and export of products. Identify buyers and suppliers and help position industry leaders.

transaction

E-Commerce:

Uses the Internet or other network communication technologies. Electronic commerce uses automated business transaction processing. Includes all activities related to commercial transactions, marketing and advertising, and customer service and support.

discrepancies between invoices and orders.

- Better access to help and advice from experts and colleagues.
- Save time and money on your purchases.
- Fast services and deliveries.
- Reduction of sorting times by the buyer.

Strategic advantages:

The strategic advantage of making your business “e-commerce ready” is that it helps reduce delivery times, labor costs and costs in the following areas.

- Preparation of documents
- Error detection and correction
- Reconciliation
- Preparation of mail
- Telephone call
- Credit card machines
- Data entry
- Exceptional
- Tracking fees

2. **B2C (Business to Consumer)** B2C refers to communication when selling to an individual rather than a company. B2C e-commerce offers the following advantages: B2C makes online shopping faster and more convenient. Offers and prices are subject to change. Example: If you want to sell goods and services to customers so that everyone can buy any product directly on the supplier's website. The main difference to other business models is the direct interaction with customers. Since B2B manages consumer relationships directly, B2C supply chains typically deal with customer-related activities.
3. **B2E (from company to employee)** This type of e-commerce involves employees ordering supplies for the workplace, but the concept now encompasses much more.

B2E has evolved into technologies that allow employees to access their records to update address information.

4. **C2B (Consumer Business)** consumers register their project budget online, companies check it if necessary and bid on the project. This empowers consumers around the world by providing a meeting point and platform for such transactions.
5. **C2C (Consumer to Consumer)** Help with online trading of goods or services between people. Although a larger website is not required, websites cannot complete transactions without a program provided by an online retailer such as eBay. This also includes transactions between consumers via third parties (Wikipedia, 2011). The third party has no doubts about checking the quality of the products offered.

The impact of e-commerce on businesses

The Internet has changed many aspects of our lives, including how we communicate with each other and how we manage our finances. This had a profound impact on society. Now we shop online without leaving home. This is forcing retailers to open online stores. It could also force small businesses to close their doors or go fully online. The way people spend their money has also changed. This will undoubtedly impact how companies sell and promote their products, as well as how people choose to purchase them, for many years to come. Here are the impacts of e-commerce on the global economy.

Impact on direct marketing

Product Advertising E-commerce improves the advertising of products and services through direct, attractive and interactive contact with customers.

New sales channel E-commerce creates a new sales channel for existing products. Facilitates direct customer access and two-way communication.

Direct Savings The cost of providing customer information over the Internet results in significant savings for shippers compared to non-electronic delivery. Significant savings are also achieved in the

delivery of digital products compared to physical delivery (Turban, 2010).

Reduced Cycle Time Delivery of digitalized products and services can be reduced to seconds (Turban, 2010). In addition, the administrative burden associated with physical delivery can be significantly reduced, especially for cross-border deliveries, reducing turnaround times by more than 90%.

Customer Service Customer service can be significantly improved by allowing customers to find detailed information on the Internet. Additionally, intelligent agents can respond to standard email queries within seconds and expert services can be accelerated using help desk software.

Corporate image Beginners can quickly build a company's image on the Internet. The company's image is trust, which is essential in direct sales. Traditional companies such as Intel, Disney, Dell and Cisco use their online activities to establish their corporate identity and brand image.

Impacts on organizations

Technological and organizational learning: Rapid advances in e-commerce require companies to quickly adapt to new technologies and provide them with the opportunity to experiment with new products, services and processes. New technologies require a new organizational approach. For example, the structure of an e-commerce business unit may differ from the structure of traditional sales and marketing departments. To be more agile and responsive to the market, you need to implement new processes. These types of business changes need to be planned and managed.

The changing nature of work:

The nature of work and employment will change in the digital age; this is already happening before our eyes. Driven by increasing competition in the global market, companies are reducing staff and relocating as much work as possible to countries where wages are much cheaper

(Lakshmi, 2010). The disruption caused by these changes creates new opportunities and new threats and requires us to adopt new ways of thinking about work, careers and pay. In the digital age, employees must demonstrate great flexibility. Few of them will have truly secure jobs in the traditional sense, and all must have the willingness and ability to continually learn, adapt, make decisions and stick to them.

New Product Opportunities:

E-commerce enables the development of new products and the customization of existing products in innovative ways (Lakshmi, 2010). Such changes can redefine the organization's mission and how it operates. E-commerce also allows suppliers to collect personalized data about customers. Creating customer profiles and collecting data on specific customer groups can be used as a source of information to improve products new models. The mass customization described above allows manufacturers to create specific products for each customer, tailored to their exact needs. For example, Motorola captures customer requirements for a pager or cell phone, transmits them electronically to the manufacturing facility where they are manufactured to the customer's specifications, and then ships the product to the customer within one day.

Impact on production

E-commerce changes production systems from mass production to just-in-time, demand-driven, and ultimately individualized production. In addition, manufacturing systems are integrated with financial, marketing, and other functional systems, as well as with business partners

References

Bidgoli, H., 2012. *Electronic Commerce: Principles and Practice*. New York: Academic Press. pp. 45.
Chaudhary, A., 2015. Benefits of Ecommerce, [online] Available at: <http://ezinearticles.com/?expert=Abhinash_Chaudhary> [Accessed on 10

and customers. With online ERP systems, incoming orders from customers can be transmitted to designers and the production department within seconds. In many cases, manufacturing cycle times are reduced by 50% or more, particularly when manufacturing occurs in a country other than where the designers and engineers live. Companies such as IBM and General Motors assemble products from components manufactured at multiple locations (Lakshmi, 2010). Contractors source materials and parts from their suppliers and may engage one or more tiers of manufacturers. Communication, collaboration, and coordination become essential in such multi-level systems. Thanks to electronic auctions, assemblers receive components 15-20% cheaper than before and 80 faster.

Impact on finances

Electronic trading requires specialized financial and accounting systems. Traditional payment systems are inefficient or ineffective in e-commerce. The use of new payment systems such as electronic money is complex as it involves legal issues and agreements on international standards (Lakshmi, 2010). However, electronic money will soon appear on the market and will definitely change payment methods. In many ways, electronic money, which can be backed by currency or other assets, represents the biggest monetary revolution since gold replaced cowhide. Its diversity and pluralism are a perfect fit for the Internet. It has the potential to transform the financial lives of consumers and shake the foundations of financial systems and even governments.

December 2011]

Lakshmi, L., 2010. Impacts of E-Commerce on Business, [online] available at: <<http://www.articlesbase.com/ecommerce-articles/impacts-of-ecommerce-on-business-1882952.html>> [Accessed on 11

December 2011]

Malik, A., 2010. The Five Different Types of E-Commerce, [online] Available at:

<<http://www.designzzz.com/the-five-different-types-of-e-commerce/>>[Accessed on 11 December 2011].

Shim, J. K., Qureshi, A.A., Siegel, J.G. and Siegel, R.M., 2000. The International Handbook of Electronic Commerce, 1st Edition, Routledge.

Turban, E., 2016. Electronic Commerce: A Managerial Perspective. New Delhi: Pearson Education. pp. 108.

Wikipedia, 2017. Electronic business. [online] Available at: <<http://en.wikipedia.org/wiki/E-business>> [Accessed on 3 December 2011]

Chapter 15

E - TAILING BEHAVIOUR SPECIAL MENTION TO AMAZON INDIA IN TRIUCHARAPPALLI

Dr.S.Mohamed Faizal

Assistant Professor, PG & Research Department of Commerce, Khadir Mohideen College,
Adirampattinam, Thanjavur (Dt), Tamil Nadu

Abstract

Online shopping or e-shopping is a form of electronic commerce which allows consumers to directly buy goods and services from a seller over the online using web browsers. The English entrepreneur Michael Aldrich invented online shopping in 1979. E-commerce has made life simple and innovative of individuals and groups; consumers buying behavior in online shopping is different from physical market where buyer has access to see the product. There has been a dramatic change in the way consumers have altered their way of shopping. Online shopping is among the most popular activities of the internet. The study focuses on online shopper's preferences, satisfactions and problems on amazon online shopping marketers. Structured questionnaire was used to collect the primary data. The sample size of the study is 75 respondents.

Keywords: Awareness on Amazon India, Online Shopping, Customer Satisfaction.

Introduction

The online shopping trend around the world spread very fast. The Neilson Company conducted survey in 2010 and polled over 27000 internet user in 55 market from as a in pacific, Europe, middle east, north America a to look at how consumers shop online (Neilson, 2010). Globally online shopping is made on books and cloths as per survey data. Most people are interested to purchase and bought usually books and cloths. Alternative names are: e-web-store, e-shop, e-store, internet shop, web-store, online store, online storefront and virtual store. Mobile commerce (or m-commerce) describes purchasing from an online retailer's mobile optimized online site or app. Internet makes life simple and

innovative. People are doing business online and trade has become more easy and fast. Internet provides new ways to promote business. Website becomes the essence of online business as to show their services and products. Internet gathers all competitors and consumers in one place. It brings new lane to promote, advertise products and services in market.

Online consumers are always in search of new products, new attractiveness and the most significant thing being price compatibility with their budget. The internet is best way to save time and money through pick up online within their range of budget at home or in anywhere. Online consumers don't have limits to online shopping. They also use internet for comparison of prices of goods and services, news, visit social networks and search information and so on. Online shopping behaviors depends upon factors such as shopping motives, personality variables, internet knowledge and experience and last factor of shopping incentives, etc.,

Review of Literature

PRASHANT SINGH (2014), in his study on Consumer's Buying Behaviour Towards Online Shopping, The main aim of study was to examine and analyze the consumer's buying behavior pattern towards online shopping in Lucknow. The research is based on both primary data and secondary data. The total sample sizes of 40 were collected through questionnaire by using convenient sampling method. Secondary data were collected through websites, journals, newspapers, etc, The outcome of the study is most number of users is happy on online shopping and mainly interested in buying online apparels.

SVATOSAVA VERONIKA
 (2013) conducted a study on Motivation of Online Buying Behavior. The aim of study was to analyze behavior of consumers when shopping on the internet and their motives. The data was collected through questionnaire on a sample size of 206 respondents. The outcome of the study resulted that online shopping behavior are independent on age of respondents.

Statement of the Problem

To develop and attract online customer it is very important to know about their behavior and understand what they require and essential. Since online shopping is the new intermediate of shopping with new demands of consumers. All customers have their own desires and demands for products so that it is very crucial for all online retailers to identify and know about their online consumers.

Significance of the Study

The present study is mainly focusing on the awareness, satisfaction level and problems faced by of respondents (online Buyers) Hence the results of the study will definitely be useful to the customers who prefer online shopping.

Objectives of the Study

Data Analysis

- To study the awareness level of consumers.
- To study customers attitude when making online purchase of different product from online shopping in amazon.

Research Methodology

Research Design

To analyze the customers buying behaviour through amazon descriptive research design was used. Both primary and secondary data have been collected. The study is mainly based on primary data which were collected from the questionnaire. The secondary data has to be collected form the journals, articles and online.

Sample Design

It is a definite plan for obtaining a sample from a given population. It refers to the technique the researcher adopts in selecting items for the sample. The respondents are selected based on convenient sampling.

Statistical Tools

The data collected through questionnaires were analyzed using simple percentage analysis, Chi-square test.

Table 1: Demographic information of the Respondents

Variables	Category	Frequency	Percentage (%)
Gender	Male	31	42
	Female	44	58
Age	Below 20	09	12
	21-30	31	41
	31-40	18	24
	41-50	14	18
	Above 50	03	05
Occupation	Student	35	47
	Employed	27	37
	Self - employed	08	10
	Professionals	05	6
Education Level	School	14	18
	Graduate	24	32
	Post Graduate	30	40
	Illiterate	07	10
Income Level	Below 10000	11	15

	10000-20000	24	32
	20000-30000	30	40
	Above 30000	10	13
Preference to Amazon	Easy access	21	28
	Attractive display	44	58
	Clear information	10	14
Frequency of Purchase	Daily	10	10
	Weekly	18	18
	Monthly	28	44
	Yearly	19	28
Mode of payment	Debit card	09	12
	Credit Card	02	03
	Online Transfer	07	10
	Cash on delivery	57	75

The above table shows that the 58% of the respondents are Female. 41% of the respondents belongs to the age group of 21-30 years.47% of the respondents are student.40% of the respondents have completed post graduate. 40% of the respondents have the income level of Rs.20000-30000. 58% of the respondents prefer amazon because of attractive display. 44% of the respondents make purchase on online shopping monthly. 75% of the respondents make payment through cash on delivery in online shopping.

Table No.2: Awareness on Amazon

Sources	No. of Respondents	Percentage (%)
Family Members	09	12
Relatives	14	19
Friends	23	30
Advertisement	29	39
Total	75	100

From the above table no.2, it is identified that 12% of the respondents know about amazon through family members, 19% of the respondents know about amazon through relatives, 30% of the respondents know about amazon through friends and 39% of the respondents know about amazon through advertisement.

Hence, the majority of the respondents know about amazon through advertisement.

Table No. 3: How many years you are aware about Amazon

No. of Years	No. of Respondents	Percentage(%)
Below one year	29	39
1-3 years	34	45
Above 3 years	12	16
Total	75	100

From the table no.3, it is identified that 39% of the respondents know about amazon below one year, 45% of the respondents know about amazon between 1-3 years and16% of the respondents know about amazon for above 3 years.

Hence, the majority of the respondents know about amazon for about 1-3 years.

Table No.4: Product Preferred

Product	No. of Respondents	Percentage (%)
Electronic items	19	25
Cosmetics	20	27
Footwear	15	20
Apparels	08	11
Books	06	8
Toys	07	9
Total	75	100

From the above table no.4, It's found that 25% of the respondents like to buy electronic items through amazon, 27% of the respondents like to buy cosmetics through amazon, 20% of the respondents like to buy footwear through amazon, 11% of the respondents like to buy apparels through amazon, 9% of the respondents like to buy toys through amazon and 8% of the respondents like to buy books through amazon.

Hence, the majority of the respondents prefer to buy cosmetic through amazon

Testing of Hypothesis

Ho: (Null hypothesis)

“There is no significant relationship between gender and awareness on amazon”. To test the above hypothesis the researcher has used the chi-square test.

Table 4 Result

Chi-square test			
Calculate d Value	Degree of freedom	Level of significance	Table value
1.0756	3	5%	7.815

Since the calculated value of chi-square is (1.0756) is less than the table value of (7.815) at 5% level of significance and the degree of freedom at 3. The Null hypothesis is accepted. Hence, it is concluded that “there is no significant relationship between the gender and Awareness on amazon”.

Findings

- ✓ Majority of the respondents are female.
- ✓ Majority of the respondents (41%) belongs to the age group of 21-30 years.
- ✓ The majority of 40% of the respondents have completed post graduate.
- ✓ Most of the respondents (40%) have the income level of Rs. 20000-30000.
- ✓ Majority of the respondents (51%) know about amazon through advertisement.
- ✓ Majority of the respondents (39%) know about amazon between 1-3 years.
- ✓ Majority of the respondents (58%) prefer amazon because of attractive display.

- ✓ Majority of the respondents (27%) like to buy cosmetics through amazon

Conclusion

This study concluded online shopping is a highly best one, when compared to other shopping. The Study about various aspects of customer satisfaction on online shopping is satisfied. The survey conducted helps to make identification over its strength and weakness of online shopping.

Reference

Dahiya Richa (2012): Impact of demographic factors of consumers on online shopping behavior a study of consumers in India. International journal of engineering and management sciences.
 Prashant Singh (2014): “Consumer’s buying behavior towards online shopping” national monthly referred journal of research in commerce and management.
 Svatosava Veronika (2013): “Motivation of online buying behavior” journal of competitiveness.
<https://www.nielsen.com/insights/2010/global-online-shopping-report/>

Chapter 16

A STUDY ON SOCIAL MEDIA MARKETING AND ITS INFLUENCE ON ENTREPRENEURSHIP

M.Aarathy

Assistant Professor, Department of Business Administration, NMS Sermathai Vasan College for Women, Madurai, Tamil Nadu

Abstract

Social Media Marketing is a form of digital marketing that leverages the power of popular social media networks to achieve marketing and branding goals. Entrepreneurs have a unique opportunity that billions of people who come to the same place every day to consume information. Social media marketing is a cost-effective, simple way to build a brand quickly. social media provides a direct line of communication between entrepreneurs and their audience. For new and established business, it can be used in a multitude of ways to better their business, especially for those who recognize the true potential of a strong social media presence. Social media is a low-cost form of entrepreneur marketing with a high return potential. Social media marketing is well-suited to this larger mission, providing entrepreneurs with a way to constantly reinforce the identity that they want for their business. Social media has become an essential part of the modern customer journey, underlining the importance of social media marketing for businesses of all sizes.

Keywords: Digital Marketing, Social Media, Customer Journey, True Potential.

Introduction

Getting an edge on the competition today can inform stronger business decisions tomorrow. The need for social media marketing has been greater for entrepreneurs in current times. With fierce competition a part of every sector and business, it has become essential to promulgate a business on social media channels for maximum impact. Social media marketing for entrepreneurs requires incorporating all the important components of the web domain optimally to create a

strong social media marketing campaign. In the present digitalized era, the majority of the marketers and entrepreneurs utilize social media to boost their relationship with their customers. Social media is helping companies to make customized, improved and better products for their existing and potential customers.

Instagram which is the most popular youth social media channel has more than 1 billion monthly active users. Interestingly more than 50% of those Instagram users are women. Facebook, the most widely used social media channel, has 2.5 billion users monthly. Twitter has more than 150 million daily users who are monetizable. According to Twitter statistics, the number of users has gone up 21% in 2020. The majority of Twitter users are men. (Hootsuite). According to Buffer, 81% of businesses are inclined towards creating video marketing on Facebook. More than 80% of consumers prefer content on YouTube. It is considered one of the most popular forms of social media marketing globally as per Hubspot study. These figures speak of the importance of social media for entrepreneurs and business houses no matter the size of the business. Entrepreneurs invest time and creative strategy to incorporate social media into overall digital marketing endeavour.

Social media marketing builds brand reputation and loyalty-Reputation is everything, especially in a challenging economic environment. According to The 2023 State of Social Media Report, building brand reputation and loyalty is a top priority. It's widely accepted that social media plays an increasingly important role in reputation management. In fact, 94% of leaders acknowledge that it

has a positive impact on brand loyalty. Social media allows brands to connect with their audience on a more personal level.

Facebook- Facebook is the largest social media platform globally as well as one of the biggest local business directories. People of a diverse range of age groups use it to communicate with friends and family, participate in groups and forums, find and visit businesses near them, and follow brands.

YouTube- YouTube as a social media marketing channel. The key to social media marketing on YouTube is to add value. It's best for Advertising.

Instagram- Instagram quickly surpassed those platforms and reached one billion monthly active users in 2018. People use Instagram to follow influencers and brands they buy from and who support their personal values. Instagram is used for Social shopping and Influencer marketing.

LinkedIn-LinkedIn may be a professional network, but it's also an inspiring community that celebrates leadership, learning, and core values. It is used for attracting top talent and have network with partners, peers, and customers.

Twitter-Twitter is a beautifully tangled network of quick thoughts, useful tid bits, and energized discussions. Many people use Twitter to get news, follow brands, and get customer service. Effective social media marketing on Twitter helps to Follow influencers to keep up with news and trends.

In the recent past social media has come forth as a powerful medium for marketing and advertisement. Marketing through social media channels is a poly directional communication approach, where the communications and functional roles between a buyer and a supplier or producer is combined to create value for the whole network. Social media has significantly been recognized as an effective medium that conduces business objectives and marketing strategies.

considerably, mainly related to customer relationship management, customer involvement, and communication.

Literature Review

Sreekuttan M.S(2020) pointed out in his paper "Role of Social Media in Youth Entrepreneurship", that social media provides people with an advantage to connect and interact with customers in a more personal, customized, and substantive way than ever before. It can be utilized for advertising, promoting, communicating, as well as expanding their customer base CRM is considered as the backbone of any business concern and is very important for the progress and development; social media networks are fulfilling this need by building a close and healthy relationship with their potential customers.

Brendan James Keegan and Jennifer Rowley (2017) contributes to knowledge regarding social media marketing strategy by developing a stage model of SMM evaluation and uncovering the challenges in this process. This framework has the following six stages: setting evaluation objectives, identifying key performance indicators (KPIs), identifying metrics, data collection and analysis, report generation and management decision making.

Rodney Graeme Duffett (2017) examines the influence of interactive social. The study ascertained that social media marketing communications had a positive influence on each attitude component among adolescents. Thus this investigation also makes an important contribution to attitudinal research in developing countries.

Priyanka P.V and Padma Srinivasan (2015) identified various factors that determine the purchase of a product using social media from a customer's point of view. A model from the retailer's perspective has been developed that explains how social media can be used for increasing customer loyalty. Entrepreneurs providing

continuous customer support services will result in improvement of customer retention. New applications and social platforms will flourish and allow even greater personalization and real-time, location-based engagements in media.

Hensel and Deis (2010) have recommended that marketers must consider all possible avenues to positively use social media to increase advertising and improve marketing. Before implementing a specific social media strategy, the benefits, drawbacks, and challenges associated with it must be addressed. The strategy must assist in facilitating the social media inputs and discussions. In addition, social media strategies should also be used to track a business presence online, and to make sure that clients are not degrading the branding value. The Internet-based social media has made it possible for one person to communicate with hundreds or even thousands of other people about products and the companies that provide them on web. Thus, the impact of consumer to consumer communications has been greatly increased.

Statement of the Problem

Traditional marketing cannot reach as many people as other types of marketing. This means that there may be limited expansion opportunities. Traditional marketing is more costly than other marketing types. Limited operating hours, restricting convenience for customers. Higher overhead costs, including rent, utilities, and employee salaries. Digital media provides the ability

to directly attribute online actions such as sales, scheduled appointments, form fills, calls to unique efforts or channels. This allows to go beyond impressions, clicks and website visits to determine what efforts deliver the greatest return on investment.

Objectives of the Study

1. To study the impact of social media marketing and its influence on Entrepreneurship.
2. To ascertain the manner in which the entrepreneurs promote their products in social media.
3. To know about the fastest growing platform of social media and its contribution to the success of Business.

Limitations of the Study

1. Not a lot of respondents could be approached as a result of time constraint.
2. The study has been limited to the geographical location of Madurai City.

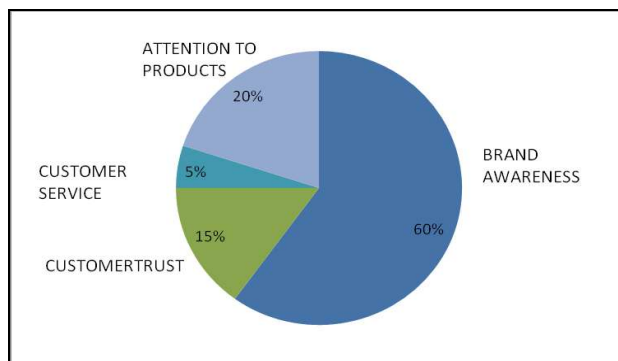
Research Methodology

The study is based on primary data collected by circulating questionnaire by adopting simple random sampling method. The interpretation of the results is based on the Percentage Analysis.

Findings of the Study

1. From the diagram, it can be seen that 60% of the respondents opined that Brand Awareness will be provided through social marketing, 20% of the respondents agreed that attention to products will be provided, 15% of the respondents stated that customer trust and 5% of the respondents felt that customer service will be provided.

Diagram No:1- Benefits provided through Social Media Marketing

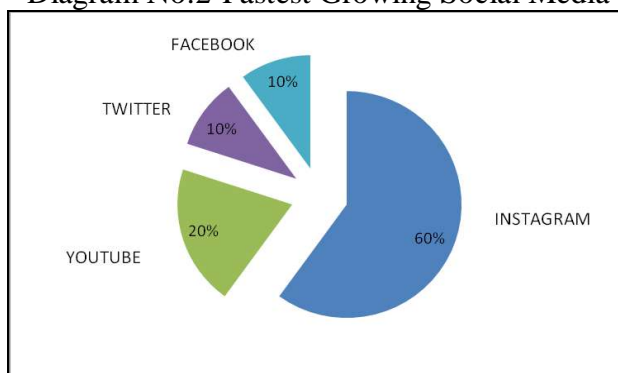


Source:Primary Data

- From the diagram, it can be seen that 60% of the respondents stated that You tube is the fastest growing social media when compared to other sites. 20% of the respondents

stated Facebook is the fastest growing social media, 10% of the respondents stated that Twitter is the fastest growing, 10% of the respondents stated that Whatsapp is the fastest growing media.

Diagram No:2-Fastest Growing Social Media

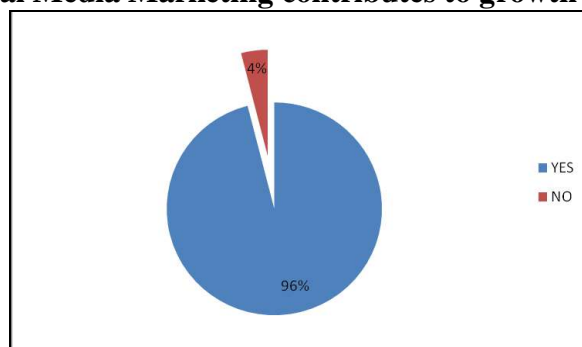


Source:Primary Data

- From the diagram ,96% of the respondents stated that social

media marketing can bring revolutionary changes in the field of Entrepreneurship.

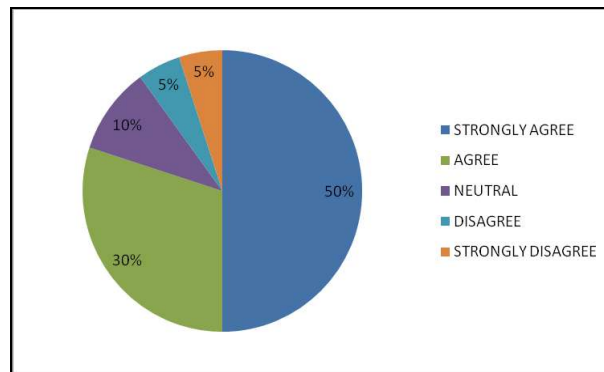
Diagram No:3-Social Media Marketing contributes to growth of Entrepreneurship



Source:Primary Data

- 75% of the respondents have agreed that social media marketing has created a strong impact on Entrepreneurship.

Diagram No:4-Social Media Marketing has created impact on Entrepreneurship



Source: Primary Data

5. 65% of the respondents have agreed that Entrepreneurship can be considered as a career option in today's fast growing global world.
6. 96% of the respondents believe that social media marketing can bring success to the company.
7. 96% of the respondents have believed that youth are attracted towards social media marketing than other age group of people.
8. 80% of the respondents have strongly agreed that Instagram influences highly to promote product.
9. 98% of the respondents agreed that social media marketing has tremendous advantage over traditional marketing.
10. 96% of the respondents have strongly agreed that social media marketing can be a good source of earning income.

Suggestions

1. If the Entrepreneurs provide quality products on affordable cost, it would definitely help them to increase the sales.
2. The Entrepreneurs can create a separate blog for accepting valuable recommendations from the customers.
3. The Entrepreneurs should ensure that the websites are not accessed by unauthorized users and should provide a comfort zone for the customers to make safe payment.

Conclusion

The significant advantage of social media lies in its widespread reach ability, which is all across the world and minimum time duration in receiving feedback. Social media sites provide an opportunity to connect and interact with customers in a more personalized and meaningful way. Social Media Marketing Industry Report reveals that “64% of marketers spend five hours or more per week on social media and 39% of them spend ten hours or more weekly”. It shows that most of the businesses are actively using social media as their marketing strategies. Social media marketing improves the profile of the business by increasing visibility. It has been a primary reason for social media use by entrepreneurs which helps in attracting new customers and accelerate sales. Many social media platforms such as Facebook, Twitter, WhatsApp, Instagram and Youtube are providing a lot of avenues to become entrepreneurs by involving creativity, innovation and leadership. Social media helps the entrepreneur in acquiring and building entrepreneurial intention.

References

1. Kaplan, A.M. and Haenlein, M. ‘Users of the world, unite! The challenges and opportunities of social media’, Business Horizons, Vol. 53, No. 1, pp.59–68.
2. *Journal of Marketing Research*, Vol. 39, No. 1, pp.61–72. Kraus, S., Harms, K. and Fink, M. (2010)

3. *International Journal of Entrepreneurship and Innovation Management*, Vol. 11, No. 1, pp.19–34. Al Tenaiji. "Social media marketing."
4. Zarrella, D. (2009) *The Social Media Marketing Book*, O'Reilly Media.
5. Mah J. Z., Ghulam, Y. & Mariah, I. "*Social Networking a Source for Developing Entrepreneurial Intentions Among Entrepreneurs*".
6. *Indian Journal of Research on Social Media as a Platform for Marketing by the Millennial Entrepreneurs*.
7. Blackburn, R. and Athayde, R. (2000) 'Making the connection: the effectiveness of internet training in small businesses', *Education and Training*, Vol. 42, Nos. 4–5, pp.289–298.
8. Blackburn, R. and Athayde, R. (2000) 'Making the connection: the effectiveness of internet training in small businesses', *Education and Training*, Vol. 42, Nos. 4–5, pp.289–298.
9. Blackburn, R. and Athayde, R. (2000) 'Making the connection: the effectiveness of internet training in small businesses', *Education and Training*, Vol. 42, Nos. 4–5, pp.289–298.
10. Blackburn, R. and Athayde, R. (2000) 'Making the connection: the effectiveness of internet training in small businesses', *Education and Training*, Vol. 42, Nos. 4–5, pp.289–298.
11. Blackburn, R. and Athayde, R. (2000) 'Making the connection: the effectiveness of internet training in small businesses', *Education and Training*, Vol. 42, Nos. 4–5, pp.289–298.
12. Blackburn, R. and Athayde, R. (2000) 'Making the connection: the effectiveness of internet training in small businesses', *Education and Training*, Vol. 42, Nos. 4–5, pp.289–298.
13. Blackburn, R. and Athayde, R. (2000) 'Making the connection: the effectiveness of internet training in small businesses', *Education and Training*, Vol. 42, Nos. 4–5, pp.289–298.
14. Blackburn, R. and Athayde, R. (2000) 'Making the connection: the effectiveness of internet training in small businesses', *Education and Training*, Vol. 42, Nos. 4–5, pp.289–298.
15. Blackburn, R. and Athayde, R. (2000) 'Making the connection: the effectiveness of internet training in small businesses', *Education and Training*, Vol. 42, Nos. 4–5, pp.289–298.
16. Blackburn, R. and Athayde, R. (2000) 'Making the connection: the effectiveness of internet training in small businesses', *Education and Training*, Vol. 42, Nos. 4–5, pp.289–298.
17. *International Journal of Social Entrepreneurship and Innovation*, Cader, Yoosuf, and Afraa Abdulla

Chapter 17

THE GREEN FRONTIER: AN INTRODUCTION TO GREEN ENTREPRENEURSHIP

Ritu Kumari

Research Scholar, Quantum University, Uttarakhand

Dr. Vinay Pal Singh

Sr. Assistant Professor, Quantum University, Roorkee, Uttarakhand

Abstract

The effects of the irresponsible globalised industrial revolution have made environmental degradation severe. It has been indicated that the delicate biological and ecological processes are being severely disrupted. But it didn't take long to realise that a green economy could not be created without first tackling sustainability concerns in small, medium and large-scale enterprises. Shift to a green economy must be led by businesspeople who are driven to introduce cutting-edge commercial solutions into the market in order to address the environmental and social issues of the present day. The focus of this particular study is to understand the concept of green entrepreneurship, its differentiation from regular entrepreneurship, impediments faced by green entrepreneurs, green entrepreneurship for women and much more about it. It has been concluded that in comparison to traditional entrepreneurial equivalents, newly established green enterprises have a greater potential to gain advantages from outer environmentally friendly practises in terms of items and services, client accessibility and devotion. Furthermore, we contend that using inner green tactics such as staff members' environmental attitudes and their track record for being environmentally conscious can give you an important edge over your rivals. Greening is a type of innovation that necessitates changing habits and behaviours, so it is important to comprehend how these adaptation processes play out. For this reason, change administration specialists are essential to the subject of greening.

Keywords: Green entrepreneurship, Green entrepreneurs, Green business, Sustainable development.

1. Introduction

A sustainable transformation in the current usage and manufacturing systems is desperately needed especially with the concerns posed by climate change hanging over the globe. The effects of the irresponsible globalised industrial revolution have made environmental degradation more severe. There are growing indications that the delicate biological and ecological processes are being severely disrupted. The risks posed by changes in the climate are not limited to natural limitations in fact they also cause unrest in the world economy. Therefore, it is imperative that economic expansion, social and environmental sustainability must be coupled. But it didn't take long to realise that a green economy could not be created without first tackling sustainability concerns in small, medium and large-scale enterprises. Because of this, the shift to a green economy must be led by businesspeople who are driven to introduce cutting-edge commercial solutions into the market in order to address the environmental and social issues of the present day. A new generation of passionate and environmentally conscious entrepreneurs has captured the interest of lawmakers, academics and civil society in the last ten years because they have the ability to move the economies of developing countries particularly towards sustainable development (Haldar, 2019). As a result, the study of green entrepreneurship is becoming increasingly

important in the field of entrepreneurship (Koe et al., 2014). In addition to meeting the ever-changing needs of consumers for environmentally friendly goods, green business also serves as a catalyst and long-term advisor for the realisation of sustainable growth. Thus, businesses that recognise the link among creativity and environmental responsibility and gain a competitive edge by emphasising and marketing environmentally friendly products can be categorised as green entrepreneurs. Green goods are made with less dependence on environmental resources, the removal of hazardous waste materials that could endanger the well-being of humans or the environment, reuse leftover substances and decreased energy use. Thus, the responsibility of green entrepreneurs extends beyond providing solutions to the problems that degradation is posing for the environment to include pushing conventional marketing strategies and situations to take a more environmentally conscious stance (Nayak & Sahoo, 2021).

Lack of knowledge and an invisible business plan provide the biggest obstacles in green entrepreneurship. In order to attain sustainability over the long run, producers, consumers and ecopreneurs must work together. Additionally, Kardos et al (2019) emphasised how supervisors and green entrepreneurs can benefit from green marketing in order to notify, enhance awareness, impart knowledge and alter consumer behaviour, particularly in nations that are now increasingly obsessed with environmental sustainability or sustainable entrepreneurship. Potluri and Phani (2020) propose that integrating ecological and business knowledge through the "green" component in the teaching of entrepreneurship facilitates this shift. They do however, also issue a warning over the absence of a financial guarantee and a legislative framework for green business. However, green businesses provide green services as well as goods and mostly act according to their beliefs. It has been

established over and over again by researchers that adopting environmentally conscious behaviours can have beneficial financial implications. A multifaceted scale developed by Ljungkvist and Andersen (2021) looked at the financial effects of several environmental corporate practises and found a strong and positive correlation across both of them. The focus of this particular study is to understand the concept of green entrepreneurship thoroughly, its differentiation from regular entrepreneurship, green entrepreneurship for women and also to study the various theories related to it.

2. Background

Green entrepreneurship refers to enterprise ventures that have no negative impact on the environment within society. The choice must be made with the goal to preserve society's environmental components. Since managing a green business is too challenging as many entrepreneurs would hesitate to pursue this line of work. They must withstand pollution, which harms the ecosystem and poses health risks. The business's activities, services and products should have a beneficial impact on the surroundings. The nation's environmental sustainability contributes to its economic development. In contrast to regular entrepreneurs, who must make decisions based on their business circumstances, green entrepreneurs are more willing to take risks and should prioritise besides their organisation but also the state of the environment in which society lives (Yoganandan & Chander, 2018). As an organizational characteristic it is defined as "the process of identifying and taking advantage of financial possibilities found in failures in the marketplace that have an impact on the environment". Words like "sustainable entrepreneurship", "ecopreneurship" and "environmental entrepreneurship" are frequently used synonymously for green entrepreneurship (Gast et al., 2017).

Green entrepreneurship comprises many advantages which includes- *Government*

incentives: EPA (Environmental Protection Agency) is tough with corporate organisations to minimise pollution in the industry's manufacturing process. Since there is no pollution produced throughout the process with fewer debris waste, green businesses can be given incentives by the government to draw attention to their enterprise and help the public (Sharma & Kushwaha, 2015). *Opportunities to improve business:* Green entrepreneurs can network with several enterprises to enhance their business and adopt creative ideas for the betterment of society. Additionally, numerous charitable organisations support green businesses that promote the public good. Green businesses will also receive contracts or funding from government organisations to help them execute their innovative ideas for the betterment of society. (Bhardwaj & Neelam, 2015). *Benefit for the organisation:* Since there is a lot of public support for green businesses, green entrepreneurs can use public relations to introduce new concepts to their clientele. Since the waste materials from the production of green products shouldn't harm the environment, the procedure should be closely watched (Yoganandan & 2.1 Chander, 2018). *Reduce CO2 emissions:* Green businesses support coordinated effort to halt global warming by being gentle stewards of the earth. Every effort to reduce carbon emissions contributes to a cleaner and healthier atmosphere, which is an invaluable gift to the environment and the next generation (Theron, 2023). Green entrepreneurship also consists numerous disadvantages such as -

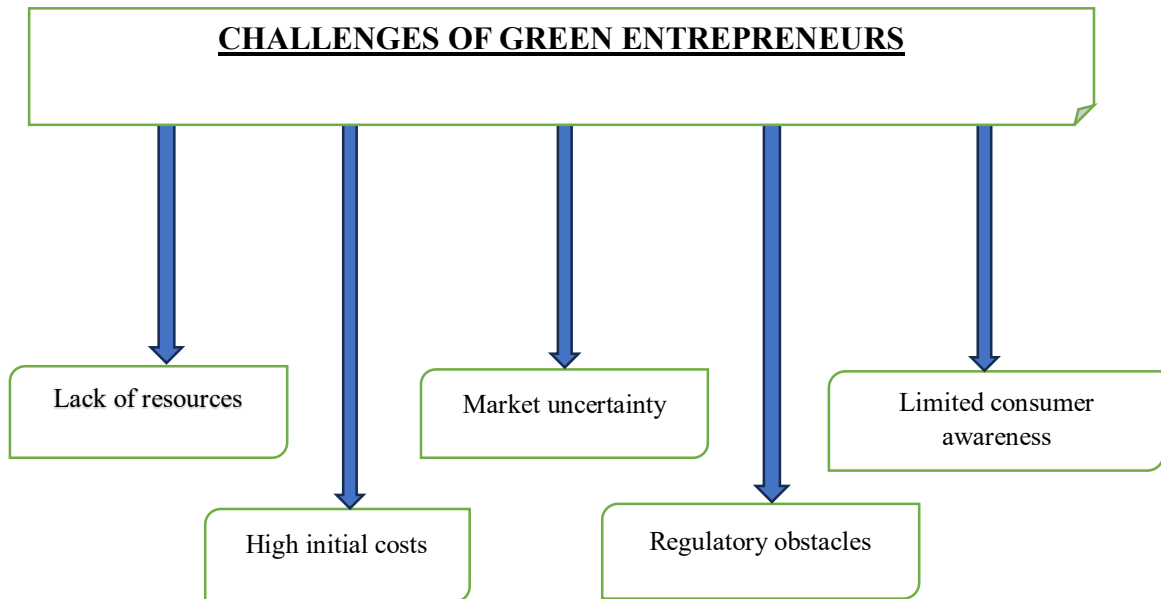
Expenses: Conventional costs associated with green entrepreneurship for instance raw materials, technological advances, equipment etc., will be significantly greater than those associated with conventional products. The product needs to be marketed at an elevated rate because green entrepreneurship comes with significant costs. *Competition:* For companies trying to gain goodwill and attract consumers, becoming green may be a desirable goal, but if the improvements aren't viable, they could hurt them in the eyes of customers. For example, if a business chooses to install novel technologies and hire more personnel to meet tight pollution requirements but another company sets looser criteria, the other business will benefit from cheaper production costs. *Marginal Impact:* Though the goal of turning green is to lessen environmental harm, the effect that going green can have on any one person is frequently insignificant. The idea is that there would be a big obvious effect if everyone became green, yet not everybody is persuaded to act so and numerous individuals think that being green just affects the economy (Iravani et al., 2017).

Impediments faced by green entrepreneurs

Various types of obstacles faced by green entrepreneurs in India which includes lack of resources, high initial costs, market uncertainty, limited consumer awareness, supply chain sustainability, resource scarcity, technological advancements, competition from established companies etc. Some of them are summarized in figure-1 and explained thereafter-

Figure 1. Challenges of green entrepreneurs

(Source-Renu,2020)



High Initial Costs: When compared to traditional practises, environmentally friendly technologies and sustainable practises sometimes have greater startup expenditures. Green entrepreneurs ought to think for a long-time cost-effectiveness study that show the foreseeable financial benefits of their sustainable products in order to overcome this dilemma.

Market Uncertainty: Emerging shifts in customer preferences and developing environmental trends define the green market. It could be difficult for green business owners to anticipate these shifts and adjust accordingly. Maintaining flexibility and closely monitoring consumer tastes and market movements are essential. Furthermore, diversifying one's offerings to meet shifting consumer needs and mitigate volatility in the market can also assist reduce risk.

Regulatory Obstacles: As green entrepreneurs, navigating the intricate web of environmental laws and licences may be a challenging endeavour. Although it can be expensive and time-consuming, adhering to regional, state, federal and worldwide environmental regulations is crucial.

Limited Consumer Awareness: A considerable number of buyers continue to lack a thorough comprehension of how their decisions affect the environment and society. In order to increase public awareness of goods and services, green business owners must allocate money on persuasive marketing and awareness-raising initiatives.

2.2 The role of government assistance in impeding green entrepreneurship

Prior research has looked at legislative & governmental barriers that hinder green entrepreneurship in industrialised and developing nations (Ball & Kittler, 2017), (Marin et al., 2015). Ball stated that concerns about governmental support's acceptability exist even in cases where it is available. He examined how policy support from government tools assisted in promoting green business ventures in the energy sectors of France, Germany as well as the United Kingdom. He came to the conclusion that while entrepreneurs found the structures useful, they also thought they were better suited for assisting massive producers rather than inevitably expanding up smaller businesses. As a result, it was unclear whether the policy frameworks were helping SMEs environmentally

friendly enterprises to grow and the regulations seemed to favour giant monopolies. Examining government backing for green entrepreneurship in emerging economies, it has been determined that with regard to government initiatives, businesses were hindered by problems like fragmented action; this was especially true in cases where there was not a single source for obtaining necessary information and assistance, which greatly increased the costs of coming up with creative solutions. Another instance of how legislative as well as regulatory measures might impede movement is the lack of readily available useful data such as that on monetary backing systems for various innovations and methods as well as the advantages to be received from them.

2.3 Factors enabling green entrepreneurship

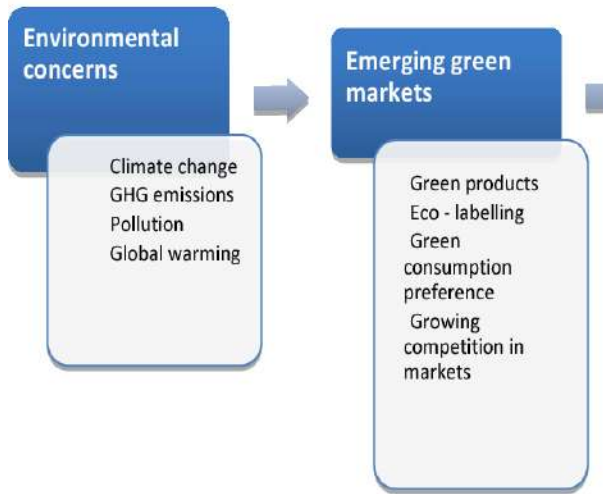
It is crucial to do a thorough analysis of the variables and circumstances influencing green entrepreneurship as well as the influence of both official and unofficial connections upon the operations of green SMEs (Qazi et al., 2020). In order to lower failures or threats, a more supportive economic environment plus a higher degree of entrepreneurial inventiveness is needed in economies in transition, where founding an enterprise is harder than in mature nations (Haldar, 2019b). In order to encourage green entrepreneurship, authorities should establish regulations that are supportive, eliminate or minimise bribery to increase the sector's appeal and inform the public about the value of purchasing environmentally friendly goods (Melay et al., 2017). If a green entrepreneur can send a consistent indication to investors—which can be achieved through more than just utilising environmentally friendly innovations and placing the business in the green sector—he will have a higher chance of luring venture capitalists. People who care about the environment are resources to the entire ecosystem of green entrepreneurship and environmental values have an advantageous effect upon the

achievement of sustainable entrepreneurial operations. By rewarding investments in environmentally friendly company practises and removing obstacles to the creation of an environmentally friendly market environment in India, it is necessary to encourage green entrepreneurship. The success of environmental efforts and green entrepreneurship depends on a supportive system made up of shifting, communicating and connecting elements without clear borders. Raising capital, not having access to informational resources, not being aware of the law and lacking management and technical know-how are some of the biggest obstacles encountered by green business owners in India.

2.4 Green entrepreneurship as a means of gaining a competitive edge for businesses and promoting sustainable development

Natural resource depletion, increasing temperatures worldwide, growing emissions of greenhouse gases, contamination of the environment and ecosystems and the swift extinction of biological diversity have prompted lawmakers as well as national and international institutions to pass laws that punish businesses that seriously damage the environment and reward that businesses that use environmentally friendly innovations and produce environmentally friendly goods. Consumers' increasing awareness of the need to protect the environment has given rise to green sectors, that seek goods made with sustainable methods, logistics redesigns in line with green agendas and fresh chances for green entrepreneurship. Businesses that prioritise environmentally friendly management techniques therefore have a competitive edge that can grow quickly and opening the door for other businesses to follow suit which ultimately results in sustainable development.

Figure 2. Nexus between environmental concerns, emerging green markets, green entrepreneurs, sustainable development. (Source- Nayak & Sahoo, 2021)



2.5 Green entrepreneurs in India and their organisations

Case 1. Ved Krishna, YashPakka

Ved Krishna, a well-travelled businessman, made the decision to remain in his native nation and devise novel strategies for getting rid of single-use plastics everywhere. His goal is to create a more joyful, more sustainable and cleaner world. Ved is the owner of the prosperous business YashPakka which pulps and sources locally grown bagasse, agro-residue sugarcane debris to create food service items and wrapping material.

Case 2. Vaibhav Anant, Bambrew

In India, Bambrew is a firm that specialises in ecological packaging and offers comprehensive innovative solutions. Vaibhav is in charge of team development, financials and funds, R and D and much more. Bambrew has successfully lowered over 10,000 tonnes of plastic waste by developing workable and sustainable alternatives that are an ideal organic substitute to single-usage plastic (Nazir, 2022).

Case 3. Dolly Kumar, Founder, Skinella

Skinella, an established skincare company that supplies products produced with the power of superfoods to meet the skincare

needs of young girls and women between the ages of fifteen and twenty-five, is the creation of Dolly Kumar, a female entrepreneur. Dolly saw an opportunity for a brand that is organic, devoid of toxic substances, after a lot of research. In order to provide the skin with the beauty advantages of natural superfoods, she founded Skinellaa. PETA has recognised Skinella goods as vegan and free of cruelty. The company just introduced Facesheet masks, which are environmentally friendly since they consist of entirely degradable cellulose sheets. Not just the goods are reusable, but the packaging as well, helping to preserve the environment.

Case 4. Reetesh Dhingra, Co-Founder, Wiz

Wiz is the top brand of hygiene and personal care goods in India and Reetesh's unmatched experience in the FMCG industry has added some frosting to the pie for the brand. The adage "with great power comes great responsibility" is something he and his team firmly believe in and they make an effort to live by. Wiz, the top personal care brand in the nation, introduced a new line of eco-friendly, biodegradable products named Only Vegan Ingredients, which are made with cruelty-free surfactants. These are completely chemical-free and safe for both children and animals.

2.6 Difference between Regular entrepreneurship and green entrepreneurship

Regular entrepreneurship is different from green entrepreneurship in terms of their goals, concepts, competitions, etc. Table-1 below shows difference between both kind of entrepreneurships.

Table-1. Distinction between regular and green entrepreneurship

Sources of Difference	Regular Entrepreneurship	Green Entrepreneurship
-----------------------	--------------------------	------------------------

Goal-Orientat ion	Profitability	Sustainability
Link To Social Proble ms	Indirect	Direct
Growth	Competitive For a single business	Working together for the good of society
Risk	Primary Business Risk	Basic Risk for Business Plus Societal Factor
Concept	Individual	Collective

3. Indian projects in the area of green entrepreneurship

- 3.1 *Multimedia approaches to education in rural areas through Digital Green:* Digital Green is an organisation without profit that combines tech and social organisation to enhance health, food security and farming. They collaborated with regional public, business and civil institutions to use videos as a means of knowledge dissemination.
- 3.2 *Waste Ventures-* 90% of the debris from dump sites is turned into nutrient-rich natural compost. A Delhi based firm was established around 2011 and now working on 44 projects in the current year.
- 3.3 *Debris Collection in Return for Cash-* Enchashea is a trash pickup service that offers money of scrap materials in few districts in Bengaluru. Company has also released an app that makes it simple for people to order delivery. On websites for trash, where e-waste is also dealt at Rs. 10 per kg, prices are indicated.
- 3.4 *Fourth Partner Energy -* Encouraging access to solar energy: Vivek Saluguti, Vivek Subramanian and Saif Dhorajiwala. They constructed rooftop solar energy systems for business, factories and residential consumers. Their fundraising totals \$2 million.

4. Green entrepreneurship and greenwashing

Eco-friendly terms like eco, bio and natural sustainability have been used

metaphorically by a few dishonest businesses to trick gullible customers into thinking that they are operating their businesses sustainably. It has been noted that companies intentionally choose to engage in "greenwashing," which is the term for deceiving the public through advertising campaigns (Coad et al., 2016). It follows that businesses are now aware that customers care about biodiversity and the natural world due to the widespread use of misleading green messaging to gain market acceptance. In spite of this, customers are still able to recognise legitimate environmentally conscious brand that they ultimately choose to support (Consoli et al., 2016). It is understandable that consumers are starting to take environmentally friendly behaviours of any business and product into consideration before making their final purchasing decisions because they are more aware than ever of the detrimental effects of entrepreneurial activities on their socio-environmental wellbeing. Furthermore, because any company engaging in "greenwashing" would technically be abdicating its environmental duties due to the fallacious idea that the costs associated with being environmentally conscious or responsible are not required to incur, the practise might be considered "economic deception." According to O'Neil and Ucbasaran (2016), having a green reputation is one of the most effective marketing strategies available today. As a result, more products are being packaged to give the impression that they are actually environmentally friendly or at a minimum, superior to those of their rivals who are notorious for using environmentally harmful materials.

According to Junior et al. (2016), despite the fact that certain ostensibly green businesses that engaged in greenwashing exaggerate their positive environmental effects through clever marketing ploys, the public will eventually recognise and support the true environmentally friendly brands. Because of this, the former would

ultimately go out on the marketplace when the details behind the numbers were available in the public domain and eco-friendly corporate items would take the spotlight. Yet, if companies regularly make claims about sustainability in their marketing materials for items or services in an effort to draw customers, it may cause a gradual shift in the direction of their current business practises, so greenwashing might not be entirely negative as a practise in some respects. This is because it can raise public awareness of environmental issues. In spite of this, greenwashing is still a dishonest marketing ploy and an immoral means of generating profits for the companies using green marketing. Whatever the case, in the companies sustainable advertising campaigns, greenwashing continues to be a dishonest marketing ploy and an immoral means of engendering wealth.

5. Women and green entrepreneurship

India's cultures have long been admired in Japan for their propensity to reuse and mend items rather than toss them away—a quality that is unmatched by any other culture. Indian women have long engaged in behaviours that promote the repair, recycling and reusing of materials that are typically viewed as waste in daily life. They have been socially conditioned through a number of generations that being thrifty is now second nature to them and this is evident in all of their behaviours and characteristics (Potluri & Phani, 2020b). It is implied that men are spiritually linked to society, whereas women are spiritually near to nature. Ruether writes in *New Woman, New Earth*, which was one of the earliest ecofeminist publications that women need to realise that within a society whose basic relationship model still revolves around dominance, there is no freedom for them as well as no way to address an environmental catastrophe. Jawaharlal Nehru, the country's first prime minister, famously said, when a woman goes ahead, her family shifts, village shifts and ultimately the whole country move ahead. Given that

women are inherently more environmentally conscious than men, it is believed that they exhibit greater environmental beliefs and actions. Research has shown that females are 1.17 times inclined than men to engage in social or environmental endeavours, while they are 1.23 times more likely to seek commercial endeavours. In comparison to men, a more recent finding asserts that women have a major role in improving the welfare of society and lowering emission levels of carbon, which benefits both people and the environment.

According to studies, women are more likely than males to be cautious about taking risks but they also exhibit a greater inclination towards sustainable business practises or green possibilities for networking and as a result, they continue to be positive about environmental issues to the point of being morally concerned about it. Men may not share women's enthusiasm for adopting green practises in their enterprises and businesses. Studies have also demonstrated that, in contrast to males, women tend to be more outgoing when they exhibit higher levels of ecological worries. Many research studies have been carried out to investigate the connection between gender and environmental conduct and these studies have reached an agreement about female's environmental advocacy worldwide. In addition to their innate affinity for the environment, it has been discovered that engaging in green business positively affects women's lives indirectly (Lewandowska, 2015). However, just because they are female does not make them superior to males as sustainable entrepreneurs.

6. Theoretical Review

6.1 Legitimacy Theory

Entrepreneurs should be aware of their organisations and frameworks inside the parameters of their operational surroundings, according to legitimacy theory, which is an addition to actual institutional theory. Before these business owners could be granted the authority to

offer any services or goods that the general public would find acceptable, they needed to be able to recognise and comprehend these organisations and systems. For example, Hörisch et al. (2017) assert that organisations are ingrained components of societal systems that have a propensity to establish or issue regulations that are binding on businesses and entrepreneurs. In a similar vein, it has also contended that no organisation, much less sustainable development, can acquire legitimacy until there is a balance struck between the need for economic expansion for financial gain and environmental conservation. Within the framework of institutional theory, which advises entrepreneurs to use their influence over institutions to obtain the legitimacy necessary for their existence, legitimacy theory is one of the more recently developed substitutes. Legitimacy, then, in this sense refers to how a company and other institutions are perceived to be related to one another within the parameters of its operations in regard to societal standards and ideals, each of that must continue to be in harmony with others. It makes sense then, for intelligent businesspeople to begin incorporating environmentally conscious into their efforts into the cutting edge of the industry. Put another way, going "green" refers to a new global system that everyone must embrace (Muo & Azeez, 2019).

6.2 Knowledge Spillover Theory

Business benefits and prospects frequently result from internally archived information. Researchers claim that internal corporate information that is accumulated over time contributes to a knowledge storehouse that can be a solid foundation for information spillover to support the growth of entrepreneurship. Similarly, some academics note that knowledge spillover theory assists entrepreneurs in seizing chances ranging from newly acquired knowledge to the initial stages of generating unique ideas to the point of commercialization stage. Accordingly, the knowledge spillover hypothesis of

entrepreneurship usually promotes the establishment of fresh companies in a given area because of the knowledge of previous campaigns aimed at environmental-oriented new businesses and sectorial based strategies benefiting local population (Colombelli & Quatraro, 2017). Therefore, enhancing technical variety for the expansion and advancement of green entrepreneurship may support green company start-ups that are headquartered in different regions. Put differently, the presence of a local expertise stock deposits indicates benefits for green startup companies operating in various industries. Therefore, it is advisable to encourage green enterprises to collaborate and concentrate on creating, preserving and sharing information in order to attain a competitive edge.

6.3 Multiple Stakeholder Perspective

Businesses that disregard the environment are being unfair to stakeholders, even though traditional economists have long held the view that stakeholders typically gain from a firm's economic development in the form of profit spillover. The argument put up by classical economists to defend the effectiveness of the 'invisible hand' at regulating organisations and social issues (Muo and Ariyo, 2018). Though this is not any more sustainable in the modern world, one is able to recall the rate of environmental destruction and the consequent illnesses resulting from unsustainable business practises. For example, there is sufficient justification to support sustainable entrepreneurship given the degree of inefficiencies that are typically caused by human activity that are detrimental of biodiversity and the environment. According to Muhammad (2018), firm's adverse consequences outweigh their beneficial effects on stakeholders. Because of this, we build our case against the conventional company structure in support of green entrepreneurship around the fact that there are several environmental stakeholders involved in the firm. Therefore, the

outdated practise of maximising profits leads to narrowly limited business objectives.

7. Conclusion

Numerous studies clarified the idea of "green entrepreneurship", which employs green methods during manufacturing and reworks distribution networks to increase their adaptability to environmental requirements, generate green employment opportunities and raise consumer demand for environmentally friendly goods that support sustainable growth and a greener economy. A culture that encourages innovators to be conscious of the possibilities that arise from adopting sustainable enterprise models, incentivizes environmentally friendly investments & removes impediments from the process of launching and maintaining green firms is vital. Economical or technological assistance for green businesses also requires appropriate institutional assistance. Authorities should create advantageous circumstances such as sharing of information, monetary rewards, communication of information and skill enhancement initiatives to encourage the desire and readiness to establish green enterprises. Compared to commercial businesses, green enterprises need greater multifaceted and multiple levels assistance. Given that the cost of going green is higher than that of other corporate production procedures, green entrepreneurs must have sufficient capital to run their company profitably. The rate of taxation will also likely increase, along with the costs associated with marketing the products, transportation and machinery. Since costs are crucial to the survival of green businesses, sustainable business owners must be ready to invest heavily in attracting clients and persuading them to buy what they manufacture. Making decisions in green business can be dangerous since decisions must be made that won't have an adverse effect on society's environment. Due to favourable institutional surroundings, middle class educated Indian

women have a good chance of promoting ecopreneurship because of their pro-entrepreneurial conduct and the social and cultural milieu they live in. These women also have an inherent interest in the environment that gets stronger with learning.

Among the numerous possibilities available to entities with true green projects are efficient in running their own business, the development of community goodwill (foundation for cordial relationships with the communities that they serve, personnel and other interested parties) and a consistently open feedback cycle (i.e., the ability to gather and share beneficial data from/to the public as a whole). Additionally, we see that the subject of green entrepreneurship still has certain unanswered questions.

It has been emphasised that the necessity for green entrepreneurship to uphold a body of knowledge & cluster like structure in order to efficiently share current green knowledge as well as provide clarification on the theoretical definitions underlying entrepreneurship. It may be concluded that in comparison to traditional entrepreneurial equivalents, newly established green enterprises have a greater potential to gain advantages from outer environmentally friendly practises in terms of items and services, client accessibility and devotion. Furthermore, we contend that using inner green tactics such as staff members' environmental attitudes and their track record for being environmentally conscious can give you an important edge over your rivals. Greening is a type of innovation that necessitates changing habits and behaviours, it is important to comprehend how these adaptation processes play out. For this reason, change administration specialists are essential to the subject of greening.

8. References

Ball, C., & Kittler, M. (2017). Removing environmental market failure through support mechanisms: insights from green

- start-ups in the British, French and German energy sectors. *Small Business Economics*, 52(4), 831–844. <https://doi.org/10.1007/s11187-017-9937-8>
- Bhardwaj, M., & Neelam. (2015). The Advantages and Disadvantages of Green Technology. *Journal of Basic and Applied Engineering Research*, 2(22), 1957–1960.
- Coad, A., Segarra, A., & Teruel, M. (2016). Innovation and firm growth: Does firm age play a role? *Research Policy*, 45(2), 387–400. <https://doi.org/10.1016/j.respol.2015.10.015>
- Colombelli, A., & Quatraro, F. (2017). Green start-ups and local knowledge spillovers from clean and dirty technologies. *Small Business Economics*, 52(4), 773–792. <https://doi.org/10.1007/s11187-017-9934-y>
- Consoli, D., Marin, G., Marzucchi, A., & Vona, F. (2016). Do green jobs differ from non-green jobs in terms of skills and human capital? *Research Policy*, 45(5), 1046–1060. <https://doi.org/10.1016/j.respol.2016.02.007>
- Gast, J., Gundolf, K., & Cesinger, B. (2017). Doing business in a green way: A systematic review of the ecological sustainability entrepreneurship literature and future research directions. *Journal of Cleaner Production*, 147, 44–56. <https://doi.org/10.1016/j.jclepro.2017.01.065>
- Haldar, S. (2019a). Green entrepreneurship in the renewable energy sector – a case study of Gujarat. *Journal of Science and Technology Policy Management*, 10(1), 234–250. <https://doi.org/10.1108/jstpm-12-2017-0070>
- Haldar, S. (2019b). Green entrepreneurship in theory and practice: insights from India. *International Journal of Green Economics*, 13(2), 99. <https://doi.org/10.1504/ijge.2019.103232>
- Hörisch, J., Kollat, J., & Brieger, S. A. (2016). What influences environmental entrepreneurship? A multilevel analysis of the determinants of entrepreneurs' environmental orientation. *Small Business Economics*, 48(1), 47–69. <https://doi.org/10.1007/s11187-016-9765-2>
- Junior, H.F., Galleli, B., Gallardo-Vázquez, D., & Sánchez-Hernández, M. I. (2017). Strategic aspects in sustainability reporting in oil & gas industry: The comparative case-study of Brazilian Petrobras and Spanish Repsol. *Ecological Indicators*, 72, 203–214. <https://doi.org/10.1016/j.ecolind.2016.08.007>
- Iravani, A., akbari, M. H., & Zohoori, M. (2017). Advantages and Disadvantages of Green Technology; Goals, Challenges and Strengths. *International Journal of Science and Engineering Applications*, 6(9), 272–284. <https://doi.org/10.7753/ijsea0609.1005>
- Kardos, M., Gabor, M. R., & Cristache, N. (2019). Green Marketing's Roles in Sustainability and Ecopreneurship. Case Study: Green Packaging's Impact on Romanian Young Consumers' Environmental Responsibility. *Sustainability*, 11(3), 873. <https://doi.org/10.3390/su11030873>
- Koe, W.-L., Omar, R., & Majid, I. A. (2014). Factors Associated with Propensity for Sustainable Entrepreneurship. *Procedia - Social and Behavioral Sciences*, 130, 65–74. <https://doi.org/10.1016/j.sbspro.2014.04.009>
- Lewandowska, E. J. (2015). *Women ecopreneurs in the United Kingdom: their approach to motivations, opportunities and challenges*. https://www.academia.edu/19597746/Women_ecopreneurs_in_the_United_Kingdom_their_approach_to_motivations_opportunities_and_challenges
- Ljungkvist, T., & Andersén, J. (2020). A taxonomy of ecopreneurship in small manufacturing firms: A multidimensional cluster analysis. *Business Strategy and the Environment*, 30(2), 1374–1388. <https://doi.org/10.1002/bse.2691>
- Marin, G., Marzucchi, A., & Zoboli, R. (2015). SMEs and barriers to Eco-

- innovation in the EU: exploring different firm profiles. *Journal of Evolutionary Economics*, 25(3), 671–705. <https://doi.org/10.1007/s00191-015-0407-7>
- Melay, I., O', M., Dwyer, N. A., Kraus, S., & Gast, J. (2017). Green entrepreneurship in SMEs: a configuration approach. *International Journal of Entrepreneurial Venturing*, 9(1), 1. <https://doi.org/10.1504/ijev.2017.082630>
- Mohammed, A. Y. M. A. (2018). International Trade and its Impact on CO2 Emission: Empirical Study of Bahrain. *International Journal of Academic Research in Business and Social Sciences*, 8(2). <https://doi.org/10.6007/ijarbss/v8-i2/3874>
- Muo, I. K., & Ariyo, O. O. (2018). Changes in Macroeconomic Policy Frameworks in Nigeria Lessons from History. *Journal of Policy and Development Studies*, 11(4), 11–17. <https://doi.org/10.12816/0045324>
- Muo, I., & Azeez, A. A. (2019). Green Entrepreneurship: Literature Review And Agenda For Future Research. *International Journal of Entrepreneurial Knowledge*, 7(2). <https://doi.org/10.37335/ijek.v7i2.90>
- Nayak, Y. D., & Sahoo, A. P. (2021). Green entrepreneurship in India. *International Journal of Agricultural Research Innovation & Technology*, 11(2), 72–75.
- Nazir, T. (2022). *Meet These Top Indian Ecopreneurs Who Are Making Money & Helping Environment at The Same Time*. Thelogicalindian.com. <https://theologicalindian.com/responsiblebusiness/meet-these-ecopreneurs-who-are-helping-environment-34872>
- O'Neill, K., & Gibbs, D. (2016). Rethinking green entrepreneurship – Fluid narratives of the green economy. *Environment and Planning A: Economy and Space*, 48(9), 1727–1749. <https://doi.org/10.1177/0308518x16650453>
- Potluri, S., & Phani, B. V. (2020a). Incentivizing green entrepreneurship: A proposed policy prescription (a study of entrepreneurial insights from an emerging economy perspective). *Journal of Cleaner Production*, 259, 120843. <https://doi.org/10.1016/j.jclepro.2020.120843>
- Potluri, S., & Phani, B. V. (2020b). Women and green entrepreneurship: a literature-based study of India. *International Journal of Indian Culture and Business Management*, 20(3), 409. <https://doi.org/10.1504/ijicbm.2020.107675>
- Qazi, W., Qureshi, J. A., Raza, S. A., Khan, K. A., & Qureshi, M. A. (2020). Impact of personality traits and university green entrepreneurial support on students' green entrepreneurial intentions: the moderating role of environmental values. *Journal of Applied Research in Higher Education, ahead-of-print(ahead-of-print)*. <https://doi.org/10.1108/jarhe-05-2020-0130>
- Renu. (2020). Green Entrepreneurship In India. *Entrepreneurship and Economic Development of India*. <https://www.sdcollegeambala.ac.in/wp-content/uploads/2021/08/eedi2020-31.pdf>
- Sharma, N. K., & Kushwaha, G. S. (2015). Emerging Green Market as an Opportunity for Green Entrepreneurs and Sustainable Development in India. *Journal of Entrepreneurship & Organization Management*. <https://doi.org/10.4172/2169-026X.1000134>
- Theron, J. (2023). *30 Key Advantages and Disadvantages of Green Business*. Googlesir. <https://www.googlesir.com/advantages-and-disadvantages-of-green-business/>
- Yoganandan, G., & Chander, A. Raj. N. (2018). Challenges Of Green Entrepreneurship In India – An Overview. *Journal of Emerging Technologies and Innovative Research (JETIR)*, 5(5). <https://periyaruniversity.ac.in/NAAC/SSR/CIII/3.4.5/918.pdf>

Chapter 18

ELECTRIC VEHICLES - THE CURRENT STATE AND FUTURE CONSIDERATIONS

Dr. Saranya S

Assistant Professor of Professional Accounting and Finance, Kristu Jayanti College,
Bengaluru, Karnataka

Dr.Nittymol Antony

Assistant Professor of Professional Accounting and Finance, Kristu Jayanti College,
Bengaluru, Karnataka

Abstract

For centuries, the technological revolution has modernized several industries. The same applies to the automotive industries. India must significantly increase clean mobility if it desires to meet its SDG. Electric vehicles (EVs) minimize exhaust pollutants, lessen reliance on fossil fuels, enhance community health, guarantee energy security, and provide employment and training opportunities. There is a considerable amount of increase in electric vehicles adaptation in India. Some of the studies indicate that electric vehicles are not really net carbon neutral or carbon positive. Electric vehicles also mean greater economic benefits for a certain set of users in terms of maintenance and operation. In this article, the researcher tries to look at the current state and future considerations for electric vehicles. This article considers both personal passenger vehicles and commercial vehicles.

Keywords: technological revolution, sustainability, electric vehicles, carbon emissions.

Introduction

India must significantly increase clean mobility if it desires to meet its Sustainable Development Goals (SDG). Electric vehicles (EVs) minimize exhaust pollutants, lessen reliance on fossil fuels, enhance community health, guarantee energy security, and provide employment and training opportunities. In recent times, the automobile industry has seen a notable move toward electric vehicles. The popularity of electric vehicles as a substitute for conventional gasoline-powered vehicles has grown due to

technological breakthroughs and increased concerns about environmental sustainability. In recent years, there is a considerable amount of increase in electric vehicles adaptation in India. Does this mean a greater shift towards green energy, or these are just baby steps towards greener thinking? Some of the studies indicate that electric vehicles are not really net carbon neutral or carbon positive. According to the recent study conducted by IIT Kanpur, it is because of the carbon emissions that are involved as part of the electricity generation and battery usage. However, they could help in reducing the carbon emissions from vehicles in targeted geography. Electric vehicles also mean greater economic benefits for a certain set of users. In this article, the researcher tries to look at the current state and future considerations for electric vehicles. This article considers both personal passenger vehicles and commercial vehicles.

Review of Literature

The idea that electric automobiles are greener than hybrids and traditional internal combustion engine vehicles was refuted by a recent study from the Indian Institute of Technology (IIT) Kanpur. The production, usage and disposal of battery electric vehicles results in 15–50% greater greenhouse gas emissions than hybrid and conventional engine vehicles based on a life cycle and total cost of ownership analysis (According to a study conducted by Prof. Avinash Agarwal, IIT Kanpur (2023)). Selvaraju *et al.* (2021) adopted convenience sampling method for their study on customer satisfaction on electric vehicle buying. Their main aim is to investigate

potential consumers' views and expectations on electric vehicles. Their study shows that majority of the respondents are male students. 82% of respondents are aware of it and 58% shown interest in buying it.

The factors influencing the purchase of electric cars are changes in price, environmental concerns, speed and changes in infrastructure. The respondents are open to considering the purchase of an electric vehicle if the necessary infrastructure is in place. The confidence level of customers is being hindered by the initial cost of purchase, a lack of charging stations and the amount of time needed to recharge the battery (Kumaran and Sangeeth (2023)).

Muthukrishnan *et al.* (2023) states that most of the respondents had a favourable opinion about electric vehicles as it is cheaper to run. Being eco-friendly is the main factor to buy an electric vehicle and it is also found that respondents are conscious towards the environment. A lack of awareness about EVs is the main factor which discourages them from buying EVs.

According to the study conducted by Ajaysinh Parmar and Tushar Pradhan (2021), it was found that male respondents and working women respondents are having more knowledge about EVs. It is also found that 80% of the respondents are environmental consciousness. As per chi-square test, it is concluded that consumers are preferring other vehicles than EVs by accepting null hypothesis.

Many respondents belonged to Generation Z, which suggests that they are more conscious of and interested in the EV industry. They have easy access to high-quality electric vehicles as they become more and more affordable, and the Indian government is also providing various schemes and incentives. Many believed that e-vehicles are more affordable and superior to conventional petrol/diesel vehicles and yet the infrastructure for e-vehicles are underdeveloped. The most significant factors like restricted range, lengthy recharging time are major concerns for

customers using e-vehicles and clearly indicate the advantage of conventional vehicles (Souvik Adhikary *et al.* (2022)).

Consumer behaviour indicates that reputation-driven consumers prefer electric vehicles (EVs) when its cost exceeds that of other vehicles. This suggests that genuine environmental concerns are subdued by reputation-driven considerations, and that the desirability of EVs as sustainable products only rises in response to higher prices. To examine the variables impacting the desire for an EV, various logit models are computed in the study conducted by Kathrin Monika Buhmann and Josep Rialp Criado (2023). It has been identified that factors like age, gender, education, urban dwelling and prior experience have a beneficial impact on EV adoption. An adoption of electric vehicle is aided by improved infrastructure and information accessibility.

The Green Quotient of electric vehicles

The primary component for electric vehicles is a battery which is charged by electricity. In India, majority of the electricity source is from coal which turns out that charging these batteries will result in carbon emissions indirectly. Besides, most of the batteries are lithium powered which would mean mining for this resource and transporting and the infrastructure and the facilities to recycle or dispose used batteries is still not established. This would also mean lots of e-waste from electric vehicles till recycling of batteries becomes operational. All these put together means electric vehicles are not good on green quotient on a macro geographical and environmental considerations. However, at present, India is facing a situation where most of the tier 1 and tier 2 cities are highly air polluted. Electric vehicles will be a boon for such cities and have higher green quotient in this micro air quality consideration. Keeping this in mind, Indian automobile industry has been growing a lot in recent years especially with increasing passenger vehicles sales. Hence more adaptation of electric vehicles in these

conditions is going to help the cities which have too many vehicles to overcome the pollution problem.

In future, moving electricity production away from coal and using greener and safer methods to produce electricity like solar, bioenergy, wind energy at least for individual house uses would ensure that electric vehicles go high on green quotient even in macro geographical and environmental considerations. The government also needs to accelerate establishing and operationalizing battery recycling units. These steps would ensure electric vehicles would be high on green quotient.

Economic benefits of electric vehicles

In recent years, the cost of fuels for vehicles in India has been skyrocketing. This is because of the increase in demand for fuel and also influenced by the global political-social situations. The recent Russia Ukraine war and the ensuing political steps by several countries to acquire fuel and also to use the situation to strengthen their currency values all leading to increased pressure on India's economy as the majority of India's fuel are imported. Any alternate fuels like electricity are going to help the Indian economy as India does not have so much dependency on electricity imports as compared to crude oil.

The other two potential economic beneficiaries of electric vehicles are individuals who buy car for personal use and organizations that use vehicles in their primary operations. The cost of electricity consumption by car is much less compared to the cost of petrol or diesel. Many vehicle manufacturers claim great savings per kilometer by the means of using electric vehicles. Is this true for individual users? The cost of replacing a battery at the end of its life (currently which is usually around 8 years or 150000 kms) is 75% of the total new vehicle cost. This is exorbitant pricing in terms of maintaining the electric vehicles for a longer duration of time. This would even mean loss for some individual personal vehicle users who are going to

drive very less kms in the eight years of battery period. Thus, careful consideration needs to be given before the purchase of electric vehicles based on their personal usage pattern if the buyer is looking for economic advantages. However, the government is taking greater steps like waiving off the registration charges and providing subsidy for buying e-vehicles. This would provide some amount of economic benefits to the buyer. However, the consideration on the usage still needs to be there if economic benefits is the primary consideration for the buyer.

For organizations that use vehicles for their primary operations like public and private passenger transportation companies, commercial goods movement companies, logistic companies, electric vehicles could be of great economic benefit. The primary reason being they operate vehicles for greater number of kilometers. In this situation, electric vehicles cut down on the cost of fuel by a great margin and they are easy to maintain compared to petrol or diesel vehicles. These two aspects mean electric vehicles could be of the great economic benefit to commercial vehicle operators. The benefit of operational cost would outweigh the battery replacement cost. Besides they are being commercial operators would be able to procure battery replacements in bulk at lower cost, which would be beneficial for them.

In future, Governments needs to reduce their electricity dependency or coal dependency from other countries in order to source the complete requirement for electricity internally so that the economic benefits are fully realized. For individual electric vehicle users, careful considerations need to be given before purchasing electric vehicles if they are purchasing only for economic reasons. They could consider setting up solar systems to charge their batteries. Besides, it is expected that prices of the batteries will come down in the future with the lithium carbonate prices dropping if that happens and when it happens the individual users

would start getting their economic benefits. For commercial operators, e-vehicles are already providing immense economic benefits operationally, but they could consider building inhouse electric vehicle mechanical knowledge or have tie-ups with battery manufacturers and third-party vehicle maintenance service providers to reduce the cost of electric vehicles maintenance further and increase their profits. Government and electric vehicles manufacturers also need to take steps to ensure the authorized third-party electric vehicle maintenance service providers exist.

Operational constraints of electric vehicles

In the current scenario of electric vehicles, for both commercial and personal use vehicles there are quite a few operational constraints. The drive range on a single charge, charging facility network, home charging connection, third-party maintenance of electric vehicle are some of the most important constraints. In the personal electric vehicle space, the practical driving range starts from 180 km and goes up to 560 kms on a single charge. But the higher the driving range demands a very high price on electric vehicles. On an average, the electric vehicles give a range of around 300 kms on a single charge. In the commercial vehicle space, the range depends on size of the vehicle and purpose of the vehicle though in current scenario they are used only for short drive ranges. This forces the user of the vehicle to plan their travel very meticulously and it always keeps them in range anxiety. One of the ways to reduce this range anxiety is to provide a great network of fast charging EV stations. But in the current scenario, the EV charging infrastructure is very poor. One of the most important problem for personal electric vehicle users is the provision of a safe charging point at home. While it is not a bigger problem for people residing in apartments or spacious individual houses, it is a problem for people living in a relatively tight space. When it comes to electric

vehicle maintenance, at present, only OEMs (Original Equipment Manufacturer) which sell the vehicle maintain the vehicle, the user is left with no other option but to go to OEM for regular maintenance. This is primary because of lack of knowledge on electric vehicles for the local workshop mechanics. Even commercial operators need to go to OEMs for their maintenance. These are the current primary operational constraints that hinders the accelerated adaptation of electric vehicles.

The technological improvements in the battery capacity and the reduction in the price of the battery would help in increasing the driving range of EVs. The technological companies need to breakthrough in providing high-capacity batteries at lower cost that helps to mitigate the most important constraint of an electric vehicle i.e. driving range. The government and private energy sector should act quickly to set up the infrastructure for fast charging EV stations. Though tier 1 cities have seen good amount of growth in this facility, tier 2 and tier 3 cities have not seen much progress. This would hinder the overall adaptation of electric vehicles for multi-purpose usage. Improvement in infrastructure brings confidence in buyers that they would always find a safe and reliable EV charging station within 20-30 km range. Home charging demands a lot of improvements from the manufacturer of electric vehicles as well as government. Though high-end apartments, some private office spaces, some hotels provide EV charging stations within their premises, the possibility to provision a safe charging point within the home for an average citizen who lives in a tight space in cities is difficult. This needs to be addressed either through provisioning a safe charging point at the home parking area or a safe EV parking and charging place in each locality which could be paid and used. The knowledge on working of electric vehicles is limited to the engineers/technicians of the manufacturing companies. This could create over dependency on the

manufacturer for regular maintenance of the electric vehicles. More so for the Tier 2 and Tier 3 cities where the manufacturer authorized service centers is limited. It is the owners of the manufacturers to broadcast their knowledge on their EVs to third-party service providers, certify and enable them to carry out regular maintenance of electric vehicles.

Conclusion

Electric vehicles provide greater promise in reducing carbon emission and noise and pave the way for sustainability in the future. In the current scenario, electric vehicles don't stand up to their hype in terms of environmental sustainability, cost and operational efficiency. With future considerations in place, it holds immense promise provided there is active participation by the government and private sectors to implement the future considerations. The current clear advantage for EV is, in its usage in tier 1 cities for city commuting and commercial purpose. This definitely can bring down the pollution in tier 1 cities and also prove to be beneficial for commercial operators because of its low cost of operations.

References

Selvaraju, Darshan, Dharmeshwaran and Dileepkumar (2021). A study on customer satisfaction on electric vehicle buying. *Journal of Fundamental & Comparative Research*. 7(4). 19-24.

Kumaran and Sangeeth (2023). A Study on Customer Satisfaction towards Electric Car, Coimbatore. *Journal of Emerging Technologies and Innovative Research*. 10(8). 235-240.

Muthukrishnan, Perezhil Prakash, Naveen Rajkumar, Ranjithvel and Akhil (2023). Consumer Perception towards Electric Vehicles. *European Chemical Bulletin*. 12(4). 4576-4588.

Ajaysinh Parmar and Tushar Pradhan (2021). A Study on Consumer Perception towards E-Vehicle in Vadodara City. *International Journal of Creative Research Thoughts*. 9(5). 484-494.

Souvik Adhikary, Naman Jalan and Nilesh Anute (2022). Customers' Perception about electric vehicles. *Journal of Management Research and Analysis*. 144-149.

Kathrin Monika Buhmann and Josep Rialp Criado (2023). Consumers' preferences for electric vehicles: The role of status and reputation. *Transportation Research Part D*. 114. 1-22.

Chapter 19

STRATEGIES FOR SUSTAINABLE DEVELOPMENT: BUILDING ENTREPRENEURIAL SELF-EFFICACY AND MOTIVATION AMONG STUDENTS FOR A BETTER FUTURE

Kajal J Mehta

Research Scholar in Business Administration (Reg. No: MKU22PFOB10406),
Madurai Kamaraj University, Madurai, Tamil Nadu

Dr. C. Jothi Baskara Mohan

Associate Professor and Head, Department of Business Administration, Thiagarajar College,
Madurai, Tamil Nadu

ABSTRACT:

Sustainable development is a critical imperative for the future of our planet and its people. Entrepreneurs play a vital role in sustainable development by creating innovative businesses and solutions that address pressing social and environmental challenges. Students are the entrepreneurs of tomorrow, and it is essential to equip them with the skills and knowledge they need to start and grow sustainable businesses. Entrepreneurial self-efficacy and motivation are key factors that influence students' intentions to start and persevere with entrepreneurial ventures. Entrepreneurial self-efficacy refers to a person's belief in their ability to successfully start and run a business. Entrepreneurial motivation refers to the driving forces that impel a person to pursue entrepreneurial activities. This paper will explore strategies for building entrepreneurial self-efficacy and motivation among students. These strategies will be grounded in theoretical frameworks and empirical evidence. The paper will also discuss the implications of these strategies for sustainable development.

Keywords: Sustainable Development, Entrepreneurial Self-efficacy, Motivation, Strategies, Students

INTRODUCTION:

Sustainable development is a critical imperative for the future of our planet and its people. It is defined as "development that meets the needs of the present without compromising the ability of future

generations to meet their own needs" (Brundtland, 1987). Sustainable development encompasses a wide range of issues, including economic growth, social equity, and environmental protection.

Entrepreneurs play a vital role in sustainable development. They are the innovators who create new products, services, and businesses that address pressing social and environmental challenges. For example, entrepreneurs are developing new technologies to reduce pollution, create renewable energy sources, and improve food security.

Entrepreneurial self-efficacy and motivation are key factors that influence entrepreneurs' ability to successfully start and grow sustainable businesses. Entrepreneurial motivation refers to the driving forces that impel a person to pursue entrepreneurial activities.

Entrepreneurial self-efficacy and motivation are particularly important for sustainable entrepreneurs. Sustainable entrepreneurs often face unique challenges, such as securing funding for innovative ventures and overcoming resistance to change. Entrepreneurial self-efficacy and motivation can help sustainable entrepreneurs to persevere in the face of these challenges and achieve their goals.

STRATEGIES TO DEVELOP ENTREPRENEURIAL SELF-EFFICACY AMONG STUDENTS:

Entrepreneurial self-efficacy is a person's belief in their ability to successfully start and run a business. It is a key factor that influences students' intentions to start and

persevere with entrepreneurial ventures. There are a number of strategies that can be used to develop entrepreneurial self-efficacy among students. These strategies can be implemented in schools, universities, and other educational settings.

1. Provide opportunities for learning: Provide students with opportunities to learn about entrepreneurship through hands-on experiences. This can be done through entrepreneurship education programs, business incubators, and startup competitions. By participating in these programs and activities, students can gain the knowledge and skills they need to start and run a business. They can also learn from other entrepreneurs and get feedback on their own ideas.

2. Role Models: Provide students with role models and mentors. Students can learn a great deal from successful entrepreneurs who can share their experiences and offer guidance. Schools and universities can partner with local businesses and organizations to connect students with entrepreneurs who can serve as mentors.

3. Create a Supportive Environment: It is important to create a supportive environment for entrepreneurship. This means providing students with access to resources and networks and celebrating their successes. Schools and universities can create entrepreneurship clubs and organizations, provide access to funding and co-working spaces, and host events that celebrate student entrepreneurs.

4. Offer entrepreneurship education programs. Entrepreneurship education programs can teach students the basics of starting and running a business, such as business planning, marketing, and finance. These programs can also help students to develop their entrepreneurial skills, such as creativity, problem-solving, and risk-taking.

5. Create business incubators. Business incubators are programs that provide support to early-stage businesses. They can provide students with access to resources such as office space, equipment, and

mentorship. Incubators can also help students to connect with other entrepreneurs and investors

6. Host startup competitions. Startup competitions are a great way to encourage students to develop their entrepreneurial ideas and put them into practice. Competitions can also provide students with feedback on their ideas and the opportunity to win prizes that can help them to launch their businesses.

7. Connect students with role models and mentors. Schools and universities can partner with local businesses and organizations to connect students with entrepreneurs who can serve as mentors. Mentors can provide students with guidance and support as they develop their entrepreneurial ideas and businesses.

8. Create a supportive environment for entrepreneurship. Schools and universities can create entrepreneurship clubs and organizations, provide access to funding and co-working spaces, and host events that celebrate student entrepreneurs. Creating a supportive environment can help students to feel confident and motivated to pursue their entrepreneurial goals.

9. Teaching students about entrepreneurship concepts and skills. This could involve covering topics such as business planning, marketing, finance, and risk management. By understanding the fundamentals of entrepreneurship, students can develop a more realistic understanding of what it takes to start and run a business.

10. Startup competitions. Startup competitions provide students with the opportunity to pitch their business ideas to a panel of judges and compete for prizes. This can be a great way for students to gain experience and feedback on their ideas.

11. Role model speakers and workshops. Schools and universities can invite successful entrepreneurs to speak to students and share their stories. They can also offer workshops on specific entrepreneurial topics.

12. Mentorship programs. Mentorship programs can pair students with successful

entrepreneurs who can provide guidance and support.

STRATEGIES TO DEVELOP MOTIVATION AMONG STUDENTS:

Motivation is the driving force that impels students to learn and achieve their goals. It is a complex phenomenon that is influenced by a variety of factors, including intrinsic and extrinsic motivation,. There are a number of strategies that teachers can use to develop motivation among their students. These strategies can help to create a positive learning environment, build student self-efficacy, and foster a love of learning.

1. Intrinsic motivation: Intrinsic motivation is the desire to learn and achieve for the sake of learning and achievement itself. It is driven by curiosity, challenge, and a sense of accomplishment. Teachers can promote intrinsic motivation by providing students with opportunities to learn about topics that they are interested in, challenging them with tasks that are appropriate for their skill level, and providing them with positive feedback for their efforts.

2. Build student's self-efficacy: Self-efficacy is the belief in one's own ability to succeed. Students who have high self-efficacy are more likely to be motivated to learn and achieve. Teachers can build student self-efficacy by setting clear and achievable goals, providing students with opportunities for success, and offering them support and encouragement.

3. Supportive Classroom Environment: It is important to foster a positive and supportive classroom environment. Students are more likely to be motivated to learn in an environment where they feel safe, respected, and valued. Teachers can create a positive classroom environment by building relationships with their students, establishing clear expectations, and managing behavior effectively.

4. Provide students with choices. Students are more likely to be motivated to learn when they have a say in what they are learning and how they are learning it.

Teachers can offer students choices in terms of the topics they study, the activities they complete, and the products they create.

5. Use authentic learning experiences. Authentic learning experiences are those that are relevant to students' lives and interests. They allow students to apply what they are learning to real-world problems and challenges. Teachers can create authentic learning experiences by designing projects and activities that are connected to the real world.

6. Give students feedback. Feedback is essential for student motivation. It helps students to understand their progress, identify their strengths and weaknesses, and set goals for improvement. Teachers can provide students with feedback on their work, their behavior, and their overall learning.

7. Celebrate student success. It is important to celebrate student success, both big and small. This helps students to feel valued and appreciated, and it motivates them to continue working hard. Teachers can celebrate student success by giving students verbal praise, writing them notes, or displaying their work.

8. Create a sense of community. Students are more likely to be motivated to learn when they feel connected to their classmates and teachers. Teachers can create a sense of community by encouraging students to collaborate on projects, participate in class discussions, and support each other's learning.

9. Offer students support and encouragement. Students need to know that they are not alone and that they have people who believe in them and their ability to succeed.

10. Set realistic goals. Highly motivated people tend to set goals that are challenging but achievable. When people achieve their goals, it reinforces their motivation and develops their ability to succeed.

11. Model enthusiasm and excitement for learning. Educators can set the tone for the

classroom by modelling enthusiasm and excitement for learning. When educators are passionate about their subject matter, it is contagious and students are more likely to be motivated to learn

12. Build relationships with students. Students are more likely to be motivated to learn when they feel connected to their teachers. Educators can build relationships with students by getting to know them as individuals, by showing them that they care about them, and by creating a classroom community where everyone feels valued and respected.

CONCLUSION:

Entrepreneurial self-efficacy and motivation are essential for sustainable development. By implementing the strategies discussed above, educators can help students develop the entrepreneurial self-efficacy they need to be successful entrepreneurs. This will contribute to sustainable development by creating a new generation of entrepreneurs who are dedicated to solving the world's most pressing challenges. Sustainable entrepreneurs create new products, services, and businesses that address pressing social and environmental challenges. By building entrepreneurial self-efficacy and motivation among students, we can prepare them to become the sustainable entrepreneurs of the future.

REFERENCES:

Attali, M., & Yemini, M. (2017). The impact of entrepreneurship education on entrepreneurial intentions: A cross-cultural study. *International Journal of Entrepreneurship and Small Business*, 32(8), 834-854.

Akter, S., Hossain, M. A., & Islam, M. S. (2020). Entrepreneurial self-efficacy development: An effective intervention for sustainable student entrepreneurial intentions. *Journal of Cleaner Production*, 273, 123074.

Amjad Shamim, M., Javed Ahmad, M., & Farrukh Abid, M. (2023). Do entrepreneurial self-efficacy, entrepreneurial motivation, and family

support enhance entrepreneurial intention? The mediating role of entrepreneurial education. *Asia Pacific Journal of Innovation and Entrepreneurship*, 15(1), 1-18.

Bandura, A. (1997). *Self-efficacy: The exercise of control*. W.H. Freeman and Company.

Brundtland, G. H. (1987). *Our common future: Report of the World Commission on Environment and Development*. Oxford University Press.

Deci, E. L., & Ryan, R. M. (1985). *Intrinsic motivation and self-determination in human behavior*. Plenum Press.

Dweck, C. S. (2006). *Mindset: The new psychology of success*. Random House.

Fayolle, A., & Linan, F. (2014). *The international handbook of entrepreneurship*. Edward Elgar Publishing.

Hattie, J. (2018). *Visible learning: A synthesis of 800 meta-analyses relating achievement, visible learning*. Routledge.

Hermes, M., & Rimanoczy, I. S. D. (2018). Sustainable entrepreneurship training: A study of motivational factors. *Journal of Cleaner Production*, 170, 1537-1549.

Hoang, H. T., Nguyen, D. T., & Nguyen, T. T. (2020). The role of entrepreneurial education in enhancing self-efficacy, learning orientation, and entrepreneurial intention (EI) among young people in Vietnam. *Education and Training*, 62(10-11), 1222-1241.

Ip, C. W., Chen, Y. W., & Huang, Y. H. (2021). The determinants of entrepreneurial intention among university students: A review of literature. *International Journal of Entrepreneurship and Small Business*, 37(1), 3-30.

Linan, F., Urbano, D., & Alvarez, S. (2011). The impact of entrepreneurship education on entrepreneurial attitudes and intentions: The case of university students in Spain. *Journal of Small Business and Enterprise Development*, 18(2), 239-262.

- Ndou, E., Venter, E., & Erasmus, B. (2018). Entrepreneurial self-efficacy among elementary students: the role of entrepreneurship education. *Social Sciences*, 7(5), 70.
- Ratten, V., & Jones, E. C. (2021). The role of entrepreneurship in sustainable development. In *Sustainability and innovation in the digital age* (pp. 45-63). Springer Nature Switzerland.
- Turner, J. R., & Gianiodis, P. T. (2018). The impact of entrepreneurship education on entrepreneurial self-efficacy: A review and synthesis. *International Journal of Entrepreneurship and Small Business*, 33(1), 22-53.
- Weinstein, C. E. (2018). *Classroom management for academic success: Creating a positive and productive learning environment*. McGraw-Hill Education.
- Wiklund, J., Davidsson, P., & Delmar, F. (2019). Entrepreneurship and sustainable development: New directions for theory and practice. *Entrepreneurship Theory and Practice*, 43(1), 1-18.

Chapter 20 THE ROLE OF TECHNOLOGY IN ONLINE DISINFORMATION

A.Nivedha

Assistant Professor of Commerce (Accounting & Finance)

Dr.MGR Janaki College of Arts & Science for Women, Chennai, Tamil Nadu

ABSTRACT

Today, the biggest problem facing societies and also for people who are struggling to combat disinformation is false news. This phenomenon is having a negative effect on democratic elections, reputations of individuals or organizations and has been detrimental to citizens. A current knowledge base of how these intelligent tools are used in the fight against disinformation is shown in this paper.

KEYWORDS: *Fake News, Media, Information, Technology, Consumers.*

INTRODUCTION

Technology is increasingly used intentionally (disinformation) to spread false information at scale, with potentially broad-reaching societal effects. For example, technology enables increasingly realistic false images and videos, and hyper-personal targeting means different people may see different versions of reality. Disinformation, on the other hand, is false information that is shared with the intention of deceiving the consumer. This phenomenon, also referred to as information pollution or false or fake news is acritical and current issue. Though propaganda, rumours, misleading reporting, and similar issues are age-old, our current technological era allows these types of content to be created easily and realistically, and to spread with unprecedented speed and scale.

OBJECTIVES

- To understand how the information will mislead the users digitally.
- To know about the rise of technology interference in online information.

SOURCES OF DATA

The required secondary data were collected from various previous articles, journals, books & magazines.

UNDERSTANDING DISINFORMATION

A key goal a list provide an very view of technology enabled disinformation what is new, what is happening, how technology enables it, and how technology may be able to defend against it. While propaganda and its ilk are not a new problem, it is becoming increasingly clear that the rise of technology has served to catalyse the creation, dissemination, and consumption of disinformation at scale.

Rapid News Cycle and Economic Incentives – The more clicks story gets, the more money gets made through advertisement revenue. Given the rapid news cycle and plethora of information sources, getting more clicks requires producing content that catches consumers.

Democratization of Content Creation - Anyone can start a website, blog, Facebook page, Twitter account, or similar and begin creating and sharing content. There has been a transformation from a highly centralized system with a few major content producers to a decentralised system with many content producers. This flood of information makes it difficult to distinguish between true and false information (i.e., information pollution). Additionally, tools to create realistic fake content have become available to non-technical actors significantly lowering the barrier to entry in terms of time and resources for people to create extremely realistic fake content.

Organic and Intentionally Created Filter Bubbles – In today's web experience, individuals get to choose what content they do not want to see e.g., by customise their social media feed

fakes have been used as part social engineering scams, fooling people into thinking they are receiving instructions from a trusted individual.

Tracking

There has been significant prior work studying tracking and targeting within the computer security and privacy community, which we very briefly summarize here. At the highest level, so-called third-party tracking is the practice by which companies embed content like advertising networks, social media widgets, and website analytics scripts in the first party sites that users visit directly. This embedding relationship allows the third party to identify users across different websites and build a browsing history. In addition to traditional browser cookie-based tracking. Tracking also manifests itself in browser finger-printing, which relies on browser-specific and OS-specific features and quirks to get a fingerprint of a user's browser that can be used to correlate the user's visits across websites.

Targeting

Tracking can be and often is ultimately leveraged to target particular content at a user, e.g., via advertisements on Facebook or embedded in other websites (e.g., news sites). Researchers have found that even when advertising platforms like Facebook provide some transparency for users about why certain ads are targeted at them, the information provided is overly broad and vague, failing to improve users understanding of why they are seeing some-thing or what the platform knows about them. The act of targeting itself can raise privacy concerns, because it can allow potentially malicious advertisers to extract private information about users stored in advertising platforms (like Facebook) it can also be used to intentionally or unintentionally target individuals based on sensitive attributes (e.g., health issues).

TECHNICAL DEFENSES

One approach for combating mis/disinformation is to directly tackle the

problem as such detecting fake or misleading news. Such detection could enable (1) social platforms to reduce the spread and influence of fake news and (2) readers to select reliable sources of information. Fake news detection as a unified task. At first blush, one might approach the problem of fake news detection as a unified task. With machine learning, it is possible to directly train end-to-end models using labeled data (both fake and non-fake articles). The accessibility of machine learning tools creates a low barrier for attempting this technique.

Limiting the spread of disinformation.

The designs of different social media platforms may encourage the spread of mis/disinformation, e.g., by rewarding attention-grabbing posts. Social media platforms have started making changes to their core product to make it less easy to disseminate mis/disinformation. Twitter is considering removing or re-designing the (heart-shaped) "like" button, because they are concerned that the incentive to accumulate likes also encourages bad behaviors, which could include spreading sensationalist mis/disinformation. Facebook has made changes to its news feed algorithm to down weight "clickbait" posts that abuse sharing mechanisms to reach a larger audience, such as "share if x", or "tag a friend that x". This change removes one mechanism that accounts that spread mis/disinformation could use to reach audiences beyond their direct friend and followers.

Labeling potential dis information

One approach is to use the output of fake news detection or similar classifications in order to label low-credibility content. For example, in 2017, Facebook experimented with labeling news articles as "disputed" if they were believed false; however this approach was abandoned, as Facebook learned from academic that this does not change people's minds. Instead, Facebook began showing "related" articles which may in-

clued articles from fact-checking sites like Snopes.

More information for users. Because it is difficult to definitively detect mis/disinformation, and because it can be ineffective to surface this fact to users directly, a common strategy is to simply provide more information to users to help them make their own determination. Facebook's related articles feature is one example. Other examples from Facebook include more prominently labeling political ads and their funders and providing users with more context about shared articles and because hoaxes on WhatsApp have been increasingly shared via forwarded messages, in July 2018, WhatsApp began displaying "Forwarded" before such messages to help users understand that the message may not have been written by the immediate sender.

Third-party tools also exist. For example, the Surf Safe browser extension [53, 94] can help users identify doctored images by showing them other websites that the image has been found in — so if an image appears newsworthy, but does not appear in any mainstream news sites, users could interpret it as being faked. Surf Safe also highlights whether an image also appears on fact checking sites. The In VID browser extension is asset of tools for helping people investigate online content, like stepping frame by frame through videos, reverse image searches, viewing photo/video meta data, and other forensic analysis tools.

RECOMMENDATION FOR USERS

Be skeptical of content you see on the web. Content from unknown sources, or that seems suspicious or particularly dramatic or too good or bad to be true, should be taken with a healthy dose of skepticism. Even further consideration should be taken before sharing such content with others. Be aware that even "trusted" sources of information can reshare disinformation; your friends may inadvertently do so, and not all platforms surface information about the original

source (e.g., forwarded messages on WhatsApp).

Look for corroborating or conflicting evidence from other sources and be open to changing your mind. At the same time, don't assume everything is false just because it can be false. Undermining the legitimacy of institutions like journalism is a key goal of some disinformation campaigns. Use strategies to build your trust in content.

TYPES OF DISINFORMATION

1. **Fabricated Content:** Completely false content.
2. **Manipulated Content:** Genuine information or imagery that has been distorted, e.g., a sensational headline or populist 'click bait'.
3. **Imposter Content:** Impersonation of genuine sources, e.g., using the branding of an established agency.
4. **Misleading Content:** Misleading information, e.g., comment presented as fact.
5. **False Context:** Factually accurate content combined with false contextual information, e.g., when the headline of an article does not reflect the content.
6. **Satire and Parody:** Humorous but false stores passed off as true. There is no intention to harm but readers may be fooled.
7. **False Connections:** When headlines, visuals or captions do not support the content.
8. **Sponsored Content:** Advertising or PR disguised as editorial content.
9. **Propaganda:** Content used to manage attitudes, values and knowledge.
10. **Error:** A mistake made by established new agencies in their reporting.

The rise of Artificial Intelligence (AI) has also given birth to new forms of and disinformation. We call this Synthetic Media to indicate the artificial production, manipulation and modification of data and multimedia by automated means, especially AI algorithms, to mislead or change original meaning. There are fears that synthetic media could supercharge fake news, spread misinformation and

distrust of reality and automate creative jobs. “Deep Fakes” are one type of synthetic media where a person in an existing image or video is replaced with someone else's likeness. While the act of faking content is not new, deep fakes use powerful techniques from machine learning and AI to manipulate or generate visual and audio content with a high potential to deceive. Deep Fakes have garnered widespread attention for their use in revenge porn, fake news, hoaxes and financial fraud. Industry and governments are concerned to detect and limit their use. Some countries already have a national response or national institutions are working on it.

DOWNSIDES INCLUDE

Increased likelihood of disinformation and misinformation going viral with distribution amplified by ‘trust networks and emotional reactions (e.g., triggered by confirmation bias). The ability of governments and other agencies to side-step news media interrogation and verification by ‘going direct to audiences’ to avoid scrutiny. There is evidence of increased manipulation of the power of social media by those seeking to influence election outcomes and public policy. Sensational information is more likely to be shared the inability to easily pull back or correct disinformation.

OTHER APPROACHES TO COMBAT FAKE NEWS

There are several alternatives to deal with falsehoods and disinformation that can be undertaken by various organizations. Many of these ideas represent solutions that combat fake news and disinformation without endangering freedom of expression and investigative journalism.

Government Responsibilities

One of the most important thing governments around the world can do is to encourage independent, professional journalism. The general public needs reporters who help them make sense of complicated developments and deal with the ever-changing nature of social,

economic, and political events. Many areas are going through transformation that I elsewhere have called “mega changes” and these shifts have created enormous anger, anxiety, and confusion. In a time of considerable turmoil, it is vital to have a healthy Fourth Estate that is independent of public authorities.

New Industry Action

One of the most important thing governments around the world can do is to encourage independent, professional journalism. The general public needs reporters who help them make sense of complicated developments and deal with the ever-changing nature of social, economic, and political events. Many areas are going through transformation that I elsewhere have called “mega changes,” and these shifts have created enormous anger, anxiety, and confusion. In a time of considerable turmoil, it is vital to have a healthy Fourth Estate that is independent of public authorities.

CONCLUSION

The most effective counterweight to disinformation is now and always has been to protect the freedom to challenge it, investigate its source and assert alternate points of view. While it is true that social media and other forms of technologically-driven communication have scaled up the connections among bad actors and the reach of some bad ideas, they have also by their very nature scaled up the connections and reach of good actors, useful information and benign movements. Exposures of police brutality, rapid dissemination of information about corporate or governmental malfeasance, advocacy and organization for social cooperation, new forms of fundraising and more efficient markets, and a growing awareness of public affairs are also well-documented consequences of the internet and social media. To see online communication as inherently dangerous and irrational is to reject liberal democracy itself. For if people are incapable of coping with sorting through the validity of the

materials they find online, they are also not capable of governing themselves.

Misinformation of this nature has the power to harm government and public institution activity. For example, managing more diverse populations in terms of origins, culture, race, or religion is becoming a bigger difficulty for most European and global nations. It is a significant challenge to build dynamic societies that can balance respect for variety and social cohesiveness on the basis of democratic values and intercultural cooperation. The emergence of false information of many kinds, painting some groups as more hazardous and fostering mistrust, intolerance, prejudice, and xenophobia, is one problematic element in this situation. These kinds of statements are usually made without citing credible studies or data.

REFERENCES

<https://www.unhcr.org/innovation/wp-content/uploads/2022/02/Factsheet-4.pdf>
https://en.unesco.org/sites/default/files/journalism_fake_news_disinformation_print_friendly_0.pdf
<https://www.ohchr.org/sites/default/files/Documents/Issues/Expression/disinformation/3-Academics/Georgia-Institute-of-Technology-School-of-Public-Policy.pdf>
<https://www.damianospina.com/publication/demartini-2020-human/demartini-2020-human.pdf>

Chapter 21

SOCIAL MEDIA MARKETING AND ITS INFLUENCE ON ENTREPRENEURSHIP

Dr. S. Arokia Punitha

Assistant Professor of Business Administration, Holy Cross College (Autonomous),
Tiruchirappalli, Tamil Nadu

ABSTRACT

Social media marketing offers a previously unheard-of chance to interact with customers, establish connections with a global audience, and cultivate a devoted following. Social media marketing has a substantial impact on customer relationships, revenue, and overall business performance in addition to brand recognition and reach. The study reveals the recent trends in entrepreneurship, social media marketing, Social media marketing strategies, best practices in social media marketing, impact of social media on entrepreneurship business, Indian entrepreneurs' potential is unlocked via social media platforms.

Keywords: *Nomadism, Globalism, Gig Economy, Social media platforms*

INTRODUCTION

India has emerged as one of the most attractive destinations for startups in the world, with a thriving startup ecosystem. In recent years, entrepreneurship has increased dramatically in India, one of the world's fastest-growing economies. The nation has seen a sharp increase in the number of startups and entrepreneurial endeavors as a result of the development of the internet and the government's promotion of a digital economy. Entrepreneurs are essential to India's economic growth and employment creation, since the country's startup ecosystem is developing at an accelerated rate.

By 2025, the Indian startup ecosystem is predicted to generate over 12.5 lakh direct employment, per a Nasscom report. This is now possible because of the government's promotion of a digital economy, which has improved the

climate for innovation and entrepreneurship. The availability of capital has been a major factor in the growth of entrepreneurship in India. A number of domestic and foreign venture capital firms invest in Indian entrepreneurs, demonstrating the strength of India's venture capital ecosystem. Indian entrepreneurs raised a record \$26.3 billion in funding in 2021 compared to just \$10.6 billion in 2020. This has allowed entrepreneurs to scale their enterprises faster and has made it easier for them to acquire funding for their endeavors. The availability of talent has also played a role in the rise of entrepreneurship in India. There is a large pool of competent workers in India that are eager to work for startups. These workers include engineers, developers, and data scientists. Startups now find it simpler to identify and hire the people they require to grow their companies.

RECENT TRENDS IN ENTREPRENEURSHIP

The corporate landscape is changing quickly due to new technologies, shifting client needs, societal changes, and the COVID-19 pandemic. These elements cleared the way for remote businesses, specialized marketplaces, innovative sectors, and close-knit international teams. Nonetheless, in order to take advantage of these developments, you need to stay current with new developments in the field of entrepreneurship.

1. Digital Nomadism

Digital nomadism began to gain popularity a few years ago (Forbes). A significant portion of the workforce has opted to work multiple freelance jobs or from home. This is a doorway to entrepreneurship, as many can confirm.

Many freelancers who begin their careers eventually launch their own consulting or professional services company. It also expands the job opportunities for other seasoned business owners. Employers may be able to save money on overhead, equipment maintenance, and electricity by deploying remote workers. A form of remote employment known as "digital nomadism" involves employees living a nomadic lifestyle. A foreign nation, a beach house, a coworking space, or even an RV can be their place of employment when working remotely due to their specialization or type of work (Investopedia, 2020).

2. Globalism

Collaborating with multinational groups to establish, uphold, and grow their enterprises is known as globalism. In actuality, globalism has already been a prevalent movement for a number of years. However, perhaps we misunderstand it as merely a choice for larger businesses. Some people also believe that companies can decide to embrace globalism within a few months or years of inception. Nonetheless, globalism was ingrained in the DNA of many business founders when they launched their ventures. Actually, on average, 29% of startup personnel are foreign nationals. In several industries, particularly the media and professional services, the globalism tendency is very popular. In the future, high-achieving companies will still often operate with a global perspective.

3. Diverse Workforce

The workforce is becoming more diverse than it has ever been. For example, women are no longer excluded from the professional and business spheres. Working-class professionals and even entrepreneurs are overwhelmingly composed of women, mostly because of significant socioeconomic changes. Furthermore, a wide range of racial, religious, and creedal backgrounds are represented in the workforces of many entrepreneurial businesses. This is a

fantastic thing that also has an impact on profitability. Millennials are more likely to make purchases from stores that they believe to be socially conscious and suitably varied.

4. Niche Market

Offering services to an increasingly specialized market is a specialty of many businesses. As a result, businesses are altering their taglines, brand identities, and even the items they sell to cater to certain target markets. This is even evident at fast-food restaurants that assert that patrons can place "their way" orders for food. It can be really beneficial to have the ability to customize a product and even add a name or color. Customers are looking for something special that is out of reach for most people.

5. Gig Economy

Alongside all these other trends, the gig economy has grown. Front-line or working-class workers are essential to the gig economy. People that work for customers on a per-job basis and are continuously chasing another paycheck are hopping from gig to gig. The profitability of this business model has been demonstrated by companies such as DoorDash and Uber. One where they link independent freelancers with consumers but do not technically hire anyone. It is debatable, of course, if this is a good thing. However, it is undeniable that the gig economy has changed the nature of work. Websites for freelancers like Upwork are just the beginning. They now enable people with in-demand abilities to effectively run their own enterprises, establish brands, and promote themselves.

6. Subscription based businesses

The pandemic has caused a boom in subscription-based enterprises. At first, many resorted to these internet transactions as a safety measure when lockdowns started in 2020. Today, 49% of consumers use a subscription service, per a recent McKinsey survey. Still, it is anticipated that the increased convenience will spur further expansion. Customers

seldom buy the goods or services they use from these businesses outright or purchase them. But, by signing up for a company's continuous supervision, clients receive ongoing managerial support, technical assistance, and other advantages. If they do own something, they're obligated to pay a monthly membership fee that may include access to special offers, savings, etc.

7. Eco Friendly business practices

Concern over the state of the environment is growing among millennials and younger consumers. Customers typically purchase from companies that practice green product manufacturing standards or present themselves as environmentally conscious. Business leaders are rethinking their organizations to be more environmentally friendly in response to these trends in the industry. Environmentally conscious methods are here to stay, and consumers are starting to care more.

8. Mobile Commerce

Reaching clients wherever they are appears to be the guiding principle of modern business. This fits into the current, powerful trend of becoming customer-centric. Additionally, people these days spend a lot of time attached to their phones. On average, people use their phones for three hours and fifteen minutes per day. Additionally, the majority of people check their phones roughly 96 times a day, or once every ten minutes (Asurion, 2019). Hence, astute business people take advantage of this. These days, business owners can effectively undermine their massive rivals from the comfort of their own homes. Indeed, one could argue that they were involved in it.

SOCIAL MEDIA MARKETING

Social media is the use of platforms that allow people to create social networks and share information to promote a business, boost sales, and improve

website traffic. It is also referred to as digital marketing and e-marketing. SMM offers businesses a means to interact with current clients and attract new ones. It also includes data analytics built in, which enables marketers to monitor the effectiveness of their campaigns and find new avenues for interaction.

Between 2004 and 2022—the first year that MySpace reached one million users—an astounding surge in interactive digital channels propelled social media to a level that now surpasses that of radio and television in just eighteen years. Over 59% of the world's population used social media as of the beginning of 2023, with 4.76 billion users worldwide. With more than 80% of consumers stating that social media, particularly influencer content, has a major influence on their purchasing decisions, marketers from a variety of sectors are spearheading the development of social media marketing (SMM), moving it from a single tool to a multifaceted source of marketing intelligence on a growing and increasingly significant audience. Social media marketing has revolutionized how companies may impact customer behavior, from promoting content that encourages interaction to gathering personal information that helps messaging connect with consumers. Social media marketing is frequently more affordable and has greater visibility; yet, it needs constant upkeep and may result in unanticipated bad responses.

Social media revolutionized not only how we communicate with each other but also how businesses can impact customer behavior. Location, demographic, and personal data can be extracted to create messaging that resonates with users, and content that drives engagement can be promoted. These changes occurred as platforms like Facebook, Instagram, and X became popular.



Source: Wordstream.com

SOCIAL MEDIA MARKETING STRATEGY

1. Establish your company's aims and objectives.

Prioritize your goals when it comes to social media marketing. Perhaps increasing brand awareness is your top priority. Alternatively, maybe you'd like to increase your internet lead generation. Set metrics for every channel you intend to use after you've determined your goals. You may want to look into measures like reach, impressions, audience growth rate, and video completion rate.

2. Recognize your target audience

You must ascertain your target audience's identity and points of resonance before you can create content that appeals to and motivates them. To learn more about their preferences, you can hold focus groups, interviews, and surveys. Additionally, it's a good idea to engage in some social listening, where you examine patterns and conversations related to your brand and those of your rivals.

3. Study your competitors

Ultimately, you want your target audience to select you above your rivals. For this reason, studying competitors is crucial. You can get ideas for your own social strategy from it as well as information into what your rivals are doing on social media. It could also provide you the confidence to think creatively and produce unique material that makes your brand stand out. Pay attention to the content that garners the greatest engagement and interaction while researching your rivals. Remember to seek out industry influencers for motivation.

4. Decide on your platforms.

Every social networking platform is not made equal. Your goals, industry, and target audience are some of the elements that will determine which platforms are best for you. LinkedIn is a great resource for B2B companies looking to network with other companies. However, TikTok is a good option if you own a clothes store selling items for teen girls. Recall that you can post original, pertinent content on all of the social media channels you select, provided you do so.

5. Create original content

It's time to put together a content strategy after you've done your homework and selected the social media channels you want to utilize. Ensure that every piece of content you produce reflects the personality or brand voice you want to reach out to to your intended audience. Create a content schedule as well, outlining the posts you will publish on different channels. To save time and hassle, you might also want to arrange your content ahead of time.

6. Regularly report and make adjustments

There are changes you may make to your social media marketing plan. As you use analytics to determine what is and is not working, it will probably alter. After you've put your first social strategy into action, come back often. Ensure that your engagement and content are assisting you in achieving your company objectives. If not, modify your first plan of action.

BEST PRACTICES IN SOCIAL MEDIA MARKETING

Blend Up Your Content

Regular material is not any less vital than diverse content. Provide your audience a range of postings that promote your goods and services and establish you as an authority in your field if you want to keep them interested. Think about combining announcements, industry news, queries, surveys, contests, and brief advice with how-tos. Additionally, ensure that your content is available in a range of media, including pictures, videos, live streaming, and online stores.

Maintain Consistency

Every social media platform has a unique voice and atmosphere. Regardless of where you post, your identity and brand must stay consistent. Use your postings on Facebook, Instagram, Twitter, and any other channels you use to communicate your brand's fun and trendy vibe, for example.

Engage in conversations

Communication with your audience is really important. Don't undervalue it. Notice who interacts with your material and responds to it by like, commenting, and sharing it. setting up surveys, live streaming, and live questions in an effort to start a conversation. Freebies and competitions are also options.

Utilize Tools for Content Creation

Posting images, videos, infographics, and other eye-catching visual content in addition to text on social media is essential to engaging your audience and gaining devoted followers. Don't worry if you can't afford to hire an internal graphic design team to make them. A plethora of content creation platforms, like Canva and Freepik, are available with templates that make it simple and inexpensive to generate visuals.

Use hashtags.

Using a hashtag in social media posts allows users to identify topics that interest them by placing a word or term before the hash sign. Your brand's visibility can be raised by incorporating hashtags into your posts. Assume you are in the accounting services business. #CPA,

#taxseason, and #accounting are a few hashtags you might include in your posts.

Content Repurposing and Recycling

It's not necessary to start from scratch if you already have some material related to your brand. Repurposing existing content is both acceptable and encouraged. Consider highlighting a positive customer review on Facebook or Instagram. Sharing content from the press release or blog sections of your website is an additional concept.

Utilize Analytics to Assess Performance

If you don't use analytics and track data, you won't be able to assess the effectiveness of your social media plan. You may track all platform data in one location by investing in a social media analytics package, however each social media network has its own analytics features. You'll be able to monitor follower growth over time, clicks, comments, reach, engagement rate, impressions, shares, saves, video views, and more.

Examine Paid Social

It's worthwhile to consider paid social media ads if your marketing budget allows it. Ads can be positioned to appear in front of users who might be particularly interested in the goods and services you provide. Ads on Facebook, LinkedIn, Instagram, and Pinterest are a good place to start.

Show patience.

Social media marketing won't yield results right away. But you will succeed if you are persistent and patient. Just make sure you provide engaging content, engage with your followers frequently, and target the appropriate audience.

IMPACT OF SOCIAL MEDIA ON ENTREPRENEURSHIP BUSINESS

1. A commitment to a brand

All companies aim to get to the point where consumers pick their brand over rivals just because they believe in it. When consumers have total faith in a brand and buy a good or service without

thinking twice about it, they are said to be exhibiting brand loyalty. The development of a positive and sincere relationship between a business and its customers leads to brand loyalty. Digital marketing includes social media marketing since it provides a means for businesses to engage with their clientele and establish a sacred connection. As a result, communication between the brand and the buyer is straightforward and exact, as there are no longer any middlemen (retailers, wholesalers).

2. Fast communication

In the beginning, brand-customer engagement was restricted to an annual event that the firm held to introduce their latest items. But since the introduction of social media, there has been an increase in the frequency, ease, and speed of communication between brands and customers. Customers can now contact brands via social media sites like Instagram, Twitter, Facebook, and so on. Customers can easily submit real-time feedback on a product or service in addition to airing issues.

3. Enhanced purchasing power

Customers have more influence over brands in social media marketing. Consumers have a voice that is widely heard. Customers can openly express their opinions about a product on social media without worrying about trying it out for themselves. Customers gain power and firms lose their ability to influence. For this reason, firms must exercise greater caution while promoting their goods and services online.

4. Competition

Everyone strives for excellence in the competitive field of social media marketing. Additionally, in order to draw in as much attention from consumers as possible, it pushes brands to operate efficiently.

5. Attract large audience

People from all around the world utilize social media as a forum. One of the most cost-effective digital marketing strategies is social media marketing, which

allows you to draw in clients from all over the world and facilitates worldwide business expansion with minimal startup costs. It also links you to your customers and breaks down barriers.

6. Reducing expenses for advertising and promotion

Utilizing the principles of targeted advertising and marketing, social media marketing maximizes brand recognition within the target demographic while minimizing expenses. Additionally, it lowers operating expenses and raises the companies' profit margin.

INDIAN ENTREPRENEURS' POTENTIAL IS UNLOCKED VIA SOCIAL MEDIA PLATFORMS

Over the past fifteen years, social media has developed into a powerful catalyst that has brought people together and fostered communities. Social media, a potent marketing tool of the twenty-first century, is widely acknowledged for having helped both individuals and companies achieve success and notoriety. Numerous brand-new abilities and services have emerged as a result of social media. There is a revolution happening in India right now because social media is leveling the playing field for millions of independent artists and small enterprises to succeed, which is leading to the emergence of micro-entrepreneurs. The concept of "Being Your Own Boss" is gaining traction thanks to social media platforms, which also provide us a chance to own our voices, creativity, and abilities.

Utilizing social media and digital platforms to go direct-to-consumer (D2C) as an affordable channel, a new wave of small enterprises from cities and small villages are growing both nationally and internationally. Reports indicate that by 2025, the D2C business in India may be worth more than \$100 billion. As a result, creating a social media presence for small businesses is no longer a vanity project in the modern world. It's actually working out quite well as a differentiation and success factor. Indian social media

platforms offer SMBs immediate and effective client engagement with their wide targeted reach and real-time data analytics. More companies are embracing social media, which is changing local economies and opening doors for business model scalability in India and worldwide.

In India, celebrities and mainstream influencers are no longer the exclusive means of increasing a brand's visibility and reputation. There is a burgeoning army of local and micro-influencers that have genuine, devoted followings. Every person in Bharat is now empowered to succeed through their abilities and skills thanks to widespread access to smartphones, internet connections, and popular regional social media platforms. Without investing any money, they can create stable sources of income and enterprises from the comforts of their homes.

CONCLUSION

Social media has created a multiplication effect on entrepreneurship. Social media is actively used by billions of people worldwide every day, which presents numerous chances for business owners to advertise their goods and services. Additionally, social media marketing is economical and successful, generating enormous profits for business owners.

It's interesting to note that business owners utilize social media to interact with clients and entice them with numerous deals and advantages. They also employ social media marketing to build ties between their brand and customers and to raise awareness of their products.

Social media marketing offers a never-before-seen chance to interact with customers, establish a global audience, and cultivate a devoted following. Social media marketing has a substantial impact on customer relationships, sales, and overall business performance in addition to brand recognition and reach.

REFERENCES

- Anand, A. (2023, April 18). *Entrepreneurship in India in 2023: Challenges, Opportunities, and Growth*. Analytics Steps. Retrieved November 19, 2023, from <https://www.analyticssteps.com/blogs/entrepreneurship-india-2023-challenges-opportunities-and-growth>
- Baluch, A. (2023, July 11). *Social Media Marketing In 2023: The Ultimate Guide*. Forbes. Retrieved November 19, 2023, from <https://www.forbes.com/advisor/business/social-media-marketing/>
- Chatterjee, s., & Kar, A. K. (2020). Why do small and medium enterprises use social media marketing and what is the impact: Empirical insights from India. *International Journal of Information Management*, 53(1), 102103. Elsevier. <https://doi.org/10.1016/j.ijinfomgt.2020.102103>
- Davies, N. (2022, April 1). *10 Biggest Entrepreneurship Trends to Watch in 2023*. LivePlan. Retrieved November 19, 2023, from <https://www.liveplan.com/blog/entrepreneurship-trends-to-watch/>
- Eira, A. (2023, September 18). *16 Entrepreneurship Trends for 2022/2023: New Forecasts & A Look Into What's Ahead*. Financesonline.com. Retrieved November 19, 2023, from <https://financesonline.com/entrepreneurship-trends/>
- Haymes, A. (n.d.). *Social Media Marketing (SMM): What It Is, How It Works, Pros and Cons*. Investopedia. Retrieved November 19, 2023, from <https://www.investopedia.com/terms/s/social-media-marketing-smm.asp>
- *How to Build Your Social Media Marketing Strategy*. (2023,

- September 20). Sprout Social. Retrieved November 19, 2023, from <https://sproutsocial.com/insights/social-media-marketing-strategy/>
- Kumar, A., & Sharma, R. (2023, October 26). *Top 10 Impacts of Social Media on Business Digital Marketing*. Emeritus. Retrieved November 19, 2023, from <https://emeritus.org/in/learn/impact-of-social-media-on-businesses/>
 - Singh, M. (2022, December 17). How Indian social media platforms unlock the potential of micro-entrepreneurs in India. *The Times of India*. <https://timesofindia.indiatimes.com/blogs/voices/how-indian-social-media-platforms-unlock-the-potential-of-micro-entrepreneurs-in-india/>
 - *Social Media Marketing*. (n.d.). Buffer. Retrieved November 19, 2023, from <https://buffer.com/social-media-marketing>
 - *Social Media Marketing for Businesses*. (n.d.). WordStream. Retrieved November 19, 2023, from <https://www.wordstream.com/social-media-marketing>
 - Sutarwala, U. (2023, August 21). *Impact of Social Media Marketing on Businesses*. Sprinklr. Retrieved November 19, 2023, from <https://www.sprinklr.com/blog/social-media-business-marketing/>

Chapter 22

A SAGA OF INNOVATIVE BUSINESS MODELS IN INDIA: CHALLENGES AND TRIUMPHS INNOVATIVE BUSINESS MODELS

Dr M. Sravani

Assistant Professor Selection Grade, Department of Business Management,
Krishna University, Machilipatnam, Andhra Pradesh

D. Soumith

Research Scholar, Department of Business Management,
Krishna University, Machilipatnam, Andhra Pradesh

Abstract

An innovative business model is a way of creating, delivering, and capturing value in a way that challenges traditional business practices. It is designed to respond to changing market conditions, technological progress, and changing customer needs. The goal of innovative business models is to gain a competitive advantage, promote growth, and provide value to customers.

An innovative business model can take many forms, such as disrupting traditional industries, using technology, focusing on customer-first principles, including sustainability and social responsibility, and providing agility and flexibility. Technology integration is often a key factor, and some innovative business models are built around platforms or marketplaces connecting multiple parties.

Examples of innovative business models include subscription and membership models, Direct-to-consumer models, collaborative and sharing economy models, and impact investment models. These models are characterized by their ability to adapt to changing business environments and be well-suited to the demands of a rapidly changing and competitive market.

The present paper is an attempt to understand the significance of Innovative Business Models in India, their Growth & Progress, Government support and challenges faced to implement the Innovative Business Models.

Keywords: Innovative Business Models, Technological Progress, Technology Integration, Investment Models.

Introduction

Innovative business models are new and creative approaches that organizations use to create, deliver, and capture value in ways that often challenge traditional practices. They are designed to adapt to changing market dynamics, technological advancements, and evolving customer needs. Innovative business models are driven by the goal of gaining a competitive edge, fostering growth, and offering unique value to customers. These models can take various forms, from disrupting established industries to leveraging technology, prioritizing customer-centricity, incorporating sustainability and social impact, and fostering agility and flexibility.

Technology integration often plays a central role, and some models are built on platforms or marketplaces that connect multiple parties. Subscription and membership models, direct-to-consumer approaches, collaborative and sharing economies, and impact investment are all examples of innovative business models that have gained prominence in various industries. They are characterized by their adaptability and responsiveness to changes in the business environment, making them well-suited for the demands of a fast-paced and competitive market landscape.

Significance of innovative business models in India

Innovative business models hold a pivotal role in India, significantly contributing to the country's economic growth and

competitive edge. Their importance can be summarized across several key dimensions. Firstly, these models drive economic growth by fostering entrepreneurship and job creation, vital components in India's burgeoning economy. They introduce novel approaches that add value across diverse industries, enhancing productivity and revenue generation.

Secondly, innovative business models facilitate market expansion by tapping into previously underserved or untapped segments. India's vast and diverse consumer base presents abundant opportunities for businesses to adapt their models, enabling them to reach a broader audience. Leveraging technology plays a third vital role, especially in a country experiencing a rapid increase in digital connectivity, smartphone adoption, and internet access. These models cater to a tech-savvy populace and bring transformation to industries such as e-commerce, FinTech, and EdTech.

Moreover, these models have the potential to promote inclusivity and financial inclusion. By offering affordable and accessible services to individuals and businesses, including those in rural and underserved areas, they align with India's commitment to empowering the unbanked and underprivileged populations. Beyond economics, some innovative models focus on social impact, addressing critical issues like healthcare, education, agriculture, and clean energy. These efforts contribute to positive societal change and sustainable development, positioning India as a global hub for innovation and fostering a culture of entrepreneurship, particularly among the country's young and increasingly educated population.

Furthermore, innovative business models address environmental concerns and sustainability, promoting eco-friendly practices and green technologies in alignment with global efforts to combat climate change. Additionally, the dynamic ecosystem of innovation, including

incubators, accelerators, venture capital, and mentorship programs, nurtures startups and encourages a culture of innovation. Lastly, the Indian government's initiatives, such as "Startup India" and "Make in India," create an environment conducive to entrepreneurship and innovation. Overall, innovative business models are integral to India's growth, technological adoption, and competitiveness on the global stage.

Successful innovative business management models in India

India has seen the adoption of various successful innovative business management models across different industries. These models are often adapted to the Indian context, considering the unique challenges and opportunities in the country. Here are some examples of successful innovative business management models in India:

Jugaad Innovation: Jugaad, a Hindi word that roughly translates to "frugal innovation" or "making do with what's available," is a concept that has gained popularity in India. It involves finding low-cost, creative solutions to complex problems, often in resource-constrained environments. Many Indian startups and businesses have embraced jugaad innovation to develop cost-effective products and services.

E-commerce Marketplaces: India has witnessed the rapid growth of e-commerce marketplaces like Flipkart, Amazon India, and Snapdeal. These platforms connect buyers and sellers, leveraging technology to create efficient and convenient marketplaces. The "marketplace" model has disrupted traditional retail and created a vast ecosystem for sellers and consumers.

Mobile Wallets and Digital Payments: India has seen significant growth in digital payments and mobile wallets like Paytm, PhonePe, and Google Pay. These platforms have transformed the way people make payments, transferring money, and conduct financial transactions,

particularly in a country with a large unbanked population.

Shared Economy and Ride-Sharing: Companies like Ola and Uber have revolutionized transportation in Indian cities. By providing ride-sharing services through mobile apps, they have created a new model of convenient and affordable urban mobility.

Microfinance and Self-Help Groups: Microfinance institutions and self-help groups (SHGs) have played a crucial role in financial inclusion, empowering women, and promoting entrepreneurship in rural and underserved areas. Grameen Bank's model of microfinance has also inspired similar initiatives in India.

Direct-to-Consumer (DTC) Brands: Several Indian startups have adopted the DTC business model, allowing them to connect directly with consumers, bypassing traditional retail channels. This approach has gained popularity in industries like fashion, beauty, and consumer goods.

Online Education and EdTech: With the rise of e-learning platforms like Byju's, Unacademy, and Coursera, online education has become a prominent model in India, particularly with the increased demand for remote learning due to the COVID-19 pandemic.

Healthcare Aggregators: Companies like Practo and 1mg have created platforms that aggregate healthcare services, making it easier for patients to find doctors, schedule appointments, and order medicines online.

Impact Investment and Social Enterprises: Impact investment and social entrepreneurship models are gaining traction in India, focusing on delivering both financial returns and positive social and environmental impact. Organizations like Aravind Eye Care and SELCO Foundation exemplify this approach.

Remote Work and IT Services: India is known for its information technology (IT) and outsourcing services. The IT services sector has embraced remote work and

distributed teams, providing cost-effective solutions to global clients.

AgriTech: India's agriculture sector has seen the emergence of AgriTech startups like AgroStar and DeHaat, which leverage technology to improve farmers' access to information, markets, and inputs.

These innovative business management models have contributed to India's economic growth and transformed various industries. They often incorporate technology, digital platforms, and a focus on solving unique challenges to create successful and scalable businesses.

Trend and progress of innovative business models in India

The trend and progress of innovative business models in India have been evolving rapidly in response to the changing economic, technological, and social landscape. Several key trends and developments have been observed in recent years:

Digital Transformation: India has seen a significant acceleration in digital transformation across industries. This includes the adoption of e-commerce, digital payments, cloud computing, and data analytics. Companies have been leveraging these technologies to enhance efficiency, customer experience, and scalability.

E-commerce and Online Marketplaces: E-commerce continues to thrive in India, with companies like Amazon, Flipkart, and Reliance Retail's JioMart expanding their reach. Furthermore, niche e-commerce players have gained traction in sectors like fashion, electronics, and groceries.

EdTech and Online Learning: The COVID-19 pandemic has accelerated the growth of the EdTech sector. Startups like Byju's, Unacademy, and Vedantu have witnessed rapid user adoption as online education became the norm.

HealthTech: Telemedicine platforms and health-focused startups have experienced a surge in demand. Companies such as Practo, 1mg, and Portea Medical have been at the forefront of this trend

AgriTech: The agriculture sector in India has seen innovations in AgriTech, addressing issues related to farm productivity, market access, and supply chain efficiency. Startups like DeHaat, Ninja cart, and AgroStar have made significant progress in this space.

FinTech: The FinTech industry has continued to innovate, with a focus on digital payments, peer-to-peer lending, insurance, and wealth management. Companies like Paytm, PhonePe, and Policy Bazaar are at the forefront of FinTech innovation in India.

Renewable Energy and Sustainability: India has witnessed an increased focus on renewable energy sources and sustainable business practices. Companies are investing in solar and wind energy projects, and there is a growing emphasis on environmental sustainability and corporate social responsibility.

Shared Mobility: Shared mobility services like Ola, Uber, and Bounce continue to evolve and expand their offerings. Electric vehicles (EVs) have also gained attention in the Indian market.

Direct-to-Consumer (DTC) Brands: DTC brands have proliferated in categories such as fashion, beauty, and consumer goods. These brands leverage online platforms to establish a direct relationship with consumers and offer unique, high-quality products.

AI and Machine Learning: AI and machine learning are being used in various industries, from healthcare diagnostics to customer service automation. AI-driven solutions are becoming more common in business operations.

Social Impact and Sustainability: There is a growing emphasis on social entrepreneurship and sustainability, with startups and businesses integrating social and environmental responsibility into their core models.

Remote Work and Flexible Work Models: The COVID-19 pandemic forced businesses to adopt remote work models, and many have continued to embrace

remote and flexible work arrangements, offering employees greater work-life balance.

Government Initiatives: The Indian government has introduced several initiatives to support innovation and startups, such as "Make in India," "Digital India," and "Startup India." These programs aim to create a favourable ecosystem for entrepreneurial ventures.

The progress and evolution of innovative business models in India have been driven by factors such as increased smartphone penetration, the availability of affordable high-speed internet, changing consumer behaviour, and a thriving entrepreneurial spirit. These trends indicate that India's business landscape will continue to adapt to technological advances and emerging market dynamics.

Government support and public private partnership for innovative business models in India

Government support and public-private partnerships (PPPs) play a crucial role in fostering innovative business models in India. These initiatives are instrumental in providing the necessary infrastructure, funding, and regulatory environment for businesses to thrive and drive economic growth. Here are some key aspects of government support and PPPs for innovative business models in India:

Startup India: The Indian government's "Startup India" initiative aims to promote and support startups by providing funding, mentorship, and incentives. It offers tax benefits and eases compliance requirements, making it easier for innovative startups to establish themselves.

Make in India: The "Make in India" campaign encourages domestic manufacturing and innovation. It aims to transform India into a global manufacturing hub by providing incentives, infrastructure, and support to industries.

Financial Incentives: Various government schemes offer financial incentives, grants, and subsidies to

businesses that focus on innovation and research and development. These incentives reduce the financial burden on startups and encourage them to invest in innovation.

Incubators and Accelerators: The government has established and supports numerous incubators and accelerators across the country. These organizations provide startups with mentorship, networking opportunities, and access to resources, fostering innovation.

R&D Tax Credits: To encourage research and development activities, India offers tax credits to businesses that invest in R&D. This incentivizes companies to innovate and develop new technologies.

Public Procurement Policy: The government has implemented a public procurement policy that encourages government departments and agencies to procure products and services from startups and small enterprises, boosting their growth and innovation.

PPP for Infrastructure Development: Public-private partnerships are common in infrastructure development projects, such as smart cities and transportation systems. These partnerships enable private companies to work alongside the government in implementing innovative solutions.

Venture Capital and Investment: Government-backed venture capital funds and investment schemes provide financial support to startups and businesses engaged in innovative activities. These funds are often managed by public or quasi-public organizations.

Regulatory Support: The government is working on streamlining regulations and reducing bureaucratic hurdles that can impede innovation. This includes measures to simplify business registration, licensing, and compliance procedures.

Industry-Academia Collaboration: Government initiatives promote collaboration between industries and academic institutions. This fosters

research, innovation, and the development of technologies with practical applications.

Digital India: The "Digital India" program promotes the use of technology and digital solutions in various sectors, encouraging innovation and entrepreneurship in the digital space.

Clean Energy and Sustainability: India has established renewable energy targets and initiatives that promote sustainable and green business practices. These initiatives encourage innovation in clean energy and sustainable development.

Skill Development: The government is actively involved in skill development programs to ensure that the workforce is equipped with the necessary skills and knowledge to support innovation in various industries.

Public-private partnerships are vital in several critical infrastructure projects, such as smart cities and transportation systems. These partnerships enable private entities to work alongside the government, utilizing their expertise and resources to implement innovative solutions effectively.

In conclusion, government support and public-private partnerships are pivotal in creating a conducive ecosystem for innovative business models in India. They provide funding, mentorship, infrastructure, and regulatory support, fostering a culture of innovation and entrepreneurship that contributes to the country's economic development and global competitiveness.

Challenges in building and implementing innovative business models in India

Building and implementing innovative business models in India presents both opportunities and challenges. The regulatory landscape in India can be intricate and bureaucratic, with variations in regulations across states and industries, making compliance and adaptation a complex process. Additionally, India's infrastructure, encompassing transportation, logistics, and digital

connectivity, can be inconsistent, which may pose hurdles for businesses reliant on efficient infrastructure for their innovative models.

India's extensive market diversity requires businesses to cater to a wide spectrum of preferences, languages, and cultural nuances. This necessitates the implementation of localized strategies and product adaptations. While India boasts a growing startup ecosystem, securing access to early-stage and growth capital can be a challenging endeavour, especially for unproven innovative models that face competitive funding rounds. The country's rapid economic evolution brings intense competition from domestic and global players, which entrepreneurs and businesses must navigate.

Furthermore, addressing scaling and localization while retaining a scalable approach can be demanding, and protecting intellectual property is paramount, given potential shortcomings in enforcement. Understanding diverse consumer behaviours, supply chain fragmentation, and data privacy and security concerns all add to the complexity of building and implementing innovative business models in India. Cultural norms and societal expectations can impact the acceptance and success of such models, making it vital to consider social and cultural factors when designing and marketing innovations.

Lastly, the complexity of India's tax structure requires businesses to navigate compliance with both national and state-level taxes and regulations, adding an additional layer of challenge to the endeavour. Overcoming these challenges involves strategic navigation, adaptability, and creative solutions to harness the vast opportunities in the Indian market.

Conclusion

To overcome the challenges of building innovative business models in India, businesses should focus on understanding local regulations, improving infrastructure, conducting thorough market research,

diversifying funding sources, attracting and retaining talent, and building agility into their operations. Collaboration with local partners, attention to data privacy and security, cultural sensitivity, and engagement with India's innovation ecosystem are also crucial. Additionally, businesses can leverage government support, implement sustainable practices, and optimize tax planning strategies to navigate the unique Indian business environment successfully. Adaptability and proactive strategies are key to success in India.

References:

- F Bertoni, S Bonini, V Capizzi –(2022); Digitization in the market of Entrepreneurial Finance: Innovative Business Models and New Financing Channels
- N Nigam, S Mbarek – (2021); Digital transformation of healthcare through Innovative Business Models: Case of India
- JH Mortensen – (2021); Exploring the role of technology in Innovative Social Business Models
- S Suresh, S Renukappa, N Shetty – (2019); Innovative Business Models for smart cities – A Systematic Review
- D Tohanean, NL Zainea – (2019); Entrepreneurial Challenges through Innovative Business Model – A Sigma Approach
- S Banerjee, M Asamizu – (2018); Innovative Business Models with Social Impact: An Analogous study of India and Japan
- S Goyal, M Arnold, JC Bendul – (2018); Circular Economy Business Models in developing Economies: lessons from India on reduce, recycle, and reuse paradigms

Chapter 23 A STUDY ON ANALYSIS OF DIGITAL MARKETING

Dr. V. Nirmala Devi

Associate Professor & Head, PG & Research Department of Commerce, Sri Ramakrishna College of Arts and Science, Coimbatore, Tamil Nadu

Dr Sangeetha. A

Assistant Professor, PG & Research Department of Commerce, Sri Ramakrishna College of Arts & Science, Coimbatore, Tamil Nadu

Abstract

Digital marketing is the new method of marketing commodities using digital technology, mostly through internet. Digital Marketing is built on the internet that can create and convert brand value from producer to the potential customer by various digital network. The development of digital marketing has altered the method companies use technology for promotion, as digital podiums are progressively changed into advertising plans, as individuals use digit campaigns like mobile, computer/laptop and tablet instead of visiting physical market. Digital marketing elements like search engine optimizing is also called as organic method of ranking the website, pay per click or SEM, Content marketing, e-mail marketing, social media, social media optimization, show promotion besides e-commerce marketing are becoming more common in advertising technology.

Concept of Digital Marketing

It involves sum total of marketing work that usage of an electric component and internet. Business leverages various digital ways like search engine, Social medias, e-mail, website in addition offline marketing such as SMS and MMS to attach with present and potential customers. Digital marketing is also stated as online or internet marketing. In simple taking business online.

DM is the promotion of business organization or brand by means of various channels such like the internet, mobile devices, TV radio in addition to consuming different online advertising, podcasts, video and other such approaches to communicate message. Internet promotion in specific plays a vital share in somewhat promotional

plan and it is fetching the basic of numerous establishment complete promotional policies

Statement of the problem

The study deals with the consumer behaviour towards online usage and its future benefits. The tools which are used to develop the promotion of product service by Radel India private ltd.

Need and Relevance of Study

The Marketing is changing rapidly, the system of marketing moving towards digital. Company has to understand the new era of marketing system and make similar changes in the business operations. The study will help reader to understand the significance of having online web presence, and the importance of digital marketing. The study also helps the reader to understand online buying behaviour of Indian patrons

The study on digital marketing, the tools and techniques considered under the study are taken from Radel India Pvt Ltd

Aims of the study

- To identify the tools and techniques of online marketing
- To analyse online buying behaviour of Indian Customers
- To determine the strategies used in digital marketing
- To understand the important terms used in digital marketing
- To study the types of advertisement.

Methodology

Data collection Method

1. Primary Data
2. Secondary Data

Research Design

Research Configuration is a lot of systems and techniques that are used in assembly, flouting down and estimating the aspects

indicated in the exploration issue. It is an edge work that has been made to determine answers to look into studies.

Descriptive Research Design

The research is descriptive in nature hence it includes descriptive research design. The examination is enlightening in nature henceforth it incorporates unmistakable research plan. Elucidating examination configuration is utilized to think about the qualities of a populace that is being contemplated.

Trial Size

The trial size in this exploration comprises of 25 computerized marketing specialists

Data collection Method

Primary Data

It is a direct information; it is gathered legitimately. The distinctive technique for assembly vital data is near to home meetings, survey, review and so into the open. As my project is clear study there is no vital data collected thusly. Primary data source of the study is interview and observation.

Interview:

Interview has been made with office staff, where several random of questions has been asked related to digital marketing and the repose has been recorded.

Observation:

Observation has been made on digital marketing tools and techniques and strategies that they use to promote their business

Secondary Data

Auxiliary data is collected from efficiently current springs in diverse suggestion brochures and annals. Secondary material aimed at the examination were collected from the periodicals, sites and diverse historical investigations.

To meet goals, the investigation utilized subjective research. The clear investigation stood complete by audit of present writing that aided in approval and withdrawal of the significant factors and issues. Information was gathered from auxiliary bases.

Analysis of the Study

Need and Analysis of Digital Marketing

1. Global Presence:

In digital marketing not only makes any business to local region but also on global level. Company website allows the customers to find new market and trade. The best example is amazon market place allows to sell our products online and this can be accessed by anyone from any part of the world.

2. Cost Efficient:

Likened to old-style marketing DM is not cost effective, it will reach to a greater number of people with very less amount. For example, display of advertisement on social media is cheaper than print advertisement target customer reach.

Outcomes of the study

- India presently have online users of 214 million, among them 60% are males and remaining are females
- There are 112 million mobile handlers amongst them 70% are men and remaining 30% are women
- 176 million entire internet populace are of communal media

Conclusion

The actual conclusion of this venture demonstration that the ultimate destiny of promoting is the pointers of progressive.DM isn't just concerned around putting advertisement in entrance, it includes of incorporated managements and coordinated stations. promoters essential to manufacture their excellence over progressive stage, in light of the fact that customers have high fondness to electronic media than additional medias.

References

- 1.Digital marketing. (n.d).In Wikipedia://en.wikipedia.org/wiki/digital – marketing
- 2.http://www.widomportal.com/books/online marketing.html
- 3.http://www.socialmediatory.com/content/marketing-trends-2013-and beyond 14
- 4.http://www.get-free-web-traffic.com/benefits-of-online-marketing.html
- 5.www.studymode.com

Chapter 24 BUSINESS SUSTAINABILITY WITH NEW AUTOMATION STRATEGIES

Dr. M. Dhana Lakshmi

Head, Assistant Professor of Business Administration, K.S.R College of Arts & Science for Women, Tiruchengode, Tamil Nadu

Dr.M.Priyadarshini

Assistant Professor of Commerce, Padmavani Arts and Science College for Women, Salem, Tamil Nadu

Abstract

The paper provides an enduring commercial antiquity viewpoint on sustainability. Current global consumption patterns are unsustainable aftereffects of the global pandemic. Based on the facts and trends outlined in this article, it is becoming perceived that competence advances and high-tech advances alone will not be appropriate to bring worldwide feasting to a maintainable level; fluctuations will also be essential to user lifestyles, including the ways in which customers choose and use goods and facilities. It's recognized the need for commercial to show a headship role in nurturing more sustainable elevations and outlines of consumption, through up-to-date commercial progressions such as revolution, promotion and infrastructures, and by working in corporation with patrons, administrations and collaborators to outline and attain more sustainable lifestyles. Trades have faced challenges and have undergone an incredible amount of change over the past few years as we are focusing on sustainable development goal pattern 2023.

Keywords: AI (artificial intelligence), virtual and augmented reality (VR/AR), environmental, social, and governance (ESG), VR -virtual representations

Introduction

The concept of sustainable development has established mounting credit, but it is a new idea for many commercial administrators. For most, the concept ruins intellectual and academic. Shielding an organization's wealth base is a well-accepted commercial attitude. Administrations do not generally spot the

opportunity of outspreading this view to the ecosphere's predictable and social resources. Sustainable development is budding, it must be integrated into the forecasting various dimension of commercial initiatives to occur, the idea must be voiced in terms that are aware to commercial privileged. It is possible for us to attain sustainable business development management and practices by undergoing the modern strategies Sustainable development, consist three pillars the environment, economy and society. These three pillars to be balanced properly to attain sustainability by incorporating the new major trends in business.

Faster numerical revolution

In 2023, we are moving towards the modernizations and expansions in transformative technologies such as artificial intelligence (AI), and super-fast network protocols like 5G cloud computing, virtual and augmented reality (VR/AR), the internet of things (IoT), blockchain. AI (artificial intelligence) resolutions promote in sustainable finding, AI can assess the environmental footprint of potential partners, strengthening the environmental credentials of a company's products, right from their raw materials. AI plays a vital role in challenging climate change by as long as advanced resolutions for justification and revision. It aids in analyzing climate data, predicting extreme weather events, and improving disaster preparedness. AI helps in decision -making in business and automation of manual these technologies will enable to enhance the "intelligent enterprises" as it carries out routine and creative work loads of the

business enterprises. AI (artificial intelligence) systems and processes support each other to complete tedious and ordinary tasks in the most efficient way possible. Tycoons must ensure the right technology in every area of their business operation. AI and other technologies listed above will enhance the business and industry to new elevations by streamlining of better customer service, effective sales and marketing, efficient supply chains, customer needs and services are more aligned by adopting these technologies in 2023.

Inflation and supply chain security

The monetary viewpoint for most of the biosphere doesn't look great in 2023. In the view point of experts to expect current inflation and silent monetary evolution. Many manufacturing is still overwhelmed by supply chain problems that emerged during the international closures caused by Covid-19 and due to the conflict in Ukraine. To battle this and stay afloat, corporations need to recover their flexibility. This means dropping exposure to instable market rating of commodities, as well as building protective measures into supply chains to deal with shortages and rising logistical costs. Now the corporations have to map out their supply chain and identify any exposure to supply and inflation risks to become more self-reliant.

Sustainability

Due to world environment disaster covid pandemic made the biosphere to face bigger challenge than anything we have experienced in recent decades. This situation enabled the stockholders and purchaser to adopted the right eco-friendly and social credentials, and buying trends are increasingly being driven by conscious consumers by prioritize issues such as organic influence and sustainability when choosing who to buy from or do business with.

In 2023, corporations need to make sure that their environmental, social, and governance (ESG) processes are moved to the centre of their stratagem by increasing

transparency, reporting, and accountability. Every business has to plan with clear goals and timeframes of how to reduce any undesirable impacts and then to be reinforced by solid action plans. The valuation and plans should go beyond the company to cover the entire supply chain and ESG credentials.



Incredible customer experience

To provide an incredible customer experience immersion and interactivity is the new keyword has emerged to set new way of customer service metaverse to denote next level of E -Business. Here the customer can interact with the sellers through immersive technology ,3D environments and VR -virtual representations (virtual dressing rooms) of clothes, jewellery and accessories. As used by Walmart to realize the fitting of designed dress material in actual bodies. These trends will have high impact in offline and online retail. These trends are followed very strongly as foundational element of business strategy by Adobe and Adweek.

The talent challenges

Over the former time, huge movements of talented people, stated to resignation and silent quitting, as workers reviewed the effect of toil and what they need to get out of their survives. This has created pressure on companies to guarantee they are providing attractive careers, the suppleness of fusion toil, and a tempting work environment and company culture. Offering people satisfying toil, ongoing opportunities to grow and learn, flexibility and diverse, value-oriented workplaces will all be essential in 2023.

On top of that, the augmented key transformation leads to more workplace robotics that will augment pretty much each single toil in the world. Humans will

progressively segment their work with brainy machines and clever automatons, and that has huge allegations for the skills and capacity, which the companies require in the upcoming era. This denotes the reskilling and up-skilling huge authorities of people in our trades as well as engaging new people with the skills needed for the future. In 2023, skills such as inventiveness, critical thinking, interactive communication, headship, and applying “humane” qualities like gentle and consideration. Hence Business has to balance vast skill gap that present in data science, AI and tech-savvy workforce needed to succeed in the future. On the other side business must retrain the staff with skills needed to work with smart machines and to nurture exclusive human skills.

Conclusions

Sustainable development is becoming part of the strategic management system in business. Synchronizing the economic, ecological and social dimensions boons to overcome a challenge for entrepreneurs as well as generates a demand for human experts in business. In the future, rethinking business models as well as products, technologies, and processes will only enable the business to be sustainable in upcoming era.

Reference

1. Spychalska-Wojtkiewicz, M.; Tomczyk, M. Design thinking in customer experience management. *Marketingi Rynek. Exp. Mark. Res. Ideas Opin.* **2019**, *9*, 34–40.
2. Belk, R. You are what you can access: Sharing and collaborative consumption online. *J. Bus. Res.* **2014**, *67*, 1595–1600.
3. Kolk, A.; Van Tulder, R. International business, corporate social responsibility and sustainable development. *Int. Bus. Rev.* **2010**, *19*, 119–125.
4. Google, ZMOT. Available online: <https://www.thinkwithgoogle.com/marketing-resources/micro-moments/zero-moment-truth/> (accessed on 10 May 2020).
5. Lubin, D.A.; Esty, D.C. The sustainability imperative. *Harvard Bus. Rev.* **2010**, *88*, 42–50.

Chapter 25 FINTECH REVOLUTION

S.Atchaya

I B.Com CA, KPR College of Arts Science and Research, Coimbatore, Tamil Nadu

ABSTRACT:

Conventional financial services and systems have been profoundly impacted by the revolution in the financial technology (fintech) industry. An overview of this current transformation's main forces, effects, and potential futures is given in this abstract. Innovations in digital technology have made financial services more accessible, practical, and efficient, which has led to the rise of fintech. Financing, payments, lending, investing, and insurance have all undergone significant change as a result of disruptive technologies like blockchain, AI, machine learning, and big data analytics. The swift expansion of fintech has enabled financial inclusion by offering services to disparate groups around the globe that were previously unreached.

KEYWORDS: *Fintech, Digital technology, Blockchain, Machine Learning, Financial Inclusion, Big Data Analytics, Swift, Underprivileged Groups, Future Prospects.*

INTRODUCTION:

The creative junction of money and technology is represented by financial technology, or fintech. Fintech is a broad category that includes a variety of technical innovations intended to improve and simplify many parts of financial services. These advancements encompass robo-advisors, peer-to-peer lending platforms, digital payments, blockchain technology, mobile banking, and artificial intelligence, among others. Fintech solutions are designed to provide organisations and individuals with increased efficiency, accessibility, and convenience. They upend established financial landscapes and provide customers with more individualised, convenient, and affordable options. Let us

discuss about Fintech Revolution in this chapter briefly.

OBJECTIVES:

- 1.To understand what is fintech and its crucial.
- 2.To identify the technological advancements driving the fintech revolution, which comprises a wide variety of development in financial sector.
- 3.To comprehend the future trends in the fintech revolution that will benefit us.
4. To learn about the challenges and criticism of the fintech revolution.
- 5.To gain a thorough understanding of the variables influencing the growth of fintech revolution.

FINTECH REVOLUTION AND IMPORTANCE:

The fintech revolution is a disruptive transformation within the financial industry that combines cutting-edge technology with financial services to improve efficiency, accessibility, and creativity. This revolution is being driven by developments in digital payment systems, blockchain, artificial intelligence, machine learning, and other technologies, which are fundamentally altering how financial transactions and services are handled. Fintech enables the development of more user-friendly and cost-effective solutions, allowing for easier access to banking, investing, lending, and other financial services. The revolution addresses the demand for more financial inclusion, efficiency, and flexibility by offering creative alternatives to established banking institutions, stimulating competition, and improving consumer experiences.

The importance of the fintech revolution resides in its ability to democratise financial services, making them more accessible and inexpensive to a larger audience. It removes barriers.

TECHNOLOGICAL DEVELOPMENTS IN FINTECH:

The major technological developments propelling the Fintech revolution include a wide range of state-of-the-art developments, each of which is essential to the transformation of the financial sector:

1. **Blockchain Technology:** With its distributed ledger system, blockchain technology is revolutionising financial transactions' transparency, security, and decentralisation. Cryptocurrencies like Bitcoin and Ethereum are based on this technology, which allows for efficient, safe, and immutable peer-to-peer transactions without the need for middlemen.
2. **Artificial Intelligence (AI) and Machine Learning:** Using risk assessment, fraud detection, intelligent automation, and personalised client experiences, financial services are being transformed. Large-scale data is analysed by AI and machine learning algorithms to produce forecasts that are more accurate and to optimise lending, banking, investment, and customer service processes.
3. **Big Data and Analytics:** Applying vast datasets to acquire knowledge, make wise choices, and customise offerings.
4. **Mobile Payments and Digital Wallets:** Cashless, frictionless transactions are made possible by mobile apps and digital wallets.
5. **Robo-Advisors:** Algorithmic-driven automated investing systems providing investment and financial planning services.
6. **Open Banking APIs:** By enabling safe data exchange between financial institutions, these promote financial services innovation.
7. **Regtech (Regulatory Technology):** Technologies created to assist financial firms in adhering to ever-more-complex rules.

The financial industry has seen a transformation because to these innovations, which have improved the

security, accessibility, and efficiency of numerous financial services.

INFLUENCE IN BANKING AND PAYMENTS:

Fintech is transforming how people and organisations access and manage their funds, and it has a significant impact on banking and payments. Here are a few important points:

1. **Digital Banking:** Online Banking: Customary banking services moved into digital channels, enabling users to perform a range of tasks, monitor account balances, and handle accounts from afar.
2. **Neobanks:** Fintech-driven, online-only financial institutions have surfaced, providing new services, competitive rates, and user-friendly interfaces without the need for physical branch locations.
3. **Payment Innovations:** Mobile Wallets: Relying less on physical cards, platforms such as Apple Pay, Google Pay, and other mobile wallet solutions allow safe, contactless payments with smartphones.
4. **Peer-to-Peer (P2P) Payments:** Apps like Cash App, PayPal, and Venmo allow for easy and rapid money transactions between people.
5. **Cryptocurrency Payments:** Fintech made cryptocurrencies available as a substitute mode of payment, allowing for decentralised, international trade.

Overall, by enhancing accessibility, effectiveness, and customer-focused services, fintech technologies have changed the banking and payment sector.

FACTORS AFFECTING THE EFFECTIVENESS:

Several factors influence the direction and rate of fintech innovation:

1. **Regulatory Environment:** Regulatory policies and compliance standards have a significant impact on fintech advances. Changes in rules can either help or hinder the development and adoption of new financial technologies. Striking a balance between encouraging innovation and maintaining consumer safety is critical for the future of fintech.

2. Technological breakthroughs: Rapid technological breakthroughs, such as artificial intelligence, blockchain, and data analytics, serve as vital building blocks for fintech innovations. As these technologies improve and become more widely available, they enable the development of more sophisticated and efficient financial solutions.

3. Customer Behaviour and Expectations: Changing customer behaviours and expectations have a big impact on the path of fintech technologies.

4. Data Access and Privacy Concerns: Data availability and privacy concerns have an impact on the development of fintech. Access to massive volumes of data allows for more complex AI-driven solutions, but issues regarding data privacy and security must be addressed in order to preserve consumer trust and comply with legislation.

5. Collaboration and Partnerships: Collaboration between established financial institutions and fintech companies is essential for innovation. Partnerships frequently allow for the merging of traditional financial services with cutting-edge technology, enabling for a more seamless integration of new solutions into marketing development and the scaling of novel financial technologies. Determining the overall efficacy and impact of the continuing fintech revolution requires successfully navigating and addressing these aspects.

CHALLENGES AND CRITICISM:

Despite their transformational power, financial innovations confront various hurdles and criticisms:

1. Regulatory Challenges: Adapting existing regulations to fit quickly changing Fintech solutions can be time-consuming and difficult. Regulators must strike a balance between promoting innovation and maintaining consumer protection and financial stability.

2. Security and Privacy Concerns: As Fintech applications expand, so do the risks associated with cybersecurity threats.

Safeguarding sensitive financial data and transactions from hackers, fraud, and data breaches remains a big concern.

3. Financial Inclusion and Inequality: While Fintech has the potential to enhance financial access, there is a risk that certain segments of society will be left behind due to digital gaps, lack of access to technology, or inadequate financial literacy.

4. Lack of Trust and Customer Adoption: Users may be hesitant to accept new Fintech solutions owing to security, privacy, or the perceived complexity of these technologies.

5. Systemic Risks and Stability: Rapidly evolving Fintech innovations may present new risks to the broader financial system, potentially resulting in systemic vulnerabilities and disruptions.

6. Overreliance on Technology: Overreliance on technology can lead to system breakdowns or vulnerabilities, and in the event of a serious technological crisis, the financial system may be severely disrupted.

Understanding and responding to these difficulties and critiques is critical for the continued growth and responsible evolution of Fintech. It is critical for regulators, entrepreneurs, and innovators to work together to solve these challenges in order to develop a more resilient and inclusive financial landscape.

FUTURE TRENDS IN FINTECH REVOLUTIONS:

Several themes that are expected to continue to influence the Fintech business must be imagined in order to predict the industry's future:

1. Central Bank Digital Currencies (CBDCs): The creation and use of digital currencies is being investigated by governments and central banks. By offering a digital currency backed by the government as an alternative to hard currency, CBDCs have the potential to completely change current financial institutions.

2. **Decentralised Finance (DeFi):** DeFi systems use blockchain technology to provide financial services direct to consumers, cutting out the middlemen. These services, which increase global accessibility to financial products, comprise lending, borrowing, and trading.

3. **Embedded Finance:** Including financial services in non-financial platforms. To blur the boundaries across businesses, e-commerce platforms and ride-sharing apps may, for example, include banking or payment services in their user interfaces.

4. **AI-Driven Personalization:** As AI and machine learning continue to progress, highly customised financial services will follow.

CASE STUDIES:

Rise of Digital Payments: Impact of PayPal on Consumer Behavior:

PayPal, which was created in 1998, revolutionised online payments by enabling consumers and businesses to electronically send dollars. It's the result of PayPal's user-friendly platform and its contribution to the finance revolution.

PayPal's infrastructure was first designed to facilitate online transactions via email addresses, eliminating the need to provide sensitive financial information for internet purchases.

Key Innovations and Strategies:

1. **User-Friendly Interface:** PayPal's user-friendly interface streamlined the online payment procedure while also improving security and convenience.

2. **Global Reach:** The platform went global, facilitating cross-border transactions in many currencies and encouraging global e-commerce.

Collaborations with eBay and other major e-commerce platforms increased PayPal's adoption and usage.

The Effect on Consumer Behaviour:

1. **Departure from Traditional Banking:** PayPal reduced online transaction dependency on traditional banking, boosting trust in digital payment systems.

2. **Affordability and Security:** The convenience and security of PayPal influenced consumer behaviour, favouring online buying and electronic payments.

The PayPal case study illustrates how the company's creative payment solutions and emphasis on security and trust were crucial in setting the stage for and influencing the fintech revolution, which in turn changed consumers' perceptions of and behaviour with regard to online transactions.

CONCLUSION:

In summary, the Fintech revolution has profoundly changed the financial environment, creating innovative solutions that reinvent how individuals and organisations handle their money. Fintech has democratised financial services by integrating AI, blockchain, and mobile technology. It has streamlined processes to improve convenience and efficiency, while also encouraging greater transparency and customization in financial transactions. Traditional banking methods have been challenged by the Fintech revolution, forcing existing institutions to adapt and evolve in order to provide more competitive and customer-centric services for a digitally empowered society.

This revolution is fraught with peril. Regulatory problems, cybersecurity threats, and data privacy concerns remain. To ensure stability and protect consumers, the rapid rate of innovation in Fintech necessitates solid regulatory frameworks.

REFERENCE:

1. <https://www.tandfonline.com/doi/abs/10.1080/07421222.2018.1440766>
2. <https://www.sciencedirect.com/journal/electronic-commerce-research-and-applications/special-issue/10TPJB8K7P0>
3. <https://www.cambridge.org/core/journals/asian-journal-of-law-and-society/article/abs/fintech-revolution-and-financial-regulation-the-case-of-online-supplychain-financing/7FFA6C39999A31CDEFA98F375BB5A57CF>
4. https://www.researchgate.net/publication/282452534_THE_FINTECH_REVOLUTION
5. https://m.economictimes.com/why-india-is-at-the-forefront-of-a-fintech-revolution/amp_articles/86936413.cms

Chapter 26

FINANCIAL INCLUSION THROUGH PROMOTION OF DIGITAL PAYMENT TECHNOLOGIES

Dr.R.Sangeetha

Associate Professor, Department of B. Com (CA), KPR College of Arts Science and Research, Coimbatore, Tamil Nadu

S.Pradeepa

II B.Com (CA), Department of B. Com (CA), KPR College of Arts Science and Research, Coimbatore, Tamil Nadu

Abstract:

This comprehensive study explores the landscape of financial inclusion, focusing on the challenges faced by underprivileged communities and the transformative impact of digital payment technologies. It delves into successful policy implementations in India, highlighting key initiatives such as Pradhan Mantri Jan Dhan Yojana and Aadhaar Enabled Payment System. The role of fintech innovation, including mobile banking, blockchain, and artificial intelligence, is examined in the context of advancing financial inclusion. The study also addresses challenges and risks in digital financial inclusion, proposing mitigation strategies. Government initiatives, partnerships, and collaborative efforts are crucial components, and future trends in fintech are explored, emphasizing areas for further research.

Keywords: Financial inclusion, Digital payment technologies, Fintech innovation, Underprivileged communities, Policy implementations.

Introduction:

Financial inclusion is a critical component of socio-economic development, and this study provides a comprehensive analysis of the multifaceted aspects surrounding it. From traditional barriers to the transformative role of digital payment technologies, the study navigates through successful policy implementations, the impact of fintech innovation, and the challenges that must be addressed for sustainable financial inclusion. Government initiatives and collaborative efforts are integral, shaping

the future trajectory of inclusive financial systems.

Objectives:

1. Examine traditional barriers to financial inclusion and how digital payment technologies overcome them.
2. Analyse successful policy implementations in India, emphasizing their impact on financial inclusion.
3. Explore the role of fintech innovation, including mobile banking, blockchain, and AI, in advancing financial inclusion.
4. Discuss challenges and risks in digital financial inclusion, proposing effective mitigation strategies.
5. Investigate government initiatives and collaborative efforts shaping the landscape of financial inclusion, along with future trends and potential research areas.

Access to Financial Services:

- Traditional barriers faced by underprivileged communities in accessing financial services include:
1. **Geographical Distance:** Many underprivileged communities reside in remote areas, far from traditional banking institutions, making physical access challenging.
 2. **Lack of Documentation:** Some individuals lack the necessary identification and documentation required by traditional banks, hindering their ability to open accounts.
 3. **Limited Financial Literacy:** Lack of awareness and understanding about financial services can deter individuals from utilizing available options.
- Digital payment technologies overcome geographical and infrastructural challenges through:

1. **Mobile Banking:** Enables users to access financial services using mobile devices, reducing the need for physical infrastructure
2. **Agent Banking:** Utilizes local businesses or individuals as intermediaries to provide banking services in areas with limited access to traditional branches.
3. **Internet Banking:** Provides online access to financial services, allowing users in remote areas to conduct transactions without visiting a physical bank.

Affordability and Cost Efficiency:

- Digital payments reduce transaction costs through various mechanisms:
 1. **Elimination of Physical Infrastructure Costs:** Digital payments eliminate the need for physical branches and infrastructure, reducing operational costs associated with maintaining and staffing traditional banks.
 2. **Streamlined Processes:** Automated digital transactions require fewer manual

User

- Cost Savings
- Financial Inclusion
- Time Efficiency
- Security and Fraud Prevention

Innovation in Fintech:

Financial inclusion has advanced thanks in large part to fintech innovation, which uses state-of-the-art technologies to meet the needs of underprivileged areas. Artificial intelligence (AI), block chain technology, and mobile banking are essential components of this change.

- **Banking on the Go:** Financial inclusion has been greatly aided by mobile banking, particularly in areas where traditional banking infrastructure is not as readily available. People may now access financial services, conduct transactions, and handle their accounts remotely by using cell phones. Through the use of this technology, financial services are now available in underserved and distant locations, enabling people who had little or no access to formal banking in the past.
- **Blockchain:** This decentralized, secure technology has the power to completely transform the financial services industry. It

interventions, reducing labour costs and the likelihood of errors, which can be common in paper-based or manual systems.

3. **Faster Transactions:** Digital payments enable real-time or near-instantaneous transactions, minimizing the opportunity costs associated with delays in traditional payment methods.
4. **Efficient Cross-Border Transactions:** Digital payments facilitate smoother and more cost-effective cross-border transactions compared to traditional methods, which may involve multiple intermediaries and incur additional fees.
5. **Data-Driven Decision-Making:** Digital payment systems generate data that can be used for analytics and risk assessment, enabling more informed decision-making and reducing the costs associated with assessing creditworthiness.

Economic Benefits:

Service Provider

- Operational Cost Reduction
- Increased Efficiency
- Wider Market Reach
- Competitive Advantage

can save transaction costs, lessen fraud, and improve transparency. When it comes to financial inclusion, blockchain makes transactions safe and easy, allowing people who have never had a traditional bank account to engage in the economy. By making financial transaction records easily available and transparent, it also fosters financial literacy.

- **Intellectual Property (IP):** AI is essential for determining creditworthiness and customizing financial services to meet the demands of each individual. Large volumes of data may be analysed by automated processes driven by AI, which enables financial organizations to make better judgments about issuing loans. This is especially helpful for those living in impoverished areas who do not have a formal credit history. Artificial intelligence (AI)-powered chatbots and virtual assistants also enhance financial literacy

and accessibility by offering guidance and support in an approachable way.

- **New Approaches for Poor Communities:** Numerous fintech advances are expressly designed to cater to the demands of impoverished areas. Microfinance platforms, for instance, use technology to give modest loans to those who don't have access to regular banks. Furthermore, customers with low levels of computer literacy are catered to by digital wallets featuring user-friendly interfaces. Fintech initiatives also focus on creating financial products that are affordable and tailored to the income levels and spending patterns of underserved populations.

Challenges and Risks in Digital Financial Inclusion:

1. Data Security and Privacy Concerns:

- Risk: The digitization of financial services involves the collection and storage of sensitive personal and financial data, making individuals vulnerable to data breaches and identity theft.
- Mitigation Strategies: Implement robust encryption protocols, regular security audits, and stringent data protection measures. Promote awareness and education about cybersecurity among users.

2. Regulatory Challenges:

- Risk: Evolving regulatory landscapes can pose challenges for fintech companies, leading to uncertainties in compliance and potential legal issues.
- Mitigation Strategies: Foster collaboration between regulators, financial institutions, and fintech providers to establish clear and adaptable regulatory frameworks. Encourage dialogue to address emerging issues and ensure that regulations are conducive to innovation while safeguarding consumer interests.

3. Digital Literacy Barriers:

- Risk: Limited digital literacy in certain demographics may hinder the adoption of digital financial services, leaving segments of the population excluded.
- Mitigation Strategies: Invest in digital literacy programs to educate users about

the benefits and safe usage of digital financial services. Develop user-friendly interfaces and provide training to enhance technological skills among underserved communities.

4. Infrastructure Gaps:

- Risk: Inadequate technology infrastructure in remote areas may impede the accessibility and effectiveness of digital financial services.
- Mitigation Strategies: Collaborate with governments and private entities to invest in improving digital infrastructure in underserved regions. Utilize mobile networks and satellite technology to reach areas with limited connectivity.

5. Fraud and Cybersecurity Risks:

- Risk: The increased reliance on digital transactions exposes users to the risk of fraud, phishing attacks, and other cybersecurity threats.
- Mitigation Strategies: Implement multi-factor authentication, real-time fraud detection systems, and user education programs. Develop partnerships with cybersecurity experts to stay ahead of evolving threats.

Government Initiatives in Promoting Financial Inclusion:

Governments and regulatory bodies play a crucial role in fostering financial inclusion by creating an enabling environment, implementing supportive policies, and ensuring the development of inclusive financial systems. Here are key aspects of their involvement:

- **Expanding Banking Networks:** Governments work to expand physical banking infrastructure, especially in underserved areas, through initiatives such as branch expansion and the establishment of banking correspondents.
- **Education Initiatives:** Governments invest in financial education programs to enhance the financial literacy of citizens, ensuring they understand the benefits and risks of various financial products and services.
- **Incentive Programs:** Governments may introduce incentive programs to encourage

financial institutions to expand their services to underserved populations. This could include tax incentives, subsidies, or other forms of support.

- **Risk Mitigation:** Offering risk-sharing mechanisms or guarantees to financial institutions that extend services to marginalized or high-risk populations.
- **Biometric Identification:** Implementing secure and inclusive digital identity systems, such as biometric identification, to facilitate access to financial services and reduce the barriers associated with traditional identification methods.
- **Public-Private Partnerships:** Encouraging collaboration between the public and private sectors to leverage the strengths of both. This involves working with traditional financial institutions and fintech companies to expand the reach of financial services.

Successful policy implementations and their impact:

India has implemented several successful policies aimed at promoting financial inclusion, empowering the underserved population and fostering economic growth. Here are key policy implementations and their impact:

- 1. Pradhan Mantri Jan Dhan Yojana (PMJDY):**
 - Policy Implementation: Launched in 2014, PMJDY aimed to provide financial services to all households, focusing on opening bank accounts, providing access to credit, insurance, and pension services.
 - Impact: PMJDY has been a monumental success, leading to the opening of millions of bank accounts across the country. It significantly increased financial inclusion, particularly in rural areas. The program also facilitated the direct transfer of subsidies and benefits, reducing leakages and corruption.
- 2. Aadhaar Enabled Payment System (AePS):**
 - Policy Implementation: The Aadhaar Enabled Payment System leverages the unique identification provided by Aadhaar

cards to enable financial transactions and withdrawals through micro-ATMs.

- Impact: AePS has expanded access to banking services in remote areas where traditional banking infrastructure is limited. It allows individuals to make secure and convenient transactions, fostering financial inclusion.

3. Unified Payments Interface (UPI):

- Policy Implementation: Launched in 2016, UPI is a real-time payment system that enables users to link multiple bank accounts to a single mobile application, facilitating seamless money transfers.
- Impact: UPI has revolutionized digital payments in India, offering a user-friendly interface and enabling swift and secure transactions. It has played a key role in reducing the reliance on cash transactions and promoting a cashless economy.

4. Mudra Yojana:

- Policy Implementation: Launched in 2015, the Pradhan Mantri Mudra Yojana aims to provide financial support to small and micro-enterprises by offering loans through various lending institutions.
- Impact: Mudra Yojana has facilitated the growth of small businesses by providing them with much-needed financial assistance. It has empowered entrepreneurs, particularly in the informal sector, to access credit and expand their enterprises.

5. Swabian:

- Policy Implementation: The Swabian initiative focuses on providing banking services in rural areas through the opening of bank accounts and setting up banking kiosks.
- Impact: Swabian has helped in bringing banking services closer to rural communities, reducing the geographical gap in access to financial services. It has played a crucial role in increasing financial literacy and awareness.

Future Trends and Outlook in Fintech for Financial Inclusion:

1. Digital Identity Solutions:

- Trend: The development and integration of secure and portable digital identity

solutions will become crucial for expanding financial services, especially in regions where traditional identification methods are challenging.

- Impact: Digital identities can enhance the efficiency and security of financial transactions, reduce fraud, and facilitate the onboarding of individuals into the formal financial system.

2. Artificial Intelligence and Big Data Analytics:

- Trend: Continued advancements in artificial intelligence and big data analytics will refine credit scoring models and risk assessment, enabling more accurate evaluation of creditworthiness, particularly for individuals without a traditional credit history.
- Impact: Enhanced credit assessment can lead to increased financial inclusion by providing access to credit for individuals who were previously deemed high-risk or underserved.

3. Mobile-First and 5G Technology:

- Trend: The continued proliferation of mobile-first solutions, coupled with the widespread adoption of 5G technology, will enhance the accessibility and speed of digital financial services in both urban and remote areas.
- Impact: Improved connectivity will enable faster and more reliable access to financial services, particularly in regions with limited traditional banking infrastructure.

Insights and Areas for Further Research:

- User Experience in Fintech
- Sustainable and Impact Investing
- Cybersecurity in Digital Financial Services
- Behavioural Economics in Financial Inclusion
- Cross-Border Financial Inclusion

Conclusion:

In conclusion, the journey toward financial inclusion requires a holistic approach, blending effective policies, technological innovation, and collaborative efforts. The success stories from India underscore the transformative power of targeted policies, while the role of fintech

innovation opens new avenues for inclusivity. However, challenges such as data security and digital literacy must be addressed systematically. As governments, private sectors, and fintech innovators collaborate, the vision of a financially inclusive world becomes increasingly achievable, propelling societies toward equitable and sustainable development.

Reference:

1. <https://www.oecd-ilibrary.org/sites/d76cff41-en/index.html?itemId=/content/component/d76cff41-en>
2. <https://www.sciencedirect.com/science/article/pii/S097038961500097X>
3. <https://www.mdpi.com/1911-8074/16/2/122#:~:text=Fintech%20companies%20can%20help%20boost,sectors%20of%20the%20Indian%20economy.>
4. <https://www.credolab.com/blog/four-challenges-of-financial-inclusion-diving-into-solutions-for-success-score-82>
5. [https://www.europarl.europa.eu/RegData/etudes/STUD/2020/634452/EPRS_STU\(2020\)634452_EN.pdf](https://www.europarl.europa.eu/RegData/etudes/STUD/2020/634452/EPRS_STU(2020)634452_EN.pdf)

Chapter 27

ANTI-PROFITEERING MECHANISM AND ITS INTERPLAY WITH DIRECT TAXES

Dr.S.Raj Bino

Assistant Professor of Commerce, Aditanar College of Arts and Science, Virapandianpatnam, Tamil Nadu

Abstract:

The interaction between the Goods and Services Tax (GST) regime and India's direct tax system has been of considerable significance. Among the various facets of this relationship, the "Anti-Profiteering Mechanism" emerges as a pivotal study point. This provides an overview of the "Anti-Profiteering Mechanism and Its Interplay with Direct Taxes," which investigates the complex interconnection between anti-profiteering measures in GST and their impact on direct taxation in India. This paper aims to provide a comprehensive understanding of the interplay between anti-profiteering mechanisms and direct taxation in India, offering practitioners, policymakers, and academics valuable insights into how these two tax systems coexist and the implications for businesses and government revenue. In a landscape where tax reforms are crucial for economic growth, this paper sheds light on an often-overlooked aspect of taxation that can significantly impact taxpayers and tax administrators.

Keywords: Anti-Profiteering Mechanism, Regulatory Framework, Compliance Requirements, Business Impact, Tax Reforms

Introduction:

The economic landscape of India has undergone a transformative shift with the introduction of the Goods and Services Tax (GST), unifying the nation's complex web of indirect taxes into a more streamlined and efficient system. The Anti-Profiteering Mechanism, a novel concept within the GST framework, was introduced with a primary objective: to ensure that the benefits of reduced tax rates and the availability of input tax

credits are passed on to consumers. Its creation marked a significant departure from traditional taxation approaches, aiming to prevent the unjust enrichment of businesses at the expense of consumers. However, the consequences of this mechanism surpass the sphere of indirect taxation, extending its influence into the domain of direct taxes.

This paper embarks on a comprehensive exploration of the complex interconnection between anti-profiteering measures in GST and their consequences on the direct taxation system in India. This paper aims to address several key facets of this interplay. It investigates the mechanism's functioning and regulatory framework, examining its implications on the taxable income and profitability of businesses. Furthermore, it investigates the compliance requirements placed upon businesses by the anti-profiteering mechanism and how this translates into record-keeping, documentation, and reporting, consequently influencing direct tax compliance. Through practical case studies and insights, this paper offers real-world scenarios where the anti-profiteering mechanism triggers changes in direct tax calculations and compliance. It also identifies challenges faced by businesses and tax authorities in reconciling the provisions of the anti-profiteering mechanism with direct taxation and explores potential reforms and solutions for more harmonious coexistence.

In a time where tax reforms play an essential role in fostering economic growth and ensuring a level playing field for businesses, this paper aims to shed light on an often-overlooked aspect of taxation in India. By providing valuable insights into the coexistence of these two tax systems

and their impact on businesses and government revenue, it caters to practitioners, policymakers, and academics, contributing to a more informed and holistic understanding of India's evolving tax landscape.

An Introduction to Anti-Profiteering Mechanism:

The advent of the Goods and Services Tax (GST) in India marked a paradigm shift in the nation's taxation landscape, aiming to streamline and simplify the complex web of indirect taxes. Among the various provisions embedded within the GST framework, the "Anti-Profiteering Mechanism" stands out as a critical element, designed not just to ensure fair business practices but to safeguard the interests of consumers and promote economic equilibrium.

At its core, the Anti-Profiteering Mechanism is a regulatory tool deployed by the government to prevent businesses from unfairly benefiting from the reduction in tax rates or input tax credits under the GST regime. This mechanism is grounded in the principle that the benefits of tax rate reductions or increased input tax credits should be passed on to the end consumer, fostering a transparent and equitable business environment.

Evolution of Anti-Profiteering Mechanism

The evolution of anti-profiteering mechanisms reflects the intricate interplay between economic dynamics, consumer expectations, and regulatory frameworks. From ancient attempts to curb unfair trade practices to modern globalized economies, the concept of preventing excessive profiteering has undergone a fascinating journey.

(1) Historical Origins

In ancient economies, the idea of fair trade was embedded in societal norms. Early communities recognized the importance of regulating trade to ensure equitable exchanges. Mercantilist economies of the 16th to 18th centuries introduced formal

regulatory measures to control profits and maintain economic stability. Regulatory bodies were established to oversee fair trade practices, laying the groundwork for more structured anti-profiteering approaches.

(2) Modern Developments

The 20th century marked a pivotal period with the emergence of consumer protection laws. Governments recognized the need to shield consumers from exploitative business practices, leading to the establishment of legal frameworks aimed at preventing profiteering. This era saw the rise of international organizations addressing trade issues, further shaping the narrative around fair and ethical business conduct.

(3) Legal Frameworks and International Collaboration

Contemporary anti-profiteering mechanisms operate within diverse legal frameworks across the globe. While each country tailors its legislation to specific economic contexts, common themes persist. These frameworks often empower regulatory bodies to monitor and penalize businesses engaging in unfair pricing practices. International collaboration has also become increasingly vital, considering the interconnected nature of today's globalized economies. Treaties and agreements address cross-border challenges, fostering a collective effort to combat profiteering on an international scale.

(4) Challenges in a Globalized World

Globalization has brought both opportunities and challenges to anti-profiteering efforts. The interconnectedness of economies means that businesses operate across borders, necessitating coordinated efforts to regulate pricing. Technological advances, while enhancing transparency, also pose challenges in monitoring and preventing profiteering, especially in the realm of e-commerce and digital transactions.

(5) Future Trends

Looking forward, technological solutions present promising avenues for anti-profiteering efforts. Blockchain and artificial intelligence offer innovative tools for tracking and preventing unfair pricing practices. Enhanced international collaboration will be crucial, considering the evolving nature of global trade. The future of anti-profiteering mechanisms lies in a dynamic adaptation to technological advancements and a continued commitment to fair and transparent business practices.

From this, it could be concluded that the evolution of anti-profiteering mechanisms underscores the ongoing quest for fairness in trade. From historical precedents to modern legal frameworks, the journey reveals a commitment to protecting consumers and maintaining economic equilibrium. As we navigate the complexities of a globalized world, the future of anti-profiteering lies in a harmonized, technologically empowered approach that upholds the principles of fair and ethical trade.

Objectives and Scope of Anti-Profiteering Mechanism:

The implementation of the Goods and Services Tax (GST) marked a significant shift in the taxation landscape, aiming for a unified and streamlined indirect tax system in India. One of the crucial aspects incorporated into the GST framework was the introduction of anti-profiteering measures. The primary objectives behind these measures were designed to address various concerns and ensure a smooth transition to the new tax regime.

1. Consumer Protection and Fair Pricing:

At the forefront, the objective behind anti-profiteering measures in GST is consumer protection. The introduction of GST was expected to streamline the taxation structure, eliminating cascading effects and promoting fair pricing. The anti-profiteering measures were implemented to safeguard consumers from potential exploitation by businesses seeking to

capitalize on the interim phase and maintain or increase their profit margins disproportionately.

2. Mitigating Inflationary Pressures:

To prevent inflationary pressures during the GST rollout, anti-profiteering measures were introduced as a precautionary step. The fear was that businesses might take advantage of the tax changes to increase prices without a corresponding reduction in the tax burden. These measures aimed to ensure that the benefits of reduced tax rates or input tax credits were passed on to the end consumers, preventing unwarranted price hikes.

3. Ensuring a Smooth Transition:

The shift to GST represented a substantial change in the taxation system. Anti-profiteering measures were introduced to facilitate a smooth and efficient transition, discouraging businesses from exploiting the transitional period for unjust enrichment. By promoting fair business practices, the government intended to create a stable and predictable economic environment during the implementation phase.

4. Building Public Confidence:

Anti-profiteering measures were also implemented to build public confidence in the GST system. Ensuring that businesses adhered to ethical pricing practices contributed to creating a positive perception of the tax reform among consumers. By demonstrating a commitment to fairness, the government aimed to foster trust in the new tax regime and encourage compliance.

5. Transparency and Accountability:

Transparency and accountability in the business environment were essential goals of introducing anti-profiteering measures. These measures necessitated businesses to maintain clear and transparent accounting practices, making it easier to track the flow of benefits from reduced taxes or input credits to the final consumer. This transparency was crucial for effective monitoring and enforcement.

6. Economic Stability:

Anti-profiteering measures played a role in maintaining economic stability during the GST implementation. By preventing sudden and unjustified price increases, the government aimed to avoid disruptions in demand and supply chains, contributing to overall economic stability.

7. Compliance and Deterrence:

The introduction of anti-profiteering measures served as a deterrent against non-compliance with GST regulations. By imposing penalties on businesses found guilty of profiteering, the government sought to create a strong incentive for businesses to comply with the spirit of the GST framework and foster a culture of fair and responsible business practices.

The main objectives behind the introduction of anti-profiteering measures in GST were multifaceted, encompassing consumer protection, inflation mitigation, ensuring a smooth transition, building public confidence, promoting transparency, maintaining economic stability, and enhancing overall compliance and accountability within the taxation system. These measures were integral to the successful implementation and acceptance of GST in India.

Scope and limitations of the anti-profiteering mechanism

The introduction of anti-profiteering mechanisms within a taxation framework, such as the Goods and Services Tax (GST), aims to ensure fair business practices, protect consumers, and maintain economic stability. However, like any regulatory tool, anti-profiteering mechanisms come with a distinct scope and certain limitations.

Scope:

(1) Consumer Protection:

The primary scope of anti-profiteering mechanisms is to protect consumers by ensuring that businesses pass on the benefits of reduced taxes or input credits in the form of lower prices. It aims to prevent businesses from exploiting the tax transition period to unjustly increase profit

margins, contributing to fair and transparent pricing.

(2) Economic Stability:

By discouraging unjustified price hikes, anti-profiteering measures contribute to economic stability, preventing inflationary pressures during the implementation of new tax structures. The scope extends to maintaining the stability of supply chains by discouraging sudden disruptions caused by arbitrary price changes.

(3) Transparency and Accountability:

Anti-profiteering measures encourage businesses to maintain transparent accounting practices, facilitating the tracking of benefits from tax reductions to the final consumer. It fosters compliance with taxation regulations, ensuring businesses adhere to the intended spirit of the tax framework.

(4) Public Confidence:

By demonstrating a commitment to fairness and consumer protection, anti-profiteering mechanisms play a crucial role in building public confidence in the taxation system. A fair and transparent tax system, with effective anti-profiteering measures, is more likely to be accepted by businesses and the general public.

Limitations:

(1) Bias in Determining Profiteering:

Identifying profiteering can be subjective and complex. Calculating the exact impact of tax changes on a business's cost structure and determining a reasonable price adjustment can be challenging.

(2) Operational Challenges:

Enforcement of anti-profiteering measures may face challenges due to the sheer volume of businesses and transactions, especially in large economies. Implementing and monitoring compliance can be resource-intensive for regulatory authorities.

(3) Unintended Consequences:

Rigorous enforcement of anti-profiteering measures may lead to unintended consequences, such as market distortions or disruptions in the normal course of

business operations. Businesses may become cautious about investing in sectors perceived as high-risk due to stringent anti-profiteering enforcement.

(4) Difficulty in Proving Causation:

Establishing a direct link between tax changes and subsequent price adjustments can be challenging, particularly when businesses contend that various factors influence pricing.

(5) Limited Impact on Some Sectors:

The effectiveness of anti-profiteering measures may vary across industries, with some sectors facing practical challenges in passing on benefits due to complex cost structures.

(6) Administrative Burden on Businesses:

Businesses may find it administratively burdensome to comply with anti-profiteering regulations, especially if they have complex pricing models or operate in dynamic markets.

Understanding the scope and limitations of anti-profiteering mechanisms is crucial for striking a balance between consumer protection, economic stability, and the practical challenges faced by businesses in adapting to evolving tax frameworks. Continuous evaluation and refinement of these mechanisms are essential to ensure their effectiveness and relevance in dynamic economic environments.

Comparative analysis of anti-profiteering mechanisms in other jurisdictions

Anti-Profiteering and Direct Taxation Nexus:

The implementation of anti-profiteering measures in India, particularly within the Goods and Services Tax (GST) framework, has aimed to ensure fair business practices, protect consumers, and foster a smooth transition to a unified tax system. The direct impact of these measures on businesses can be analyzed from various perspectives.

(1) Compliance Costs and Administrative Burden:

Businesses may incur costs to upgrade their accounting and billing systems to comply with anti-profiteering requirements. Employee training programs may be necessary to ensure compliance with the new regulations.

(2) Administrative Overheads:

Maintaining detailed records to demonstrate compliance can result in increased administrative workloads. Businesses may need to allocate resources to prepare for potential audits by regulatory authorities.

(3) Pricing Adjustments:

Anti-profiteering measures may compel businesses to promptly adjust their pricing structures in response to tax changes. Businesses may need to strategically reassess their pricing strategies to comply with regulations while maintaining competitiveness.

(4) Impact on Profit Margins:

Ensuring that benefits are passed on to consumers can lead to squeezed profit margins for businesses. Companies may need to evaluate how pricing adjustments impact their market positioning and competitive edge.

(5) Communication Strategies:

Businesses must communicate pricing changes transparently to consumers, explaining the impact of anti-profiteering measures. Initiatives may be required to educate customers about the correlation between tax changes and pricing.

(6) Brand Perception:

Adherence to anti-profiteering measures can contribute to a positive brand image, showcasing ethical business practices. Businesses demonstrating a commitment to consumer welfare may foster greater customer loyalty.

(7) Legal Compliance and Risk Mitigation:

Non-compliance with anti-profiteering measures can result in penalties, impacting the financial health of businesses. Legal challenges may arise if businesses fail to transparently pass on benefits, leading to potential litigation. Businesses may choose

to conduct internal audits to ensure compliance and mitigate the risk of penalties. Seeking legal advice and staying updated on regulatory changes can be essential for risk mitigation.

(8) Market Adaptation:

Different industries may experience varied impacts based on their cost structures and market dynamics. How businesses respond to anti-profiteering measures can influence their standing within the competitive landscape.

(9) Innovation and Efficiency:

Businesses may explore operational efficiencies to maintain profitability in the face of reduced profit margins. Exploring innovative pricing models that align with anti-profiteering regulations can be a strategic response.

(10) Long-Term Implications and Adaptation:

Anti-profiteering measures may drive businesses to embed fair pricing practices into their long-term strategies. Adopting sustainable business models that balance profitability with consumer protection becomes increasingly important.

(11) Adaptation to Regulatory Changes:

Businesses must cultivate adaptability to navigate evolving regulatory landscapes, ensuring sustained compliance. Some businesses may engage in advocacy efforts to shape anti-profiteering policies in a way that aligns with industry needs.

Analyzing the direct impact of anti-profiteering measures on businesses in India reveals a complex web of challenges and opportunities. While compliance costs and potential margin compression pose immediate challenges, businesses also have the chance to enhance transparency, build consumer trust, and adapt to a regulatory environment that prioritizes fair business practices. Strategic planning, transparent communication, and a commitment to ethical conduct can help businesses not only meet regulatory requirements but also thrive in a consumer-centric marketplace.

Alignments and Conflicts between anti-profiteering outcomes and direct tax liabilities:

The intersection of anti-profiteering measures and direct tax liabilities in a fiscal framework presents a nuanced landscape that businesses navigate. Understanding how these components align or conflict is crucial for comprehensive tax compliance and strategic financial planning.

Alignments:

(1) Consumer-Centric Alignment:

Anti-profiteering outcomes, aimed at ensuring fair pricing for consumers, align with principles of ethical business practices. Aligning anti-profiteering measures with direct tax liabilities encourages businesses to transparently communicate the impact of tax changes on pricing.

(2) Positive Brand Image:

Aligning with anti-profiteering objectives can contribute to a positive brand image, showcasing a commitment to consumer welfare and fair play. Ethical business practices, including fair pricing, may foster long-term customer loyalty and trust.

(3) Compliance Synergy:

Businesses aligning anti-profiteering outcomes with direct tax liabilities demonstrate an overarching commitment to regulatory compliance. Such alignment can mitigate legal and financial risks associated with non-compliance.

(4) Market Competitiveness:

Businesses aligning their pricing strategies with anti-profiteering measures can strategically position themselves as compliant market players. A reputation for fairness in pricing may contribute to a competitive advantage in the marketplace.

Conflicts:

(1) Profit Margins and Taxation:

Anti-profiteering outcomes, ensuring that businesses pass on benefits to consumers, may conflict with maintaining healthy profit margins. Direct tax liabilities may demand efficient tax planning, potentially conflicting with the necessity to reduce

profit margins for anti-profiteering compliance.

(2) Resource Allocation:

Allocating resources for anti-profiteering compliance may conflict with optimizing resource allocation for tax planning. Balancing the need for operational efficiency in tax planning with the detailed documentation requirements of anti-profiteering measures can be challenging.

(3) Legal Consequences:

Non-compliance with anti-profiteering measures may lead to penalties, creating a conflict with the goal of minimizing direct tax liabilities. The potential for legal consequences introduces a layer of complexity that businesses must navigate between tax compliance and consumer protection.

(4) Industry Variances:

Different industries may experience varying conflicts based on their cost structures and market dynamics. Industries with unique regulatory landscapes may face conflicts in adapting their pricing models to align with anti-profiteering outcomes and meet direct tax obligations.

Strategic Considerations:

(1) Holistic Tax Planning:

Businesses must adopt a holistic approach to tax planning that integrates anti-profiteering compliance into broader fiscal strategies. Balancing the goals of profitability, tax efficiency, and regulatory compliance requires strategic planning.

(2) Proactive Communication:

Proactive communication with stakeholders about the challenges and trade-offs between anti-profiteering outcomes and direct tax liabilities is crucial. Engaging with regulatory authorities to address concerns and seek clarifications on conflicting requirements can be beneficial.

(3) Adaptive Business Models:

Businesses may explore innovative pricing models that align with anti-profiteering measures while considering direct tax

implications. Building operational flexibility into business models can help adapt to changing regulatory landscapes.

(4) Policy Advocacy:

Businesses may engage in policy advocacy to influence the development of regulations that balance anti-profiteering goals with the practicalities of direct tax liabilities. Collaborative efforts within industries can contribute to the creation of frameworks that minimize conflicts and foster compliance.

Crossing the alignment or conflicts between anti-profiteering outcomes and direct tax liabilities demands a strategic and adaptive approach from businesses. While conflicts may arise, opportunities for synergy exist when businesses integrate compliance considerations into their broader fiscal strategies. Proactive engagement, transparent communication, and a commitment to ethical practices can help businesses strike a balance between consumer protection, tax obligations, and long-term financial sustainability.

Implications for Businesses:

Anti-profiteering measures, such as those implemented in the Goods and Services Tax (GST) framework, have profound implications for businesses. Understanding how these measures impact operations and profitability is essential for businesses to navigate the regulatory landscape effectively.

(1) Operational Implications:

Businesses may need to invest in upgrading accounting and billing systems to comply with anti-profiteering requirements. Training programs may be necessary to ensure employees understand and implement the new pricing structures.

(2) Documentation Requirements:

Maintaining detailed records becomes crucial to demonstrate compliance with anti-profiteering measures. Businesses need to be audit-ready, requiring meticulous documentation of pricing decisions and related factors.

(3) Transparent Pricing Strategies:

Transparent communication with consumers becomes paramount to explain pricing adjustments in compliance with anti-profiteering measures. Businesses may need to initiate customer education programs to clarify the correlation between tax changes and pricing.

(4) Resource Allocation:

There could be an increase in administrative overheads as businesses allocate resources to meet compliance requirements. Allocating resources for monitoring and enforcing compliance with anti-profiteering measures is essential.

(5) Profitability Implications:

The need for prompt adjustments in pricing to align with anti-profiteering measures may impact profit margins. Businesses must strategically decide how to adjust prices without compromising their market competitiveness.

(6) Margin Compression:

Ensuring that benefits are passed on to consumers can lead to compressed profit margins. The challenge lies in balancing fair pricing with maintaining a sustainable level of profitability in the market.

(7) Legal Consequences:

Non-compliance with anti-profiteering measures may result in penalties, directly affecting the bottom line. Legal challenges may arise if businesses fail to transparently pass on benefits, leading to potential litigation costs.

(8) Operational Efficiency:

Businesses must find ways to optimize resources while ensuring operational efficiency to maintain profitability. Exploring innovative operational practices that align with anti-profiteering measures can contribute to overall efficiency.

(9) Consumer Relations:

Adherence to anti-profiteering measures can contribute positively to a business's brand image, showcasing ethical business conduct. Building and maintaining consumer trust through fair pricing practices can enhance brand reputation.

(10) Competitive Advantage:

Ethical business practices, including compliance with anti-profiteering measures, may foster long-term customer loyalty. Businesses can leverage a commitment to consumer welfare as a competitive advantage in the marketplace.

Assessing the implications of anti-profiteering measures on the operations and profitability of businesses is a multifaceted task that requires a strategic and adaptive approach. While challenges exist, businesses that proactively engage with compliance requirements, communicate transparently, and innovate in their pricing models can navigate this regulatory landscape effectively. Strategic alignment with consumer protection measures can not only ensure compliance but also contribute to long-term brand sustainability and market competitiveness.

Government Revenue and Policy Implications

The implementation of anti-profiteering measures within taxation frameworks, such as the Goods and Services Tax (GST), aims to ensure that businesses pass on the benefits of reduced taxes to consumers. While the primary goal is consumer protection, examining the impact of anti-profiteering on government revenue provides insights into the broader fiscal implications.

Positive Impact on Government Revenue:

(1) Economic Growth:

Anti-profiteering measures can stimulate consumption by ensuring that the benefits of reduced taxes reach consumers, leading to increased demand for goods and services. Higher demand can stimulate production and sales, resulting in increased economic activity and, subsequently, higher tax revenues for the government.

(2) Tax Collection from Businesses:

Anti-profiteering measures aim to prevent businesses from unduly benefiting from tax reductions, ensuring their continued viability. By preventing unjust enrichment, the government can maintain expected levels of tax collections from businesses.

(3) Consumer Confidence:

Ensuring that businesses comply with anti-profiteering measures builds consumer trust in the tax system. A positive perception of fairness can lead to increased voluntary compliance among businesses, contributing to sustained government revenue.

Challenges and Considerations:

(1) Business Profitability:

Anti-profiteering measures may result in businesses experiencing squeezed profit margins due to the obligation to pass on benefits to consumers. Businesses facing reduced profitability may contribute less to direct and indirect tax revenues.

(2) Operational Costs for Businesses:

Businesses may incur additional costs to comply with anti-profiteering requirements, potentially affecting their overall financial health. Higher compliance costs could influence business investment decisions, indirectly impacting government revenue from taxes on capital gains and corporate income.

(3) Market Dynamics:

Businesses, especially in highly competitive markets, may face challenges in maintaining competitiveness while complying with anti-profiteering measures. Stricter enforcement could lead to market distortions, impacting the overall dynamics of supply and demand, and consequently affecting tax revenues.

(4) Government Enforcement Costs:

Governments may need to allocate resources for the enforcement and monitoring of anti-profiteering measures, incurring additional administrative costs. Balancing the need for strict enforcement with operational efficiency becomes crucial for optimizing government resources.

The impact of anti-profiteering on government revenue is a complex interplay of economic factors, business dynamics, and regulatory considerations. While there are positive aspects such as increased consumption and sustained tax collections, challenges in terms of business

profitability and operational costs need careful consideration. Governments must adopt a balanced and strategic approach, considering the broader fiscal implications, to ensure that anti-profiteering measures contribute positively to both consumer welfare and the overall health of the economy. Periodic assessments and adjustments to the regulatory framework can help achieve a harmonious balance between these objectives.

Policy implications and adjustments in response to the interplay between anti-profiteering and direct taxation

Challenges and Critiques

Challenges faced by businesses in implementing anti-profiteering measures

Implementing anti-profiteering measures in businesses involves addressing various challenges. Anti-profiteering measures are typically put in place by governments to ensure that businesses pass on the benefits of tax reductions or other cost-saving measures to consumers. Here are some challenges that businesses may face in this process:

(1) Complexity of Pricing Structures:

Businesses often have complex pricing structures, and identifying the exact impact of tax reductions or cost savings on each product or service can be challenging. Different products may be affected differently, and businesses may struggle to accurately determine the extent of price reductions needed.

(2) Continuous Monitoring and Compliance:

Ensuring continuous compliance with anti-profiteering measures requires ongoing monitoring of market conditions, costs, and pricing strategies. Regular updates and adjustments to pricing may be necessary, and businesses may find it difficult to keep up with these dynamic requirements.

(3) Data Management and Documentation:

Robust data management systems are essential for tracking cost changes, tax

implications, and pricing adjustments. Maintaining comprehensive documentation to prove compliance can be resource-intensive, and businesses may face challenges in organizing and managing this data effectively.

(4) Communication and Customer Perception:

Communicating price reductions effectively to customers is crucial, as misunderstandings or lack of transparency can lead to negative perceptions. Businesses need to invest in clear communication strategies to educate customers about the reasons behind price changes and the benefits they are supposed to receive.

(5) Industry-specific Challenges:

Different industries may have unique challenges in implementing anti-profiteering measures. For example, industries with long and complex supply chains may find it harder to trace cost savings accurately.

(6) Legal and Regulatory Compliance:

Adhering to the legal and regulatory framework related to anti-profiteering measures is essential. Failure to comply can result in penalties and damage to the business's reputation.

(7) Small and Medium-sized Enterprises (SMEs) Constraints:

SMEs may face additional challenges due to limited resources and may find it harder to implement sophisticated monitoring and compliance systems.

(8) Global Supply Chain Issues:

Businesses with global supply chains may encounter challenges in determining the specific impact of local cost reductions on the overall pricing structure, especially if the supply chain is complex and involves multiple jurisdictions.

(9) Technology Adoption:

Implementing anti-profiteering measures may require businesses to adopt advanced technologies for data analytics, pricing simulations, and compliance tracking. The

cost and complexity of adopting these technologies can pose challenges.

(10) Changing Market Conditions:

Businesses operate in dynamic environments, and changing market conditions can affect costs and pricing strategies. Adapting to these changes while ensuring compliance with anti-profiteering measures can be demanding.

Overcoming these challenges requires a proactive approach, including the use of technology, effective communication strategies, and a commitment to transparency and compliance with regulatory requirements. Businesses may benefit from consulting with experts and leveraging tools to streamline the process of implementing anti-profiteering measures.

Suggestions:

(1) Robust Data Management Systems:

Implement advanced data management systems to track cost changes, tax implications, and pricing adjustments accurately. Automation can help streamline data processes, reducing the risk of errors and improving efficiency.

(2) Utilize Advanced Analytics and Technology:

Leverage data analytics and advanced technologies to analyze pricing structures and identify areas where cost savings can be passed on to consumers. Implement predictive modeling to anticipate market changes and adjust pricing strategies accordingly.

(3) Regular Training and Capacity Building:

Provide regular training to employees on anti-profiteering regulations, pricing strategies, and compliance requirements. Build internal capacity to ensure that staff is well-equipped to handle the complexities of implementing anti-profiteering measures.

(4) Enhance Transparency in Pricing:

Communicate transparently with consumers about the reasons behind price

changes and the benefits they are supposed to receive. Implement clear and easily understandable pricing structures to build trust with customers.

(5) Implement Clear Communication Strategies:

Develop effective communication strategies to convey price reductions and the impact of cost savings to consumers. Use multiple channels, including social media and other marketing platforms, to disseminate information.

(6) Engage with Industry Associations:

Collaborate with industry associations to share best practices and insights on implementing anti-profiteering measures. Participate in forums and conferences to stay updated on industry trends and regulatory changes.

(7) Customize Solutions for Different Industries:

Recognize that each industry may have unique challenges. Tailor solutions and strategies to the specific characteristics and complexities of different sectors.

(8) Adopt a Proactive Compliance Approach:

Proactively monitor market conditions, regulatory changes, and cost factors to stay ahead of compliance requirements. Implement a compliance management system that enables real-time tracking and adjustments.

(9) Engage Legal and Regulatory Experts:

Seek legal and regulatory advice to ensure that the business is fully compliant with anti-profiteering regulations. Stay informed about changes in legislation and update internal processes accordingly.

(10) Collaborate with Technology Partners:

Partner with technology firms specializing in compliance and data management solutions. Explore collaborations with companies offering innovative technologies that can enhance the efficiency of anti-profiteering implementation.

(11) Encourage Collaboration Across Departments:

Foster collaboration among different departments within the organization, such as finance, marketing, and legal, to ensure a holistic approach to anti-profiteering measures.

(12) Encourage SMEs to Adopt Best Practices:

Develop support programs or guidelines to assist small and medium-sized enterprises in implementing anti-profiteering measures effectively. Share success stories and case studies to illustrate the benefits of compliance.

(13) Regularly Review and Update Strategies:

Conduct regular reviews of pricing strategies and anti-profiteering measures to adapt to changing market conditions. Implement a feedback loop to continuously improve the effectiveness of the implemented measures.

By adopting these suggestions, businesses can overcome challenges associated with implementing anti-profiteering measures and create a more robust and compliant system. Continuous improvement, collaboration, and technological innovation are key components of a successful strategy.

Conclusion:

In conclusion, the intricate interplay between the Goods and Services Tax (GST) regime and India's direct tax system, particularly through the lens of the "Anti-Profiteering Mechanism," underscores the multifaceted nature of the country's taxation landscape. This study has delved into the complex relationship between anti-profiteering measures within the GST framework and their consequential effects on direct taxation in India.

The overarching aim of this paper has been to furnish a comprehensive understanding of how the anti-profiteering mechanisms and direct taxation coexist, shedding light on a crucial yet often overlooked facet of taxation. The insights

offered herein are intended to be of practical value to practitioners, policymakers, and academics alike. By unraveling the intricacies of this interaction, this research contributes to a deeper comprehension of the challenges and opportunities posed by the coexistence of these two tax systems.

As tax reforms take centre stage in the pursuit of economic growth, this study serves as a valuable resource for navigating the nuanced terrain of the GST regime and direct taxes in India. The implications outlined herein extend beyond theoretical discourse, carrying practical significance for businesses and the government's revenue apparatus. By acknowledging and addressing the interplay between these tax systems, stakeholders can make informed decisions that align with broader economic objectives.

In essence, this paper stands as a beacon illuminating the significance of understanding and analyzing the interconnections within India's taxation framework. It is a call to recognize the profound implications that anti-profiteering mechanisms can have on businesses, taxpayers, and tax administrators. In a dynamic landscape where tax policies evolve, this research contributes to the ongoing dialogue on effective taxation strategies and their pivotal role in fostering sustainable economic development.

References:

1. Sharif, Nurretina AhmadYusoff, Rosnelim.4th International Conference on Business and Economic Research“Enhancing consumer protection via price control in Malaysia”.
2. Kir A, British Tax Review (2023), Profiteering Under GST: Lessons from India, Australia and Malaysia
3. "Goods and Services Tax: Law and Practice" by V.S. Datey
4. "GST: Concept & Road Ahead" by Rakesh Garg

5. "Indirect Tax Laws: A Comprehensive Guide" by M. L. Bhargava
6. "International Journal of Trade, Economics, and Finance"
7. "GST Law Journal"
8. "Journal of Taxation and Regulation of Financial Institutions"
9. Official GST Council Reports and Notifications
10. "Central Goods and Services Tax Act, 2017"
11. Reports from the Competition Commission of India (CCI)
12. GST Portal (<https://www.gst.gov.in/>)

Chapter 28 AN EMPIRICAL STUDY ON CROWDFUNDING IN DIGITAL ERA

G.Suvarchala Reddy

Assistant Professor of Commerce, St.Mary's Centenary Degree College, Secunderabad,
Telangana

Abstract:

Crowdfunding is a fund raising method where individuals or organizations solicit small contributions or investments from a large number of people, typically via online platforms. This collective effort allows creators to raise capital for projects, businesses, or causes, and contributors, often referred to as backers, receive rewards, products, or equity in return for their support. The objective of this study emphasizes crowdfunding in the Digital era. Though it has its own pros & cons and challenges to be overruled. By embracing the opportunities presented by digital platforms, creators can overcome obstacles and turn their ideas into reality with the support of a connected and engaged audience.

Keywords:

Crowdfunding, Digital platforms, Backers, Virtual Reality (VR), Augmented Reality (AR), Entrepreneurial Empowerment, Global reach / Global collaboration .

1.1.Introduction

Crowd funding, the term has an intense meaning. Crowdfunding sensitizes the new / young Entrepreneurs to raise the funds from different people to start business ventures. Crowd funding, an epitome for young Entrepreneurs to startup a business. In simple words, Crowd funding implores the individuals to contribute small amounts of money to support a project, business, or cause. It's often done through online platforms, allowing a large number of people to collectively fund the initiative.

Crowdfunding is a fund raising method where individuals or organizations solicit small contributions or investments from a large number of people, typically via online

platforms. This collective effort allows creators to raise capital for projects, businesses, or causes, and contributors, often referred to as backers, receive rewards, products, or equity in return for their support.

The following examples showcase the diversity of crowdfunding platforms, each catering to different types of projects, causes, and funding models.

i.Kickstarter: A popular reward-based crowdfunding platform that supports a wide range of creative projects, including films, music albums, and innovative products.

ii.Indiegogo: Similar to Kickstarter, Indiegogo is a global crowdfunding platform that accommodates creative projects, tech innovations, and charitable causes.

iii.FundMe: Primarily used for personal fundraising and charitable causes, It allows individuals to raise funds for medical expenses, education, emergencies, and more.

iv.Patreon: This platform focuses on ongoing support for creators, allowing fans to contribute regularly to artists, writers, podcasters, and other content creators.

v.Seedrs: An equity crowdfunding platform that enables investors to support and invest in startups and growing businesses in exchange for equity.

vi.Crowdcube: Another equity crowdfunding platform, Crowdcube allows individuals to invest in a range of businesses, from startups to more established companies.

vii.Kiva: A microfinance platform that connects lenders with entrepreneurs in developing countries, facilitating loans to support small businesses.

viii.Fundable: This platform offers both rewards-based and equity-based

crowdfunding options, catering to a variety of businesses and projects.

ix.Crowdfunder: A platform supporting both reward-based and equity-based crowdfunding for a diverse range of projects and businesses.

x.Experiment: Focused on scientific and research projects, Experiment allows scientists to crowdfund their research endeavors.

1.2.Types of Crowdfunding

Crowdfunding can be categorized into several types based on the nature of the contributions and the rewards or returns offered to backers. The main types of crowdfunding are

i.Reward-Based Crowdfunding:

Backers contribute funds to a project or campaign and, in return, receive non-financial rewards, such as early access to products, exclusive perks, or recognition. Example Platforms: Kick-starter, Indiegogo.

ii.Equity Crowdfunding:

Backers become investors by contributing funds in exchange for equity or ownership in the company. This type of crowdfunding is more common for business startups. Example Platforms: Seeds, Crowdcube.

iii.Donation-Based Crowdfunding:

Backers contribute funds without expecting any financial returns or rewards. This type is often used for charitable causes, personal emergencies, or community projects. Example Platforms: GoFundMe, JustGiving.

iv.Debt Crowdfunding (Peer-to-Peer Lending):

Backers provide loans to individuals or businesses, and the borrowers agree to repay the loan amount with interest over a specified period. Example Platforms: LendingClub, Prosper.

v.Real Estate Crowdfunding:

Investors pool their funds to invest in real estate projects, such as property development or renovations. Returns may come from rental income or property

appreciation. Example Platforms: RealtyMogul, Fundrise.

vi.Royalty-Based Crowdfunding:

Backers receive a share of the revenue generated by the project they supported. This model is often used in creative projects like films or music. Example Platforms: OurCrowd, Royalty Exchange.

vii.Block-chain-Based Crowdfunding (Initial Coin Offering - ICO, Security Token Offering - STO):

Cryptocurrency and block-chain-based crowdfunding involve the issuance of tokens or coins to backers, who may expect future returns or benefits based on the success of the project. Example Platforms: Ethereum-based ICOs, various block-chain platforms.

viii.Litigation Crowdfunding:

Individuals or groups raise funds for legal expenses by seeking contributions from backers who believe in the cause. If the legal case is successful, backers may receive a share of the settlement. Example Platforms: Lex-Shares, CrowdJustice.

These crowdfunding types cater to a diverse range of projects, businesses, and causes, providing various ways for creators to raise capital and for backers to participate in and support initiatives that align with their interests.

2.0. Significance:

Crowdfunding holds significance for various stakeholders, including entrepreneurs, creators, investors, and the broader community. Here are some key aspects highlighting the importance of crowdfunding:

i.Access to Capital:

Crowdfunding provides an alternative source of funding for startups and small businesses that may face challenges obtaining traditional financing.

ii.Diverse Funding Sources:

It reduces dependence on a single investor or financial institution, allowing creators to

gather support from a diverse group of backers.

iii. Market Validation:

Successful crowdfunding campaigns can serve as a form of market validation, indicating interest and demand for a product or idea.

iv. Community Engagement:

Crowdfunding fosters a sense of community around a project, engaging backers who become emotionally invested in the success of the endeavor.

v. Global Reach:

Online platforms enable campaigns to reach a global audience, expanding the potential pool of contributors beyond local or traditional networks.

vi. Innovation Support:

Crowdfunding supports innovation by providing a platform for creative projects, technological advancements, and unconventional ideas that might struggle with traditional funding sources.

vii. Risk Mitigation:

By securing funds from a large number of backers, creators can distribute financial risk, reducing the impact of any individual's contribution.

viii. Flexibility:

Creators have flexibility in setting funding goals, campaign durations, and the types of rewards offered to backers.

ix. Marketing Opportunity:

Running a crowdfunding campaign itself is a form of marketing, generating publicity and attracting attention to the project.

x. Supporting Social Causes:

Crowdfunding allows individuals to contribute to social causes, charitable initiatives, and community projects.

xi. Entrepreneurial Empowerment:

It empowers entrepreneurs and creators by democratizing the funding process, providing an opportunity for those who may not have access to traditional funding channels.

xii. Transparent Funding:

Crowdfunding campaigns often operate transparently, with backers able to see how funds will be used, fostering trust between creators and supporters.

3.0. Crowd-funding In Digital Era

In the digital era, crowdfunding has experienced significant growth and transformation, driven by technological advancements and changes in consumer behavior.

3.1. Here are some key aspects of crowdfunding in the digital age:

i. Online Platforms: Digital platforms like Kickstarter, Indiegogo, and GoFundMe have become instrumental in facilitating crowdfunding campaigns. These platforms provide a global reach, making it easier for creators to connect with a diverse audience.

ii. Social Media Integration: Social media plays a crucial role in the success of crowdfunding campaigns. Creators leverage platforms like Facebook, Twitter, and Instagram to promote their projects, share updates, and engage with backers, harnessing the power of online communities.

iii. Mobile Accessibility: With the prevalence of smartphones, backers can easily discover, support, and track crowdfunding campaigns on the go. Mobile apps enhance accessibility and contribute to the overall growth of the crowdfunding ecosystem.

iv. Digital Payments: Digital payment systems and online transaction methods have simplified the process of contributing to crowdfunding campaigns. Backers can securely make payments using various digital currencies and payment platforms.

v. Block-chain and Crypto-currency: Some crowdfunding platforms embrace block-chain technology and crypto-currencies, providing alternative funding options and enhancing transparency in financial transactions.

vi.Virtual Reality (VR) and Augmented Reality (AR): Creators leverage immersive technologies like VR and AR to showcase prototypes, provide virtual experiences, and enhance the presentation of their projects, contributing to a more engaging crowdfunding experience.

vii.Data Analytics: Platforms use data analytics to track user behavior, optimize campaign performance, and provide insights to creators. This data-driven approach helps refine marketing strategies and improve the chances of campaign success.

viii.Live Streaming and Video Content: Live streaming and video content have become powerful tools for creators to connect with their audience. Campaign videos, live Q&A sessions, and updates contribute to building a sense of community and trust.

ix.Global Collaboration: The digital era facilitates global collaboration, allowing creators to collaborate with individuals and teams from different parts of the world. This globalization expands the pool of talent and resources available for crowdfunding projects.

x.Instant Communication: Digital communication channels enable instant interaction between creators and backers. This real-time communication fosters a more dynamic and engaging relationship throughout the crowdfunding process.

3.2.Challenges of Crowdfunding in the digital era:

The digital era has not only made crowdfunding more accessible but has also introduced innovative features that enhance the overall experience for both creators and backers.

Crowdfunding in the digital era has become a popular and accessible way for individuals and businesses to raise funds for various projects. However, it also comes with its own set of challenges:

i.Saturation and Competition:

As crowdfunding platforms become more popular, the market becomes saturated, making it challenging for new projects to stand out. Increased competition can make it difficult for campaigns to gain visibility and attract potential backers.

ii.Trust and Credibility:

Building trust is crucial in crowdfunding. Backers need to believe that the project creators will deliver on their promises. The digital era has seen an increase in scams and fraudulent campaigns, making backers more cautious and skeptical.

iii.Project Delivery Risks:

Many crowdfunded projects face challenges in delivering on time or meeting the promised specifications. Delays and unforeseen obstacles can strain the relationship between creators and backers.

iv.Intellectual Property Concerns:

Protecting intellectual property can be challenging in the digital era. Ideas and innovations can be easily replicated, leading to concerns about the theft of intellectual property.

v.Regulatory Challenges:

Different countries have varying regulations regarding crowdfunding, making it challenging for creators to navigate legal requirements. Compliance with these regulations can be complex and time-consuming, adding an additional layer of challenge.

vi.Market Saturation and Backer Fatigue:

Crowdfunding platforms may experience market saturation, leading to backer fatigue. Individuals may become less willing to support new projects as they are inundated with numerous campaigns.

v.Marketing and Promotion:

Successful crowdfunding often requires effective marketing and promotion. In the digital era, where attention spans are short, creators need to employ creative and

compelling strategies to capture the audience's interest.

vi.Platform Fees:

Crowdfunding platforms typically charge fees for hosting campaigns. These fees can impact the overall funds received by the project and must be factored into the budget.

vii.Post-Campaign Sustainability:

After a successful campaign, sustaining the momentum and continuing to engage with backers can be challenging. Keeping supporters informed and involved in the project's development is crucial for long-term success.

viii.Communication Challenges:

Effective communication is vital during and after a crowdfunding campaign. Delays, changes in plans, or unexpected issues need to be communicated transparently to maintain trust with backers.

4.0.Suggestions:

Despite these challenges, crowdfunding in the digital era also offers immense opportunities for creative and innovative projects to receive support from a global audience. Successful campaigns often involve careful planning, transparent communication, and a commitment to delivering on promises. To overcome the challenges of crowdfunding in the digital era, creators can implement various strategies to increase the likelihood of a successful campaign.

5.0.Conclusion:

In conclusion, crowdfunding in the digital era presents both opportunities and challenges for creators seeking financial support for their projects. The digital landscape has transformed the way individuals and businesses can access funding, connect with a global audience, and bring innovative ideas to life. However, navigating the complexities of the digital crowdfunding space requires careful planning, strategic execution, and a commitment to building trust with backers.

The challenges of crowdfunding in the digital era, including market saturation, trust issues, and delivery risks, can be mitigated through proactive measures. Thorough planning, transparent communication, and a strong online presence are essential elements for a successful campaign. Engaging with influencers, offering attractive rewards, and fostering a sense of community around the project can contribute to building momentum and capturing the attention of potential backers. Moreover, creators should remain adaptable and responsive to feedback, addressing concerns promptly to maintain the trust of their supporters. Legal compliance and post-campaign engagement are critical for sustaining relationships and ensuring the long-term success of the project.

While crowdfunding in the digital era comes with its set of challenges, it also democratizes access to funding, enabling a diverse range of projects to find support from a global community. By embracing the opportunities presented by digital platforms, creators can overcome obstacles and turn their ideas into reality with the support of a connected and engaged audience. Ultimately, successful crowdfunding in the digital era requires a combination of innovation, transparency, and a genuine connection with the backers who believe in the project's potential.

References:

- Ahlers GKC, Cumming DJ, Günther C, Schweizer D (2015) Signaling in equity crowdfunding. *Entrep Theory Pract* 39(4):955–980.
- Allison TH, Davis BC, Short JC, Webb JW (2015) Crowdfunding in a prosocialmicrolending environment: examining the role of intrinsic versus extrinsic cues. *Entrep Theory Pract* 39(1):53–73.
- Allison TH, Davis BC, Webb JW, Short JC (2017) Persuasion in crowdfunding: an

- elaboration likelihood model of crowdfunding performance. *J Bus Ventur* 32(6):707–725.
- Anglin AH, Short JC, Drover W, Stevenson RM, McKenny AF, Allison TH (2018a) The power of positivity? The influence of positive psychological capital language on crowdfunding performance. *J Bus Ventur* 33(4):470–492.
 - Anglin AH, Wolfe MT, Short JC, McKenny AF, Pidduck RJ (2018b) Narcissistic rhetoric and crowdfunding performance: a social role theory perspective. *J Bus Ventur* 33(6):780–812.
 - Agrawal, A., Catalini, C., & Goldfarb, A. (2013). Some simple economics of crowdfunding (NBER Working Paper No. w19133).
 - Agrawal, A., Catalini, C., & Goldfarb, A. (2014). Crowdfunding: Geography, social networks, and the timing of investment decisions (Working Paper).
 - Ahlers, G., Cumming, D., Günther, C., & Schweizer, D. (2013). Equity crowdfunding (SSRN Working Paper No. 2362340).
 - Allison, T. H., Davis, B. C., Short, J. C., & Webb, J. W. (2014). Crowdfunding in a prosocialmicrolending environment: Examining the role of intrinsic versus extrinsic cues. *Entrepreneurship Theory and Practice*. doi: 10.1111/etap.12108
 - An, J., Quercia, D., & Crowcroft, J. (2014). Recommending investors for crowdfunding projects. In *WWW '14 Proceedings of the 23rd International Conference on World Wide Web*.
 - Ashta, A., & Assadi, D. (2010). An analysis of European online micro-lending websites. *Innovative Marketing*, 6(2), 7–17.
 - Audretsch, D. B., Bönnte, W., & Mahagaonkar, P. (2012). Financial signaling by innovative nascent ventures: The relevance of patents and prototypes. *Research Policy*, 41(8), 1407–1421.
 - Bachmann, A., Becker, A., Buerckner, D., Hilker, M., Kock, F., Lehmann, M., & Tiburtius, P. (2011). Online peer-to-peer lending—A literature review. *Journal of Internet Banking and Commerce*, 16(2).
 - BaFin. (2012, September). *BaFinJournal*.
 - Barasinska, N., & Schäfer, D. (2010). Does gender affect funding success at the peer-to-peer credit markets? (DIW Berlin Discussion Papers No. 1094)
 - Barasinska, N., & Schäfer, D. (2014). Is crowdfunding different? Evidence on the relation between gender and funding success from a German peer-to-peer lending platform. Beck, R. (2012). *Crowdinvesting: Die Investition der Vielen*. Düsseldorf: Amazon Distribution.
 - Belleflamme, P., & Lambert, T. (2014). Crowdfunding: Some empirical findings and microeconomic underpinnings (SSRN Working Paper No. 2437786).
 - Belleflamme, P., Lambert, T., & Schwienbacher, A. (2013a). Crowdfunding: Tapping the right crowd. *Journal of Business Venturing*, 29(5), 585–609. doi: 10.1016/j.jbusvent.2013.07.003
 - Belleflamme, P., Lambert, T., & Schwienbacher, A. (2013b). Individual crowdfunding practices. *Venture Capital*, 15(4), 313–333. doi: 10.1080/13691066.2013.785151.
 - Berkovich, E. (2011). Search and herding effects in peer-to-peer lending: Evidence from prosper.com. *Annals of Finance*, 7(3), 389–405. doi: 10.1007/s10436-011-0178-6*
 - Block, J., & Sandner, P. (2009). What is the effect of the financial crisis on venture capital financing?
 - Empirical evidence from US Internet start-ups. *Venture Capital*, 11(4), 295–309. doi: 10.1080/13691060903184803 .
 - Block, J., Vries, G. D., Schumann, J., & Sandner, P. (2013). Trademarks and venture capital valuation.

- Journal of Business Venturing, 29(4), 525–542. doi: 10.1016/j.jbusvent.2013.07.006 .
- Bradford, C. (2012). Crowdfunding and the federal securities laws. Columbia Business Law Review.
- Brem, A., &Wassong, N. (2014). Werinvestiert warum? Eine Analyse von Investmententscheidungen bei Crowdfundin g-Projekten. ZfKE—Zeitschrift für KMU und Entrepreneurship, 62(1), 31–56.
- Bretschneider, U., Knaub, K., &Wieck, E. (2014). Motivations for crowdfunding: What drives the crowd to invest in start-ups? Paper presented at Twenty Second European Conference on Information Systems, Tel Aviv 2014.
- Burtch, G., Ghose, A., &Wattal, S. (2013a). An empirical examination of the antecedents and consequences of contribution patterns in crowd-funded markets. Information Systems Research, 24(3), 499–519. online pro-social lending (SSRN Working Paper No. 2271298).
- Beier M, Wagner K (2015) Crowdfunding success: a perspective from social media and e-commerce. In: Thirty sixth international conference on information systems (ICIS), Fort Worth, Texas.
- Belleflamme P, Lambert T, Schwienbacher A (2014) Crowdfunding: tapping the right crowd. J Bus Ventur 29(5):585–609.
- Belleflamme P, Omrani N, Peitz M (2015) The economics of crowdfunding platforms. Inf Econ Policy 33:11–28.
- Bengtson B (2019) A comparative study on the effect of environmental social value statements on crowdfunding success across various crowdfunding platforms. In: Working paper
- Boeuf B, Darveau J, Legoux R (2014) Financing creativity: crowdfunding as a new approach for theater projects. Int J Arts Manag 16(3):33–48
- Borrero-Domínguez C, Cordón-Lagares E, Hernández-Garrido R (2020) Sustainability and real estate crowdfunding: success factors.
- Burtch G, Ghose A, Wattal S (2013) An empirical examination of the antecedents and consequences of contribution patterns in crowd-funded markets. InfSyst Res 24(3):499–519.
- Burtch G, Ghose A, Wattal S (2014) Cultural differences and geography as determinants of online prosocial lending. MIS Q 38(3):773–794
- Burtch G, Ghose A, Wattal S (2016) Secret admirers: an empirical examination of information hiding and contribution dynamics in online crowdfunding. InfSyst Res 27(3):478–496.
- Butticiè V, Colombo MG, Wright M (2017) Serial crowdfunding, social capital, and project success. Entrep Theory Pract 41(2):183–207.
- Chen, N., Ghosh, A., & Lambert, N. S. (2013). Auctions for social lending: A theoretical analysis. Games and Economic Behavior, 1, 1–25. doi: 10.1016/j.geb.2013.05.004
- Cohn, S. (2012). The new crowdfunding registration exemption: Good idea, bad execution (SSRN
- Collins, L., &Pierrakis, Y. (2012, July). The venTure crowd. NESTA.
- Cumming, D., & Johan, S. (2013). Demand driven securities regulation: Evidence from crowdfunding.
- Venture Capital, 15(4), 361–379. doi: 10.1080/13691066.2013.847635.
- Cumming, D. J., Leboeuf, G., &Schwienbacher, A. (2014). Crowdfunding models: Keep-it-all vs. all-or- nothing (SSRN Working Paper No. 2447567).
- De Buysere, K., Gajda, O., Kleverlaan, R., &Marom, D. (2012). A framework for European crowdfunding.

Chapter 29

REFORMING INDIAN FINANCIAL SYSTEM AND PROMOTING SUSTAINABLE DEVELOPMENT

Dr. N. Vijayalakshmi

Assistant Professor of Commerce, V.H.N.Senthikumara Nadar College, Virudhunagar,
Tamil Nadu

Abstract

Reforms pertaining to the financial sector must also be more comprehensive, covering not only the supervision of banks by central banks and banking authorities but also a broader environment in which all financial intermediaries operate and possess the operational autonomy to make business decisions. For example, the allocative efficiency of investments should increase when banks begin to function more commercially and as capital markets continue to grow. Through increased direct and indirect household participation in the stock and bond markets, these reforms will enable investors to diversify their portfolios and boost returns on them. However, if the institutional capability is further strengthened by addressing shortcomings in the feeble legal framework, bad governance, transparent processes, inadequate legal framework, and poor data quality. Furthermore, there must be a correct order for these reforms, and there must be complementarity between the business and financial sector reforms. The economic expansion's sustainability will depend on how quickly these financial sector changes are implemented.

Introduction

A nation's financial system plays a crucial role in enabling its development. A nation's financial system is shaped by its political system, social values, history, reforms, and other unique features. Any financial system, regardless of its structure, must carry out a few essential tasks that include shifting risk to those individuals and organizations most suited to handle it. An

economy's financial system's vigor, depth, effectiveness, and purity are typically indicators of its strength. India's financial industry is diverse and growing quickly, both in terms of new players joining the market and the robust expansion of the country's current financial services. The industry includes commercial banks, insurance providers, nonbanking financial institutions, cooperatives, mutual funds, pension funds, and other financial organizations that support the financial needs of many economic sectors. The financial industry has undergone adjustments as a result of banking regulations, enabling it to function more effectively and meet the economy's changing needs. A number of reforms have also been implemented by the Indian government to improve, liberalize, and control the financial services available to different economic sectors. The financial sector has become a vital tool for economic management.

Objectives

- To analyze the role of financial sector reforms in attaining sustainability.
- To discuss the importance of financial sector reforms in sustainable development in Indian context.
- To provide the platform to discuss the various challenges and to derive measures to tackle these challenges in the path of sustainable development through financial sector reforms.

- To explore the future paradigms of financial sector reforms for attaining sustainable development.

Significance of Financial Reforms in India

India's financial sector changes will benefit more from allowing market forces to determine how financial resources are allocated, which will speed up the process of price discovery. More liberalization and deregulation in this area will give financial institutions the motivation they need to compete in a variety of marketplaces and product lines. It serves as the center of an economy, making it easier to distribute and mobilize financial resources. Its business is offering financial services to clients in the retail and commercial sectors.

Role of Financial Sector Reforms in India Reforms in the Banking Sector

- Reduction in CRR and SLR has given banks more financial resources for lending to the agriculture, industry and other sectors of the economy.
- The system of administered interest rate structure has been done away with an RBI no longer decides interest rates on deposits paid by the banks.
- Allowing domestic and international private sector banks to open branches in India, for example, HDFC Bank, ICICI Bank, Bank of America, Citibank, American Express, etc.
- Issues pertaining to non-performing assets were resolved through Lok adalats, civil courts, Tribunals, The Securitisation and Reconstruction of Financial Assets and the Enforcement of Security Interest (SARFAESI) Act.
- The system of selective credit control that had increased the dominance of RBI was removed so

that banks can provide greater freedom in giving credit to their customers.

Reforms in the Debt Market

- The 1997 policy of the government that included automatic monetization of the fiscal deficit was removed resulting in the government borrowing money from the market through the auction of government securities.
- Borrowing by the government occurs at market-determined interest rates which have made the government cautious about its fiscal deficits.
- Introduction of treasury bills by the government for 91 days for ensuring liquidity and meeting short-term financial needs and for benchmarking.
- To ensure transparency the government introduced a system of delivery versus payment settlement.

Reforms in the Foreign Exchange Market

- Market-based exchange rates and the current account convertibility was adopted in 1993.
- The government permitted the commercial banks to undertake operations in foreign exchange.
- Participation of newer players allowed in rupee foreign currency swap market to undertake currency swap transactions subject to certain limitations.
- Replacement of foreign exchange regulation act (FERA), 1973 was replaced by the foreign exchange management act (FEMA), 1999 for providing greater freedom to the exchange markets.
- Trading in exchange-traded derivatives contracts was permitted for foreign institutional investors and non-resident Indians subject to certain regulations and limitations.

Importance of financial sector reforms in sustainable development

Financial system reform must continue in line with the gradual opening up of the economy to foreign trade and capital inflows, the increasing role of the private sector in economic activity, and the need to enhance bank supervision and improve monetary policymaking.

Financial systems help in growth of capital market

Any business requires two types of capital namely, fixed capital and working capital. Fixed capital is used for investment in fixed assets, like plant and machinery. While working capital is used for the day-to-day running of business. It is also used for purchase of raw materials and converting them into finished products. Fixed capital is raised through capital market by the issue of debentures and shares. Public and other financial institutions invest in them in order to get a good return with minimized risks. For working capital, we have money market, where short-term loans could be raised by the businessmen through the issue of various credit instruments such as bills, promissory notes, etc. Foreign exchange market enables exporters and importers to receive and raise funds for settling transactions. It also enables banks to borrow from and lend to different types of customers in various foreign currencies. The market also provides opportunities for the banks to invest their short term idle funds to earn profits. Even governments are benefited as they can meet their foreign exchange requirements through this market

Financial system ensures balanced growth

Economic development requires a balanced growth which means growth in all the sectors simultaneously. Primary sector, secondary sector and tertiary sector require adequate funds for their growth. The

financial system in the country will be geared up by the authorities in such a way that the available funds will be distributed to all the sectors in such a manner, that there will be a balanced growth in industries, agriculture and service sectors.

Financial system helps in fiscal discipline and control of economy

It is through the financial system, that the government can create a congenial business atmosphere so that neither too much of inflation nor depression is experienced. The industries should be given suitable protection through the financial system so that their credit requirements will be met even during the difficult period. The government on its part, can raise adequate resources to meet its financial commitments so that economic development is not hampered. The government can also regulate the financial system through suitable legislation so that unwanted or speculative transactions could be avoided. The growth of black money could also be minimized.

Challenges faced by the Indian Financial System

Although India's financial system has seen great heights and has a relatable stable approach given the current global economic outlook, this is not to say that the banking system in India hasn't faced issues. Some of the most recent challenges that continue to have a heavy influence on India's financial system include the following:

- The rise of Non-Performing Assets (NPAs), including bad loans or problems in the agricultural and corporate sectors. Currently, the country's NPAs have crossed Rs.10 lakh crores, with more than 70% being from the corporate sector.
- The increasing number of frauds, including accounting fraud, demand draft fraud, uninsured deposits, fraudulent loans, and others. The RBI in 2022 reported total fraud

cases of around 9103, the biggest being the PNB scam of Rs.11,000 crores, Vijay Mallya defaulting lenders for Rs. 9000 crores, and several others that we have witnessed recently.

- Lack of banking for the underserved and rural population, which is approximately 69% of India's total population. Around 1.4 billion Indians do not have access to formal banking, as per the World Bank report.
- Lack of reach in rural areas, where technical enablement and use of financial services remain a big challenge.
- Business interruption and supply chain outages, and the increasing compliance burden and impact of regulation, complete the top three risks for the sector
- Regulators are increasingly focusing on business continuity, operational resilience and the management of third party risk following the number of major outages at banks and payment processing companies
- Companies are challenged by the growing raft of ESG regulation and guidance leading to tougher disclosure and reporting rules, particularly around sustainability

Future paradigms of financial sector reforms for attaining sustainable development

Future financial system will likely be a simpler, safer, higher-cost financial system with perhaps slower but more stable growth and fewer crises assuming financial regulation and supervision are effectively reformed. To get to this safer, sounder financial system, coordinated and consistent implementation of better, smarter regulation and oversight will be needed. The IMF is well placed to help its member countries

obtain this objective. The recognition that individual financial institutions were inadequately regulated and supervised, in part because they were evaluated without regard to their increasing interconnections and the systemic risks they posed, will lead to a regulatory framework that is more holistic and better suited to mitigate systemic risks. For this to occur, however, monetary, fiscal, and financial authorities need to work together across their usual policy boundaries to make sure their policies are not at cross purposes. The more regulation can be made to set incentives so that the private sector operates safely and effectively, the less constrictive it will need to be. There is a risk, however, that at least some influential parts of the private sector will resist even “incentive compatible” regulations, since their flexibility and compensation would be reduced. Reforms will therefore need to be introduced with determination. To make such a transition to the new system in the more globalized financial world of today, a firm commitment to do so and international cooperation on the new financial regulatory structure will be essential.

Conclusion

The financial sector forms the backbone of an economy and includes the sore sectors such as banking, foreign exchange, insurance. In order to break the colonial hegemony of policies, various reforms in the financial sector were carried out that enabled the strengthening of the banking sector, better management of foreign reserves, etc enabled in economic growth and development. Reformed financial sector, the emergence of private sector banks and foreign banks increased competition in the banking sector which has improved its efficiency and capability. Better performance by stock exchanges of the country and adoption of international best practices. Better budget management, fiscal

deficit, and public debt condition have improved after the financial sector reforms.

References:

1. Newman, C. (2022, 25 October). Key challenges to sustainable development. *Future Learn*. <https://www.futurelearn.com/info/courses/achieving-sustainable-development/0/steps/35495>
2. United Nations. (2022, 10 November). Goal 13: Take urgent action to combat climate change and its impacts. <https://www.un.org/sustainabledevelopment/climate-change>
3. Report of the Narasimham Committee *Banking sector Reforms 1998* Government of India, New Delhi, April.

Chapter 30

VERVE OF CASH CRASH ON THE TOURISM BUSINESS

Sandhiya. M

Assistant Professor of Commerce (Accounting & Finance),
Dr.MGR Janaki college of arts and Science for Women, Chennai, Tamil Nadu

K.S.Pavithra

Assistant Professor of Commerce (Accounting & Finance),
Dr.MGR Janaki college of arts and Science for Women, Chennai, Tamil Nadu

Abstract:

The cash crash drive will have varied effects on the many sections of the tourism business, but in the long term it will positively impact the growth of the hospitality sector. With the general uptake in the sector, the movement of existing customers to the organized sector due to ease of alternate modes of payment will positively impact the market. Unorganized sector consists of the larger chunk of hotel rooms in the country, so the anticipation of general performance of the industry to witness some stress in the short term is there. The hospitality and the tourism markets are famous for their ability to create a large number of direct and indirect jobs in the country. With the incapability of customers or tourists to easily spend on add-ons due to lack of available currency, the unorganized industry will suffer the most in its ability to create new jobs.

Keyword: tourist, hotel, restaurants, arrival, foreigner, staggering, reschedule

Prologue:

The impact of demonetization will also be felt by the suppliers of consumable goods, who often work on cash transactions with their wholesale counterparts. Also, the restaurants business – both in hotels and standalone will see a short-term slowdown in growth on account of the reduced availability of cash and the generally high usage of cash spending in restaurants. The organized banqueting business will witness growth, as customers move from the almost cash-only unorganized sector of standalone party venues and farm houses to hotels for want of noncash means of payment.

India's cash crash of old Rs 500 and Rs 1,000 currency notes has had its deep

impact on the lower stratum of businesses in the state with tourists showing poor presence. The occupancy at the star hotels has not received a big setback, the hotel industry has witnessed a dip in the bookings with several bookings cancelled and walk-in stays reduced drastically. The star hotels are witnessing normal business as expected during the month. "However, the small businesses have been impacted the most. Though there are no large-scale cancellations since most of the hotel bookings are being done through cards, on ground, the spending capacity is very low and the small establishments have almost negligible business.

However, tour operators and travel agents said that business is not as usual with bookings in hotels either being cancelled or postponed for later dates. "New bookings are low and there are cancellations too as people cannot spend even if they come. So either they are cancelling or in some cases postpone the bookings. The occupancy has been thump, the other precinct businesses too have faced a setback.

The taxi business is no different as the dip in occupancy and tourist arrivals in the state directly affects the trade. The cash crash are seeing that even the foreign tourist arrivals have been hit and the local tourist arrivals are negligible when compared to last year.

The visitors have trouble in exchanging notes and, therefore, the taxis are forced to accept the old currency notes. However, the foreign nationals are facing difficulty for foreign exchange and that is one of the reasons for avoiding the trip or postponing it to early next year. The taxi fraternities' anticipation was that the

business would improve towards the Christmas season with arrivals of local tourists. “Normally, foreign tourist arrivals are more after Christmas and New Year, so the business hope in any case that will not be impacted due to demonetization

Review of Literature

Almeida, José. 2021. Cryptocurrencies and financial markets—extant literature and future venues. *European Journal of Economics, Finance and Administrative Sciences* 109: 29–40.

Almeida, José, and Tiago Cruz Gonçalves. 2022. A Systematic Literature Review of Volatility and Risk Management on Cryptocurrency Investment: A Methodological Point of View. *Risks* 10: 107.

Hairudin, Aiman, Imtiaz Mohammad Sifts, Azhar Mohamad, and Yusniliyana Yusof. 2020. Cryptocurrencies: A survey on acceptance, governance and market dynamics. *International Journal of Finance and Economics* 27: 4633–59.

Gemayel, Roland, and Alex Preda. 2021. Performance and learning in an ambiguous environment: A study of cryptocurrency traders. *International Review of Financial Analysis* 77: 101847.

Katsiampa, Paraskevi, Shaen Corbet, and Brian Lucey. 2019a. High frequency volatility co-movements in cryptocurrency markets. *Journal of International Financial Markets, Institutions and Money* 62: 35–52

Objectives of the Study

1. To Consolidate the knowledge of Cash Crash On Tourism Business.
2. To understand the cash crash in various culture .
3. To study how cash crash affect the development of tourism

Impact of currency crunch on Tourism

There was a major upheaval throughout the country after Prime Minister Modi’s announcement on the ban of existing 500 and 1000 Rupee notes in

circulation. India is a country that has about 90% of its transactions happening in the form of cash. That’s not surprising for a country that has an estimated bank penetration of only 46%. On top of that only 22% of the entire populations have access to internet services, a key cog in moving over to digitization of currency.

So when about 86% of that cash was taken out of the scene, it has left a lot of people in a big lurch. There are long queues outside Banks and ATMs to withdraw new notes or exchange their old notes for new ones. All in all, normal life has been disrupted. Whether the move would be beneficial or not is something the people of this country would decide so we’ll leave that discussion out of this.

As travelers, we know how important it is to keep cash available with us at all times. Most of the local businesses at tourist hotspots work solely on cash transactions. From budget guest houses, hotels, motels, restaurants to local vendors selling items that are specialties of a particular place or trinkets people like to take as souvenirs from their trips, most of them would be offering their goods or services in exchange of hard cash.

With the acute shortage of cash at this point, these businesses that cannot accept electronic payments are indeed suffering. They’ve losing on customers; they’re losing money on every tourist that won’t take up their wares or services because they probably don’t have the cash to pay them with. On top of that, the people that are operating these businesses on cash are themselves standing in queues to deposit whatever old currency they have.

ATMs are a traveler’s boon. In a country like India, travelers prefer to carry less cash on themselves with security as a concern and instead carry cards to withdraw cash as and when required. Well, all that is out of the picture now. With a lot of ATMs out of service or having long queues outside them, tourists have no way to withdraw cash from these ATMs. They can either spend their day visiting the local attractions

or stand in lines to withdraw cash from any working ATMs. Banks are of no help either with a limit on how much money you can withdraw in a day.

Transportation services are also hit by this cash crunch. While in major cities across the country, services like Ola and Uber might come in handy allowing cashless transactions, actual tourist places far away from these bustling cities where private cabs and other forms of transportation are the norm, cash is supposed to be the only major form in which you can pay for such services. Unfortunately not all of them would be open to taking money on apps like PayTM. These guys are definitely losing on business in the peak seasons.

For the foreign tourists it's another different story. There are reports of certain currency exchange points that are duping people by exchanging old 500 and 1000 rupee notes that are essentially of no use anymore and can't be exchanged by the tourists. Even if they are getting legal tender for their currency, the exchange rates are pretty low.

On the other hand, businesses that accept cashless means of payment are finding an increase in business. Tourists find them as the only alternative in this situation and while there are good Samaritans that won't take advantage, being in a country like India we very well know how some people would take advantage of this tough situation.

Hill stations and other remote places where phone and GPS signals are already hard to find, people rely on cash to earn their livelihood. Most businesses don't have card PoS to cater to our needs. With this cash crunch, it might be better for everybody to avoid these places as you'll have a tough time paying for stuff.

The current bout of unease among people due to the Centre's move of demonetization of currency has severely impacted the hotel, travel and tourism industry in the city with travelers cancelling or shelving their travel plans.

According to the industry insiders, a staggering fall of 80 per cent drop in domestic bookings and around 30 per cent fall in international bookings has brought the travel and tourism and hospitality industry to a grinding halt.

With the onset of December, lakhs of travelers, including families, honeymoon couples, students, and working professionals head for weekend getaways. But that has changed this year, with people going cashless and queuing up in front of ATMs and banks rather than at airports.

According to travel agents, tourism partners, hospitality industry, and online travel portals like Makemytrip and Goibibo, the industry has seen a steep fall in the bookings and ticketing this winter due to demonetization. While the office of offline travel agents received a major hit, the online travel agencies were seen busy cancelling or rescheduling the bookings.

People who had booked their tickets in advance are now calling us for cancellation or to reschedule. The domestic sector is severely hit as there is almost 50 per cent drop in the bookings as compared to the previous year. If in a day we had 100 bookings, 50 per cent of those customers have stalled their plans asking for a refund."

Though nonentity much has changed when it came to travelling to metropolitan cities, as plastic money is being accepted across the cities, the brunt of demonetization was borne by destinations like Goa, Andaman, Darjeeling, Shimla, Nainital, and Kerala. These destinations saw the maximum number of cancellations as these cities majorly deal in cash.

It was the offline agents who faced the heat of demonetization this winter with a maximum of 7 to 10 bookings as against 90 to 130 of last November has witnessed that the business has taken a major hit. "Industry sitting idle and have almost no business. There is heavy cancellation in both domestic and international bookings," he said.

The hospitality industry insiders, and the major players who have a chain of hotels like ITC Maurya and Raddisson Blu, are not much affected, the small time operators like Oyo Rooms, Stayzilla and others have seen a dip in the business.

‘TOURISM SECTOR WILL BEAR BRUNT OF DEMONETIZATION ’

While supporting the Centre’s move to pull out the currency notes of 500 and 1000 of circulation to rid the Indian economy of the stranglehold of black money and counterfeit currency, “It is too early to say. But one thing is clear that the tourism sector, supposed to be the mainstay of the State economy, would bear the brunt of the move as the number of tourist footfalls in November would dip considerably. This is a blow to us as November sees massive tourist footfalls almost equal to the figures of May-June.

The impact on the consumer sector, were gloomy here too. “The Centre should have affected things gradually, preparing the common people to absorb the shocks. Now chaos is what is reigning supreme.

Today, if you simply walk down a street quietly, you can hear everyone speaking about nothing else but the effect of demonetization/currency ban on their lives. Everybody has a reaction on the sudden banning of Rs 500 and Rs 1000 currency notes, as both ceased to be legal tender after November 7, 2016. Some people are positive towards the ban while others are cursing the government and PM.

This article does not intend to portray our perspective on the issue of demonetization. The sole reason for us to come out and write about this is to communicate a few ways in which our travel buddies can avoid the common inconveniences because of the sudden announcement.

Check the below out as you might find them useful and doable before you begin your travel:

1. Get to know the acceptance centers for old currency notes thoroughly:

Before you start to freak out, do the research and get complete information about the amendment. Rules are changing almost every day, but it’s easy to know what organizations are exempted from the law. Currently as on 26th Nov, the 500 Rs notes will still be accepted at public utilities, hospitals, petrol pumps etc upto 15th December 2016, while Rs 1000 old note can only be given for deposit in the bank. If you are a traveler, you can

- Use 500 Rs old notes at petrol pumps for now, and to buy medicines if needed urgently.
- Purchase entry tickets for monument maintained by the Archaeological Survey of India
- Use notes at railway ticketing counters, bus ticket counters of government or public sector undertakings and airline counters at airports for purchase of tickets.
- Use at international airports for arriving and departing passengers up to Rs 5,000.
- Canister replaces foreign currency, if you are a foreigner in India, up to Rs 5,000 per week.

2. Adopt online transactions:

Once you start for your trip, you might find it difficult to get currency notes of new denominations, as they are still improving the circulation. As such, this requires you to be frugal with your cash spends. But thankfully, a slew of e-commerce sites offer online payment options, so travel commerce has largely turned online for bigger spends.

The demonetization move from the government tends to promote the adoption of online commerce among the larger sections of population, and we think, it is in the National Interest as a whole. From booking of hotels, cabs, paying food bills, most of the things can be easily done online. There are more & easier alternatives available and many people are not aware of them. This move will infuse awareness among these sections of population.

3. Make sure your travel, accommodation, and basic bookings are done well in advance:

This is a good practice and is all the more valued, now that there is a shortage of cash currency.

- Book hotels in advance too and pay through cards online.
- Shop at supermarkets and large stores that accept credit/debit cards. Save maximum cash.
- Book your outstation taxi in advance using Cab app or any other app for that matter.

4. Keep your basic medical supplies in place:

Before you leave for your dream trip to India, make sure you have a first-aid kit in place and also specific necessary prescribed medicines if any. Worst case, if some emergency comes up you can easily use your 500 Rs old currency notes at Hospitals and pharmacies. So stay positive and there is absolutely no reason to panic.

5. You can try using PayTM to minimize the effect of demonetization on your life:

An online payments application called PayTM has truly turned out to be exceptionally helpful to people during this nation-wide hassle and has gained immense popularity and trust in the process. Also after the demonetization announcement starting the bank on 8th of November, they have very smartly boosted their on-field marketing efforts and spread their services among many Indian cities with a very high speed. You can find PayTM QR codes even at a roadside stall, and smaller vendors in small towns today.

6. Try to withdraw as much cash as you can from big cities:

Some of the most popular tourist destinations in India are not the bigger cities. Unlike cities, the banks in smaller towns and countryside would not bother transferring cash to their ATMs more than once a day and such smaller lots are entirely consumed within a couple of hours these days. It is smarter to withdraw cash from bigger cities and not rely on off track

smaller towns or typical tourist destinations.

7. Ask for 100 Rupee notes when you exchange currency in banks:

Try to get as much amount as you can in the form of Rs 100 notes when you go to exchange old currency in banks. This is because a vendor might refuse to give you a lot of change against a Rs 2000 note while you buy something. And as of today, the Rs 500 note is still not in wider circulation.

8. Non-Indian tourists can also get access to new currency easily:

Foreign tourists can collect up to Rs 15,000 from Western Union or general post office. You just need to carry your passport and Visa. Make sure you do that in time as it might take a couple of hours considering the current rush.

The industry believe that the sudden currency ban/demonetization amendment if you do the above said, and till the time the circulation of currency improves, which is expected to take another few weeks.

Conclusion:

The sudden demonetization of high value notes has come as a blow for foreigners in India, who now find themselves stranded as they face difficulties in converting foreign exchange into Rupees. With 1,000 and 500 rupee notes demonetized overnight, foreigners, especially those in the country for medical treatment, have to depend on either travel agents or foreign currency exchange centers'. Major impact will be on common man with the sudden decision of currency withdrawal. Indian economy is depending on cash, as more than half population use banking system for monetary transactions.

Economists say that the impact of demonetization will be more on consumer spending and economy growth. A lot of foreign travelers were stuck with the currency crunch as the most prominent notes of acceptances had been banned. As foreigners have no bank accounts in the country it meant they could not get their money exchanged easily. The immediate

week had people standing in long queues which resulted in lesser foreigners migrating to India for traveling and a cancellation of a lot of booking from their part. This reduced the number of foreigners travelling to India thereby cutting off a major chunk of income generated through travel and tourism.

References:

- <http://timesofindia.indiatimes.com/city/visakhapatnam/Demonetisation-drive-hits-tourism/articleshow/55405451.cms?from=mdr>
- <http://goacom.com/demonetisation-effect-smaller-hotels-cab-business-take-a-hit/>
- <http://blog.thomascook.in/smart-ways-to-avoid-the-impact-of-demonetization-of-currency-on-your-travel-plan/>
- <http://blog.tazzobikes.com/impact-of-demonetization-on-tourism/>
- Impact of Demonetization on Tourism Posted on December 14, 2016 By admin
- <http://www.asianage.com/metros/delhi/231116/demonetisation-tourism-hit-as-people-cancel-travel-plans.html>
- <http://elibrary.acbfpact.org/acbf/collect/acbf/index/assoc/HASH0199.dir/doc.pdf>
- <http://www.jrfinancial.in/blog/impact-demonetization-rs-500-rs-1000-note-various-sectors-economy/>
- <http://businessworld.in/article/Impact-Of-Demonetisation-On-India-s-Economy/21-12-2016-110099/>

Chapter 31 A STUDY ON GROWTH OF INSURANCE INDUSTRY IN INDIA

Dr. V. Nirmala Devi

Associate Professor & Head, PG & Research Department of Commerce, Sri Ramakrishna
College of Arts & Science, Coimbatore, Tamil Nadu

Nivetha.R.P

PG Student, PG & Research Department of Commerce, Sri Ramakrishna College of Arts &
Science, Coimbatore, Tamil Nadu

ABSTRACT

In India, insurance has a long history. The insurance process was created to protect the common man's interests from ambiguity by providing some support. The insurance policy is very crucial. The insurance protects and defends against loss on a critical occasion. The insurance industry is separated into two categories: life and general or non-life. Life insurance solely covers human lives, whereas non-life insurance covers anything else. Oriental Life Insurance, a British corporation, established the first insurance firm in India in 1818, followed by the Bombay Assurance corporation in 1823 and the Madras Equitable Life Insurance Society in 1829. The government established a separate Board to deal with FDI promotion in India and to serve as the single agency to manage concerns linked to FDI. In a fairly short amount of time, private insurance was able to capture 13% of the life insurance market and 14% of the non-life market. However, there is still a high need for insurance in the market. The purpose of this article is to investigate the growth and development of the insurance business in India.

INTRODUCTION

The insurance sector in India began in the nineteenth century, with the establishment of the first life insurance firm in Kolkata in 1818. In 1850, the first general insurance firm was established in Kolkata. The industry grew over time, with various firms operating in both the life and general insurance divisions. The insurance industry is typically divided into two categories: life and non-life. General insurance is a type of non-life insurance that includes fire, marine, and miscellaneous

insurance. Engineering, automobile insurance, and health insurance are examples of "miscellaneous insurance."

OBJECTIVES

1. To know the history of insurance sector in INDIA
2. To analyse the insurance industry in INDIA
3. To know the insurance regulatory & development authority of INDIA

HISTORY OF INSURANCE SECTOR IN INDIA

The creation of the Oriental Life Insurance Company in Calcutta in 1818 marked the beginning of the life insurance business in India in its current form. Some significant achievements in India's life insurance industry

Milestones in the life insurance business in India:

1912: The Indian Life Assurance Companies Act enacted as the first statute to regulate the life insurance business

1928: The Indian Insurance Companies Act enacted to enable the government to collect statistical information about both life and non-life insurance businesses

1938: Earlier legislation consolidated and amended to by the Insurance

1956: Act with the objective of protecting the interests of the insuring public 245 Indian and foreign insurers and provident societies taken over by the central government and nationalised. LIC formed by an Act of Parliament. viz. LIC Act. 1956. with a capital contribution of Rs 5 crore from the Government of India.

The general insurance industry in India, on the other hand, can be traced back to the Triton Insurance Company Ltd., the first general insurance company created by

the British in Calcutta in 1850. Some significant milestones in India's general insurance industry

Milestone's in the general insurance business in India:

1907: The Indian Mercantile Insurance Ltd. set up, the first company to transact all classes of general insurance business

1957: General Insurance Council, a wing of the Insurance Association of India, frames a code of conduct for ensuring fair conduct and sound business practices

1968: The Insurance Act amended to regulate investments and set minimum solvency margins and the Tariff Advisory Committee set up.

1972: With effect from January 1, 1973, the General Insurance Business (Nationalisation) Act 1972 nationalised the general insurance business in India 107 insurers merged and formed four companies: the National Insurance Company Ltd., the New India Assurance Company Ltd., the Oriental Insurance Company Ltd., and the United India Insurance Company Ltd.

INSURANCE INDUSTRY IN INDIA

There was only one life insurer, LIC, and five public sector non-life insurers until the IRDA Act was passed in 1999. There was also one specialized institution, the Export Credit Guarantee Corporation of India. However, there were sixteen life insurers and fifteen non-life insurers in existence by August 2007. This reflects the transformation that has occurred in the insurance industry in recent years. (The GIC is presently only involved in the reinsurance business as a national reinsurer, or "National Re").

However, considering India's existing levels of general insurance density and insurance penetration in contrast to worldwide levels, there was significant room for expansion. Insurance density is the ratio of total premium to total population, whereas insurance penetration is the ratio of total premium to Gross Domestic Product (GDP).

INSURANCE REGULATORY & DEVELOPMENT AUTHORITY OF INDIA

It is authoritarian and enlargement authority under Government of India for protecting the interest of the investors. It is an important step in history of insurance sector. In the last 10 years of its establishment the insurance sector has seen tremendous growth. It came into effect in the year 1999. This Act removed the exclusive privilege of GIC and its subsidiaries to carry on general insurance business in India. The supervisory role of GIC over the subsidiaries ended and they were made four independent companies. Mathotra committee on insurance sector reforms recommended throwing it open to private sector in 1994. Following this government of India enacted the IRDA Act, 1999. IRDA is an autonomous authority to control, regulate a develop the insurance sector of India. One of the objectives of setting up was to regulate the investment of funds by insurance companies. The IRDA has practices the pattern of investment to be followed by insurance companies, through the insurance of IRDA (Investments) Regulations, 2000 which were amended in May 2001. The main features of the bill are:

- (a) The monopoly of public sector in insurance sector has ended.
- (b) This act allows foreign investment upto 26 percent of total share capital of an Indian Insurance group.
- (c) The act has given statutory status to Insurance Regulatory and Development Authority set up in 1996.
- (d) The minimum solvency margin has been fixed in Rs. 50 crore.

LITREATURE REVIEW

Dash & Pany (2013) in their paper "Insurance industry in India: Prospects and challenges" discuss about the development of insurance industry in India. According to them life Insurance potential can be examined by Insurers in details from three angles i.e. in terms of insurable population, savings and consumption expenditure. E-Commerce and market conducts are two

important areas which will strengthen the relationship between companies, consumers and regulators. In most of the countries, Insurance industries have not been allowed to operate in a free and competitive environment and are saddled with avoidable restrictions. The market forces should be allowed to operate and determine as to which are the best products and optimum price in the interest of the consumers.

Singh & Gautam (2014) in their paper “Foreign Direct Investment and Indian Insurance Industry” investigate the Indian insurance industry and review current policy and regulations with a viewpoint of foreign investors so as to gain an understanding of the current position on FDI, as well as an overview of the Indian Policy and Regulatory Environment. Liberalization of insurance creates an environment for the generation of long term contractual funds for infrastructural investments

In reveals from Bedi & Singh (2011) paper “An empirical analysis of life insurance industry in India” that life insurance companies in India were faced various constrains during its journey. There are various favourable factors helps for its growth. This paper also analyse the overall performance of Life Insurance Industry of India between pre and post economic reform era. From Kannan (2000) paper “A Study on the Growth of Indian Insurance Sector” we can say that Insurance Act, 1938, the Life Insurance Corporation Act, 1956 and General Insurance Business (Nationalisation) Act, 1972, Insurance Regulatory and Development Authority (IRDA) Act, 1999 and other related Acts are the basic acts which govern the insurance sector. For large untapped market and popularity, insurance industries have good future. Today it stands as a business growing at the rate of 15-20 per cent annually. With combination with banking sector, it contributes seven percent. Considering the all things it can say that growth of insurance sector is not upto

expectation. In India yet 80 percent people do not have an insurance

Sinha and Tapen (2005), in their research article “The Indian Insurance Industry: Challenges and Prospects” have stated that India is among the most promising emerging insurance markets in the world. But out of total insurance premium market in India particularly life insurance currently makes up 80% of premiums. The research also highlighted that when India undertook to open the domestic insurance market to private-sector and foreign companies since then, 13 private life insurers and eight general insurers have joined the Indian market. But speaking about major hurdles this research spoke on the obsolete regulations on insurance prices which have to be replaced by risk-differentiated pricing structures. Further more it said that both the life and non-life insurance sectors would benefit from less invasive regulations. The author also suggested that Price liberalisation will be needed to improve underwriting efficiency and risk management and the Private insurers will have a key role to play in serving the large number of informal sector workers

Manjit Singh and Rohit Kumar (2008), in the paper, “Indian Insurance Industry Outlook in the Post Reform period”, highlight that insurance penetration and density has witnessed an increasing trend in the post- reform period, but has a long way to go to even come close to the developed nations. The study also indicates huge unexplored and untapped market in India and shows huge opportunities for insurance companies to capture the business from competitive market; the survival of companies will depend on their strategies and efforts to increase their penetration levels and tap the new business positions especially in rural India

Suggestions

- The LIC has to innovatively alter the operating models, business processes, channel management and human resource strategy to control the operating expenses

and the combined ratios to compete with private players.

- With the entry of private insurers in life insurance business, it is obvious that some proportion of new business will go in the hands of private life insurers. At this stage LIC is in urge to retain its customers.

- In order to increase the growth rate, the insurance companies has to introduce many new products to suit the customer needs like pension plan, special group policies, etc

- The insurance company has to concentrate on the rural areas in order to increase the business

- The insurance companies should conduct more extensive market research before introducing insurance products targeted at specific segments of the population so that insurance can become more meaningful and affordable

CONCLUSION

Insurance industry in India is undergoing a paradigm shift. It is noticeably affected by the external environment's dynamics, which include a new legal framework, a range of new products, new marketing, and new business models Channels of distribution, novel techniques to underwriting, and claims processing and expanding utilization of current technology. Insurance liberalization benefits in recent years. The occurrence of risks and their consequences have been greatly exacerbated by the large-scale operations of various commercial organizations as a result of the government's globalization, liberalization, and privatization programs. With the entry of private companies following insurance liberalization, the regulations of the insurance business have entirely changed. The Insurance Regulator, or IRDA, is responsible for the entire insurance regulation. The outcome of insurance liberalization over a period of ten years has been positive and is identified as the beginning of new era with many heights to reach. With the entrance of private sector enterprises promoted by Indian and foreign corporate groupings, insurance liberalization has increased competition in

the industry. Globalization has been beneficial to both the industry and the customers. In the next years, competition may make life easier and better for insurance clients. Customers can benefit from a comprehensive range of insurance products, professional advice, and customer-focused service.

REFERENCE

- 1.Dash, S. & Pany, T. (2013). Insurance industry in India: Prospects and challenges, Asian Journal of Multidimensional Research, 2 (4), pp. 46-52
- 2.Bedi, H. & Singh, P. (2011). An empirical analysis of life insurance industry in India, International Journal of Multidisciplinary Research, 1 (7), pp.62-68.
3. Sinha, T. (2005). "The Indian Insurance Industry: Challenges and Prospects " Available at SSRN: <http://ssrn.com/abstract=792166> or <http://dx.doi.org/10.2139/ssrn.792166>.
4. Manjit, Singh., and Rohit, Kumar. (2008). Indian Insurance Industry Outlook in the Post Reform Period, Management Researcher, Volume xv. No 1 July - September, pp34-45

Chapter 32

A STUDY ON OVERALL PROBLEMS AND SOLUTIONS OF E-INSURANCE IN INDIA

Dr. V. Nirmala Devi

Associate Professor & Head, PG & Research Department of Commerce, Sri Ramakrishna College of Arts & Science, Coimbatore, Tamil Nadu

S. Jeevikaa

PG Student, Department of Commerce, Sri Ramakrishna College of Arts & Science, Coimbatore, Tamil Nadu

ABSTRACT:

Insurance is a risk management tool. Although India is the second most populous country in the world, the growth of the insurance sector is under threat. The regulatory authority IRDA has introduced the concept of E-insurance where all insurance policies can be stored in a dematerialized form. It works just like a demat securities account. This paper has analyzed some of the challenges and issues of e-insurance. The key challenges include issues with internet platforms, IRDA guidelines for insurance aggregators, chances of fraud, awareness among people, economic fluctuations and lack of trust in technology for accepting e-insurance.

KEYWORDS: *E-insurance, Insurer, Insured, Insurance repository.*

INTRODUCTION:

Insurance means protection from financial loss in which, in exchange for a fee where a party agrees to compensate another party in the event of a certain loss, damage, or injury. Insurance Regulatory and Development of India (IRDAI) is a statutory body formed under an Act of Parliament, i.e. IRDAI Act 1999 for overall supervision and development of the insurance in India. It is tasked with regulating and licensing the insurance and reinsurance industries in India. An insurance policy is a contract between the 2 parties i.e. insured and insurer. The insured is the person whose life is being covered against the risk under the policy and the insurer is the insurance company that provides the insurance cover.

LITERATURE REVIEW:

- **G. Sapa (2013)** in his paper “**Opportunities for E-Insurance**”, he examines the opportunities available for entrepreneur in e-insurance. Mainly focused on various opportunities available to entrepreneur.
- **Supriya Lakhangaonkar (2014)** in her article “**Online Insurance In India: A Long Way To Go**” founded that those companies who will cater the need of different groups of customers by understanding their requirements.

OBJECTIVES:

- ✓ To study the current problems of using the e-insurance in India.
- ✓ To provide solutions to the problems.

RESEARCH METHODOLOGY:

This paper is based on secondary data collected from journals, publications, magazines, research papers and websites.

ARRIVAL OF TECHNOLOGY:

The world of insurance has undergone a significant transformation with the advent of technology, giving rise to what we now know as E-insurance or electronic insurance. E-insurance, also referred to as Insurtech. Some of the recent technologies that helps to enhance the usage of e-insurance are:

- **Online Platforms:** Technology has enabled insurance providers to establish user-friendly online platforms with the customers and allowing customers to browse, compare, and purchase policies from the comfort of their homes. This

has eliminated the need for physical visits to insurance offices.

- **Artificial Intelligence (AI):** Artificial intelligence (AI) can help insurers assess risk, detect fraud and reduce human error in the application process. These AI systems can answer queries, process claims, and even provide insurance quotes promptly.

ARRIVAL OF E-INSURANCE:

The insurance industry in India has achieved a remarkable transformation with the introduction of E-insurance or Electronic insurance. Over the past decade, technological advancements and changes in regulatory frameworks have paved the way for the digitalization of insurance services in the country. A policy holder needs to open an e Insurance Account (e IA) with one of the Insurance Repositories to be able

to buy and keep policies in electronic mode. An individual can have only one e IA with any one of the Insurance Repositories. Some of the benefits of e-insurance are

✚ **Convenience:** The most important advantage of E-insurance is the convenience it offers. Policyholders can access their insurance information 24/7 and complete their tasks at their own place.

✚ **Cost Efficiency:** The reduce in need for physical infrastructure and paperwork has lowered operational costs for insurance companies, which can lead to have more competitive premium rates.

PRESENT E-INSURANCE COMPANIES:

Some of the insurance companies in India which provide in online mode are:



CHALLENGES OF E-INSURANCE IN INDIA

While E-insurance brings numerous benefits, it also comes with challenges, including concerns about data security and privacy. Some of them are

- **Digital Literacy:** A portion of the population still lacks digital literacy and access to technology. Efforts must be made to ensure that E-insurance is available and not only to urban areas but also to rural areas.

- **Cybersecurity:** With the digitalization of sensitive financial information, the risk of cyberattacks and data breaches increases. With sensitive customer data stored electronically, e-insurance companies are vulnerable to cyberattacks and data breaches, which can result in significant financial losses and damage to their reputation.

- Customer Trust: Building and maintaining trust in the digital world can be challenging. Customers may not be easily convinced about providing personal information online. So e-insurers need to establish trust through secure platforms and transparent policies.
 - Competition: The e-insurance space is highly competitive. Traditional insurance companies are also entering this arena by bringing online facilities, making it crucial for new e-insurers to differentiate themselves through innovation and customer-centric approaches.
- Sapa., G. (2013) in his article, "Opportunities for E-Insurance". IBMRD'S Journal of Management & Research, 2(1), 276-287.
 - Supriya Lakhan Gaonkar S.M., (2014) in her article, "Online insurance in India: A long way to go", International Journal of Engineering Research and Applications (IJERA), ISSN: 2248-9622.
 - www.researchgate.net
 - www.wikipedia.com

SOLUTIONS:

To overcome this and other than this problems the companies has to undertake some of the solutions like...

- Develop transparent privacy policies and communicate them clearly to customers.
- Invest in secure, user-friendly online platforms.
- Offer multi-factor authentication to enhance security.
- Use mobile-friendly interfaces for digital platforms.
- Implement data governance practices to ensure data quality and security.
- Offer unique and customized insurance products.
- Collaborate with industry databases to avoid sharing of fraud information
- Use recent technologies to attract and invite new customers to avoid competition among new and existing companies.
- E-insurance companies should continuously evaluate their strategies and technologies to remain competitive and responsive to evolving market dynamics.

CONCLUSION:

Whenever we try to adopt the new things it is common to face the challenges. To face the conflicts, the companies has to adopt the changes. It is important for them to understand the factors which influence the preference of the online customers.

REFERENCES:

Chapter 33

TRANSFORMING TO DIGITAL HUMAN RESOURCE: GETTING STARTED, TOOLS AND EXAMPLES

J.Nagasudha

Assistant Professor of Information Technology, V.H.N.Senthikumara Nadar College
(Autonomous), Virudhunagar, Tamil Nadu

Abstract: *The world has undergone far reaching cultural, societal and economical changes based on the increasing dominance of digital technologies. In line with these changes, digital technologies play an increasingly prominent role in both the lives of employees and human resource management (HRM), which seems to be affected in multiple ways. This special issue focuses on the impact of these changes on HRM, in relation to changes to the workforce, to HRM in general and more specifically to the use of technology in delivering HRM activities. It is a well-known fact that digital India is the outcome of many technological advancements and government initiatives towards creating an empowered India in terms of better governance, transparency, fast value delivery process and developing competency in an emerging world. There is an ever-increasing pressure on Human Resource (HR) function to support strategic goals and to focus on value adding activities. Organizations have realized the growing importance of using Information Technology (IT) in leveraging their Human Resource (HR) functions. This paper investigated the concept of digital transformation in Human resources management and how new technologies are helping various HR functions and its employees. This paper also focuses on various HR tools used for successful business digital transformation and the benefits of using digital HR for their business.*

Keywords: AI, HR, IT

INTRODUCTION :

The current period is known as the “digital age,” and digital transformation has become a global consensus among enterprises. 5G, cloud computing, big data,

artificial intelligence, IoT, block chain, and other technologies have become the driving and enabling forces of work. Digital HR means the use of technology in managing human resources. It includes digital tools for recruitment, performance management and administration. The goal of Digital HR is to streamline HR processes and improve overall HR efficiency and effectiveness. By using it, companies can save time, improve accuracy, and enhance the employee experience. Digital HR is revolutionizing the HR landscape, bringing new levels of efficiency, precision, and impact to HR teams. With its innovative technology and streamlined processes, Digital HR empowers HR professionals to tackle their tasks with ease. This allows them to focus on what really matters: supporting employees and driving organizational success. By leveraging digital tools, organizations are able to monitor critical information in real time. This allows them to make informed decisions and remain competitive in attracting and retaining top talent.

HOW TO GET STARTED WITH DIGITAL HR?

To get started with Digital HR, follow these steps.

- **Assess HR needs:** To get started with Digital HR, it's important to assess which HR processes can benefit the most from automation. Tasks you could consider include recruitment, onboarding and performance evaluations. Make a list of such HR needs and prioritize them to determine which processes should be tackled first.
- **Choose the right technology:** There are many HR tech solutions available in the market. However, it's important to choose

the one that fits your company's specific needs. Researching and contrasting various options is one way to approach this. While doing so, make sure to consider the company size and the number of employees.

- **Implement and train:** Once you have chosen the right HR tech solution, it's time to implement it in your company. Work closely with your HR tech provider to ensure a smooth and seamless implementation. Additionally, it's important to train your HR team and employees on how to use the new technology. This will increase the likelihood of its adoption and success.
- **Monitor and evaluate:** Regularly monitor the usage of your HR tech solution and gather feedback from HR and employees. Use this information to make improvements and ensure that the solution is meeting your company's needs. Also, consider periodically reviewing your HR tech needs to ensure that you're always utilizing the best technology for your business.

DIGITAL HR EXAMPLES :

Here's a list of common uses of Digital HR by businesses.

1. Electronic onboarding

Electronic onboarding is a process where new employees can complete their onboarding paperwork and orientation online. This typically includes electronic signature, online forms, and e-learning modules. By digitizing this process, HR teams can save time and reduce the use of paper. Additionally, it allows new employees to complete their onboarding from the comfort of their own homes.

2. Online HR management software

Online HR management software is a cloud-based solution that HR teams can use to manage employee data and HR processes. It allows the HR teams to access employee data from anywhere, improving the efficiency of the HR process. This includes tracking employee information such as personal details, job descriptions, and performance evaluations.

The software also helps with the administration of employee benefits and payroll.

3. Electronic signature

Electronic signature refers to the use of digital signature technology in HR processes. This technology enables HR teams to obtain signatures on HR forms and documents electronically. Thus, eliminating the need for printing, mailing, and manual signature. By using an electronic signature, HR teams can also reduce the time it takes to process HR forms and increase security.

4. Video conferencing

Video conferencing is a tool that HR teams can use for virtual interviews and meetings. This technology allows HR teams to communicate with candidates and employees in real time. Thereby, doing away with the requirement for in-person meetings. Video conferencing can also be used for virtual training and development sessions. That way, HR teams can save resources, while providing a more flexible and convenient experience for employees.

5. HR apps

HR apps are smart phone and tablet apps that HR teams can use to manage processes. These apps provide them the ability to approve time off requests, track employee attendance, and manage performance evaluations. This can improve productivity and provide employees with a convenient way to access information.

STAGES TO DIGITAL HR TRANSFORMATION:

The HR digital transformation process can be tedious and daunting for many organizations. To successfully accomplish the same, the flag bearers of the organization must have a clear understanding of the transformation stages. Having that, they can effectively design the best possible plan for their organization.

Let's understand the six stages of HR digital transformation and what it entails.

1. Establish a clear goal that you want to achieve

Make sure you have a clearly defined business goal before embarking on a large transformational HR initiative. There is a good chance that this goal will be a solution to an employee issue. It is critical to focus on outcomes rather than outputs. The goal of transformation has to be connected to the company's goals. The success of your digital transformation project will be measured by the value you add to your business.

2. Determine who will be responsible for implementing the transformation

This means all stakeholders, from employees to executives and everyone in between. For a successful digital HR transformation which will affect the entire organization you need all the support.

3. Don't overcomplicate things

Always start simple and small. Look at the areas of your HR processes that could do with a digital makeover, talk about this with your employees and the executives. Ask them what they think should be a priority.

4. Plan and prioritize ideas

When you discuss, result is, a long list of ideas. Prioritize the ideas based on impact and effort. Start with the ideas that are high impact and low effort. They will help you build the business case for digital HR and get you going quickly.

5. Assess performance and evaluate results

Trying and implementing digital technologies is great, but doesn't make much business sense if we don't look at their results. Hence we need to critically assess what works and what doesn't. Digital technologies are helpful, but if we do not evaluate their results, it makes hardly any business sense. That is why we have to critically evaluate what works. When HR processes change, all participants are prepared for the change. It is wise to start small. It is much easier to apply feedback and lessons learned from a pilot project to a company-wide

implementation than to make errors in a large-scale rollout.

6. Digitalize the culture

Culture is important. An HR transformation cannot be achieved solely with digital technology let alone an entire organization. Even a complete digital transformation of the organization is difficult. It has to do just as much if not more with everyone's mindset. This is a direct result of your company culture. From the new people you hire, via your current workforce all the way up to the top executives a digital mindset is essential for a successful transformation.

DIGITAL HR TOOLS :

There are plenty of dependable Human Resources (HR) tech tools available for a successful business digital transformation. Cutting-edge HR technologies are an invaluable solution to accelerate business processes, minimize risk, and reduce manual effort.

1.Applicant Tracking Software (ATS)

First and foremost, Applicant Tracking, or ATS software, is an invaluable tool to accelerate your HR digital transformation. ATS software serves as a centralized hub for candidate screening, evaluation, and onboarding. Traditionally, these toolkits additionally encompass features for interviewing and recruitment analytics. This way, you can effectively pinpoint bottlenecks throughout your hiring procedures. Naturally, applicant tracking systems enable you to automate routine tasks, and streamline recruitment throughout your company.

2.Payroll Software

Next, Human Resources departments across the globe rely on payroll software to optimize their current processes. This innovative HR software solution empowers payroll processing, direct deposit, and compensation administration.

3.Online Team Timesheet Software

Of course, reliable time tracking software is an essential tool for HR digital transformation. With an online timesheet software for your team, you can automate

wage calculations, view real-time employee coverage, and monitor employee breaks.

4.Performance Management Software Tools

Moreover, HR performance management software is a reliable technology to help you better understand your employees' productivity and overall performance. Performance management software tools support goal setting, employee assessments, as well as continuous feedback and coaching.

5.Learning Management Software (LMS)

Furthermore, LMS, or learning management software is a reliable HR application to administer training, learning, and development programs to your team. These toolkits provide the ability to effectively track, automate, document, and report employee assessments. Using these tools, you can organize your learning content and enable unlimited access to eLearning materials.

BENEFITS OF DIGITAL HR :

Here are some advantages of integrating Digital HR into your work process.

1. Increased Efficiency

- **Automates repetitive tasks:** Digital HR solutions can automate routine HR tasks such as onboarding, benefits enrollment, and time tracking. This frees up HR staff to focus on other higher-priority activities.
- **Reduces manual errors:** By automating manual processes, Digital HR reduces the risk of errors in data entry, calculation, and record-keeping.
- **Improves data management:** Digital HR solutions provide a centralized database for storing employee information. This makes it easier for HR staff to access and manage employee data.

2. Better employee experience

- **Offers self-service portals:** Digital HR solutions provide employees with self-service portals. This allows them to access and manage their own HR information, reducing the workload on HR staff.

- **Improves communication and collaboration:** Digital HR solutions can improve communication between the HR department and employees. This can make it easier to share information, resolve issues, and get things done faster.

- **Provides real-time feedback and recognition:** Digital HR solutions can provide employees with real-time feedback and recognition. This may in turn, help to boost morale and improve job satisfaction.

3. Improved compliance

- **Helps with legal and regulatory compliance:** Digital HR solutions can help organizations stay compliant with legal and regulatory requirements. It achieves this by automating compliance processes and providing alerts for non-compliance.

- **Maintains accurate records:** Digital HR solutions provide a centralized database for storing employee information. This makes it easier to maintain accurate records and comply with privacy and data protection regulations.

- **Facilitates audits and reporting:** Digital HR solutions provide easy access to employee data and records. This makes it easier to conduct audits and generate reports. As a result, the organization is better able to adhere to legal and regulatory requirements.

4. Better insights and analytics

- **Provides data-driven decision-making:** Digital HR solutions provide HR staff with real-time insights into HR processes and employee data. This makes it possible for more accurate, data-driven decision-making.

- **Offers real-time insights into HR processes:** Digital HR solutions provide real-time visibility into HR processes and performance. This allows HR staff to identify areas for improvement.

- **Supports continuous improvement:** Digital HR solutions can help organizations continuously improve HR processes and outcomes. This is likely to lead to better results over time.

COMPANIES IMPLEMENTING DIGITAL HR :

Let's look at some examples of HR digital transformation implemented by well-known companies.

1. IBM

IBM framed and implemented a global HR digital transformation strategy, namely HR 3.0; its key objective is to digitize and automate the HR processes and offer self-service tools. This strategy focuses on leveraging tools like AI, analytics, automation, and cloud to enhance efficiency, improve decision making and optimize HR processes.

2. Accenture

Accenture developed and implemented an AI-based virtual assistant called AskHR. Its main objective is to answer queries concerning HR policies and procedures. It also provides insight on how to reduce the workload and enhance engagement.

3. Unilever

Unilever introduced an HR digital transformation program by adopting HR 4.0 framework to maintain employability and enhance growth. The key focus of this program is to create a unified HR platform, providing self-service options to employees, etc. It also allows leveraging data analytics to get insights into employee performance, engagement, and retention. This program aims to elevate employee experience by providing personalized HR services.

4. Siemens

Siemens introduced "Siemens People Connect", which is a cloud-based global HR platform that aims at digitally transforming and streamlining HR processes. The main objectives of this platform are to automate and reduce repetitive administrative tasks and increase efficiency. Apart from that, it offers self-service portals to employees for easy access to relevant documents. Providing all these advanced functionalities has majorly improved the user experience of Siemens employees.

CONCLUSION :

The main purpose of this paper was to find out the meaning of digital transformation in Human resource management and how HR functions are taking advantage of it. Artificial intelligence, Big Data, Cloud solution etc are some of the tools that companies are using in making their HR functions and employees, stronger, faster and smarter. The study can be concluded that Human resource management is all about human touch and that touch will gain more power with the aid of technology. As HR is at the forefront of the fourth digital revolution it's important to facilitate this advancement without impeding the human element. In India also technology has helped companies like Reliance Jio, Hero Motor Corp., Kaya limited, Jindal Steel and power limited and many more companies in managing their talent, services and requirements in a more streamlined way. In conclusion, Digital HR is transforming the way the Human Resources departments work and handle employee information. By using technology, HR can now efficiently manage tasks such as recruitment, benefits administration, and performance evaluations. This not only saves time and resources, but also helps create a more positive and organized work environment for employees. It's important for companies to embrace Digital HR and stay ahead of the curve in this rapidly evolving technological landscape.

REFERENCES :

- 1.Vardarlier, P. (2020), **Digital transformation of human resource management: Digital applications and strategic tools in HRM**, In Digital Business Strategies in Blockchain Ecosystems (pp. 239–264) Springer.
- 2.Strohmeier, S. (2020), **Digital human resource management: A conceptual clarification**. German Journal of Human Resource Management, 34(3), 345–365.
3. <https://www.italentpro.com/single-post/2016/07/28/Digitalization-of-Human-Resource-Management>

Chapter 34 STRATEGIC HR PLANNING AND MANAGEMENT

Janhavi V Rao

Assistant Professor, Patuck Gala College of Commerce & Management, Mumbai,
Maharashtra

ABSTRACT

Strategic Human Resources (HR) planning and management refer to the process of aligning HR practices and initiatives with the overall strategic goals and objectives of an organization. It involves proactively anticipating and addressing the human capital needs required to achieve business success. This strategic approach to HR goes beyond traditional personnel management and administrative tasks, focusing on how the workforce can contribute to the organization's competitive advantage and long-term sustainability. This chapter lays emphasis on the concept of Strategic Human Resource Planning and its importance. It also highlights on the steps that organizations need to follow for effective HR Planning and Management.

Keywords: Strategic HRP, HR Planning, Strategic HRP Process

INTRODUCTION TO STRATEGIC HUMAN RESOURCE PLANNING

As the saying goes, "well begun is half done," and the beginning of anything great begins with excellent planning, as planning is the first step in management. The key factor in managing everything well in any organization is to plan everything perfectly. Because human assets are the most valuable assets in the organization and are the foundation for success, planning them well becomes even more important, and this forward-thinking approach for human resources is known as Strategic Human Resource Planning.

When a company needs to improve their human and capital resources, they need to analyze various strategies that they can use in planning the HR process. The company needs to improve their operational goals. They need to see to it how appropriate job allocations can be done at proper destinations. Here the strategic planning comes into action.



Figure 1.1 – Strategic Human Resource Management

To make the plan remain flexible, it is necessary to locate where the organization currently stands and in which direction it needs to move ahead to achieve its goal. Each company's goals differ slightly based upon the current and future needs, however, there is some basic evaluation that can be done to test whether one is on the right track.

Planning of human resource strategically starts with an assessment of the present staff, determining whether it helps in fulfilling the objectives of the organization. Post that, you can forecast the exact need of the staff and employees in line with the goals of the organization. After that one needs to even determine the strategy of the company in terms of planning and implementing the employment status. The organization even needs to see to it that they need to maintain the organization setup by retaining the old employees while hiring and promoting the employees. Training and development is needed in all the sectors.

OBJECTIVE

1. To understand the concept of Strategic HRP
2. To evaluate the HRP Process
3. To illustrate the basic elements of HR

DATA COLLECTION

The researcher has used only secondary data from reputed sources like books and websites.

WHAT IS STRATEGIC HUMAN RESOURCE PLANNING?

For any type of Planning with respect to Human Resources, strategic planning is utmost required. In all types of organizations, a strategic plan is levied that guides the organization in meeting its mission successfully. Financial plans are completed on a regular basis by organizations to ensure that organizational goals are met, and workforce plans are less common. Strategic human resource management is defined as "the integration of human resource management strategies and systems to achieve the firm's overall mission, strategies, and success while meeting the needs of employees and other stakeholders."

Strategic human resource planning is a process that helps a company in identifying the needs in order to achieve its goals. It establishes a link between human resource management and the overarching strategic plan of an organization.

Strategic Human Management is a total combination of the strategy and human resource management.



Figure 1.2 - Strategic Human Resource Management

IMPORTANCE OF STRATEGIC HUMAN RESOURCE PLANNING

Defines the current scenario and indicates the loopholes in the HR planning strategy, begin with where you are now.

Here are a few self-assessment questions to ask during Strategic Human Resource Planning to get a clear picture of the current situation.

What is currently going well?

Where do people struggle the most?

Which processes are running smoothly, and which are a constant source of frustration?

Where does the majority of the team's energy and time go?

How many manual tasks are there?

Assists in future prediction

Success does not happen by chance. To keep moving forward and finish the race, you must consider the long term and devise a solid strategy. Here are a few questions to think about when forecasting the future to ensure a brighter tomorrow:

How do your current assets and liabilities relate to your objectives?

Is it possible to accept newcomers?

How do you keep your current and new employees?

Will a training strategy assist your team in developing new skills?

Assists according to market trends

It is possible to become lost in the market's ever-increasing complexities. Market trends and external factors must be monitored as part of a strategic HR plan. The following questions will aid in determining market conditions:

What is the state of the labor market?

What are the most likely demands of employees?

Which technological changes will have an impact on the industry?

How will the economy change in the future? What effect will it have?

What government regulations must you be aware of?

Evaluate the workflows and delays

The strategic human resource plan calls for an internal scan of technology and other inventory.

It is necessary to put your strategic plan into action. These questions will assist you in evaluating current HR technology:

Is the current HR process capable of achieving strategic objectives?

What are the most common bottlenecks in the current HR workflow?

Is the current HR process riddled with flaws?

Utilizing the power of automation in human resources planning

Strategic human resource planning enables organizations to easily absorb changes. However, before implementing strategic planning, the existing chaos in HR processes must be eliminated.

Strategic human resource management has certain characteristics. Such as recognition of the outside environment, it impacts the competition in the market, it also focuses on the long range and for the longer period. Strategic human resource management brings choices and also it focuses on the decision making process. Strategic human resource management takes all the human personnel into consideration. This also helps the organization for integration with the corporate strategy.



Figure 1.3 – Characteristics of Strategic Human Resource Management

STRATEGIC HUMAN RESOURCE PLANNING PROCESS

Evaluation of current HR capacity

The primary step in the strategic HR planning process, based on the organization's strategic plan, is to assess the organization's current HR capacity. Your current staff's knowledge and skills must be identified. This can be accomplished by creating a skills inventory for each employee. Employee performance evaluation forms are frequently reviewed to determine whether the employee is prepared and willing to take on more responsibility, as well as to look at the employee's current development plans.

Forecasting human resources requirements

The next step is to forecast HR needs for the long term in order to support the organization's strategic goals. Human resource forecasting requires estimating both to and from. Questions to be answered include: How many employees will be needed to achieve the organization's strategic goals?

What skill sets will be required?

Analysis of gaps

The next step is to determine the difference between where the organization wants to be and where it is now. The gap analysis includes determining the number of employees and, as a result, the skills required in the future in comparison to the current situation. To be answered, gap analysis must include the following questions:

What new skills will be necessary?

Do our current employees have the necessary skills?

Are employees currently employed in positions that allow them to capitalize on their strengths?

Do we have a sufficient number of managers/supervisors?

Creating human resource strategies to support organizational strategies

There are primarily three HR strategies for meeting future organizational needs:

Strategies for Training and Development: This strategy consists of the following components:

Providing staff with the necessary training for new roles

Providing current employees with opportunities for growth in order to prepare them for future positions in your organization

Recruitment Techniques: This strategy consists of the following components:

Recruiting new employees with the skills that your company will require in the future

Taking into account all available options for strategically promoting job openings and inspiring qualified candidates to apply.

Outsourcing Strategies: This strategy entails engaging external individuals or organizations to undertake and attempt to complete certain tasks. Many organizations look outside their staff pool for skills and hire contractors. This is extremely useful for completing specific, specialized tasks. Each outsourcing decision has ramifications for the organization's goals and will thus be carefully considered.

FIVE STEPS TO CREATING AN EFFECTIVE STRATEGIC HR PLAN AND GAINING A COMPETITIVE ADVANTAGE FOR YOUR COMPANY.

Assess your current workforce. ...

Create employee development plans. ...

Create a succession plan. ...

Perform a gap analysis. ...

Decide how to increase resources for the future.

THE SEVEN HR BASICS

Several elements are considered cornerstones for effective HRM policies when discussing Human Resource Management. These pillars are as follows:

Selection and recruitment

Recruitment and selection are arguably the most visible aspects of human resources. We all remember our first job interview, don't we?

A key HR responsibility is to recruit candidates and select the best ones to come and work for the company. People are the organization's lifeblood, and finding the best fit is a critical task.

When a new job is created or an existing job becomes available, the request for new hires usually begins. The job description is

then sent to HR by the direct manager, and HR begins recruiting candidates. In this process, HR can use different selection instruments to find the best person to do the work. These include interviews, different assessments, reference checks, and other recruitment methods. HR can use various selection tools during this process to find the best person for the job. These include interviews, various assessments, reference checks, and other methods of recruitment.

When there are a large number of candidates, HR may use pre-selection tools. When it comes to suitable candidates, these tools help to separate the wheat from the chaff. The successful candidates advance to the next round, where they are interviewed and given a more in-depth evaluation.

Performance management

Performance management becomes critical once employees are on board. The second HR fundamental is performance management. It entails assisting employees in becoming their best selves at work, thereby increasing the company's bottom line.

Employees typically have a set of responsibilities that they must fulfill. Performance management is a structure that allows employees to receive feedback on their performance in order to improve.

Formal one-on-one performance reviews, 360-degree feedback instruments that include peer, client, and other relationships, and more informal feedback are all examples.

Companies typically use an annual performance management cycle that includes planning, monitoring, reviewing, and rewarding employee performance. This process results in the classification of employees as high vs. low performers and high vs. low potentials.

Successful performance management is a joint effort between HR and management, with the direct manager typically taking the lead and HR providing support. Performance management is critical. Employees who are empowered to their full potential improve a company's efficiency,

sustainability, and profit margin. Employees who consistently underperform may be unsuitable for their position or the company culture. These workers may have to be let go.

Learning & development

People are the result of their life experiences, the country and era in which they grow up, and a variety of cultural influences. Learning and development in human resources ensures that employees adapt to changes in processes, technology, and societal or legal shifts.

Employees can re-skill and upskill with the help of learning and development. HR is in charge of Learning & Development (L&D), and good policies can help the organization achieve its long-term goals. Bringing learning into day-to-day work and assisting employees in developing soft and hard skills that are aligned with organizational goals is one of the HR trends for 2023.

Many organizations have budgets set aside for L&D efforts. This budget is then divided among employees, with trainees, future leaders, and other high potentials typically receiving more training opportunities than others. Individuals may enter a company with vastly different levels of knowledge and experience. Employees can bridge skill gaps and develop into leaders with the help of L&D. The 9-Box grid is a well-known framework that connects performance management and L&D activities. The HR department, in collaboration with managers, can recommend various development plans based on people's performance and potential ratings.

Succession planning

Succession planning is the process of preparing for the possibility of key employees leaving the company. If, for example, a critical senior manager leaves his or her position, having a replacement ready will ensure continuity and can save the company a significant amount of money.

Performance ratings and L&D efforts are frequently used in succession planning. As a result, a talent pipeline is formed. This is a pool of qualified candidates who are ready to fill (senior) positions if someone leaves. Building and nurturing this pipeline is critical to effective people management.

Compensation and benefits

Compensatory advantages are another HR fundamental. Fair pay is essential for motivating and retaining employees. Ensure equality in pay is one of the fundamentals of management of human resource.

Creating the perfect pay offer is an important part of attracting the best talent. This must be balanced with the profitability of the company in terms of its balance sheets. HR should keep track of pay increases and establish meritocracies. On occasion, HR may conduct a pay audit.

Compensation is divided into two parts: primary compensation and secondary compensation. Primary compensation is money paid directly for work, which is usually a monthly salary and sometimes performance-based pay.

Secondary benefits are all non-monetary rewards. This can include extra holidays, flexible working times, day-care, pensions, a company car and laptop, and much more. The significant goal is to give exact motivation to the people in terms of their efforts.

Human Resource Information System

The last two HR fundamentals are not HR practices, but rather tools for doing HR better. The Human Resource Information System, or HRIS, is the first. All of the preceding pillars are supported by an HRIS. HR professionals, for example, frequently use an Applicant Tracking System, or ATS, to keep track of applicants and hires during recruitment and selection.

A performance management system is used to track individual goals and assign performance ratings for performance management.

A Learning Management System (LMS) is used in L&D to distribute content internally, while other HR systems are used to track budgets and training approvals.

Compensation professionals frequently use a payroll system, and there are also digital tools that allow for effective succession planning.

All of these functions are frequently performed in a single system - the HRIS. However, the management of these functionalities is sometimes split up into different HR systems.

The bottom line is that there is a significant digital component to working in HR, which is why we must mention HRIS when discussing HR fundamentals.

HR analytics and data

The final of the HR fundamentals is data and analytics. HR has made significant strides in the last half-decade toward becoming more data-driven.

Human Resource Information Systems, as previously discussed, are essentially data-entry systems. These systems' data can be used to make better, more informed decisions.

HR metrics or HR KPIs are an easy way to keep track of critical data. These are specific measurements that indicate how a company is performing on a given metric. This is known as HR reporting.

This reporting focuses on the organization's current and historical state. HR analytics can also be used to make predictions. Examples include workforce requirements, employee turnover intentions, and the effect of (recruitment) candidate experience on customer satisfaction, among many others. HR can make more data-driven decisions by actively measuring and analyzing this data. These decisions are often more objective, making it easier to gain management support for them.

CONCLUSION

In a nutshell none of these HR fundamentals stand alone. They all interact and influence one another. Consider these seven fundamentals to be building blocks; strong management of each fundamental

element contributes to the strength of the next. Collectively, these HR fundamentals enable a workforce to not only perform better, but also to perform exceptionally well. Thus, Strategic HR planning and management, when executed effectively, play a crucial role in creating a competitive advantage through the optimization of human capital, fostering innovation, and enhancing overall organizational performance.

REFERNCES

1. Cappelli, P. and Keller, J. R. (2013) 'Classifying work in the new economy', *Academy of Management Review*, vol. 38, no. 4, pp. 575–96.
2. <https://www.aihr.com/blog/human-resource-basics/>
3. <https://www.insperity.com/blog/5-critical-steps-to-future-proofing-your-human-resources-strategy/>
4. Ryde, R. (2013) 'Never mind the bosses and the need for S.P.E.E.D' YouTube, 22 October.

Chapter 35

A STUDY OF EMOTIONAL INTELLIGENCE OF LEADERS IN HIGHER EDUCATION INSTITUTIONS

Dr. Meeta Seta

Principal in-charge, Patuck-Gala College of Commerce & Management,
Santacruz (E), Mumbai, Maharashtra

Introduction

Emotional intelligence gives us awareness of our own and other persons' feelings and emotions. Emotional intelligence helps to control hatred, anger, vindictive actions, excessive ego, emotional outbursts, etc. EI describes the social and interpersonal aspects of intelligence. In 1995, psychologist Daniel Goleman popularized the term Emotional Intelligence. *EI refers to an assortment of non-cognitive skills, capabilities, and competencies that influence a person's ability to succeed in coping with environmental demands and pressures.*

The five dimensions of emotional intelligence are explained as follows:

1) *Self-awareness:*

This refers to the understanding one's emotions, values and goals, and recognise their impact on decision making. People having self-awareness have a realistic assessment of one's own abilities and are self-confident. They are aware of their strengths and weaknesses.

2) *Self-regulation:*

It involves controlling one's emotions and impulses in adapting to changing circumstances. It is the ability of a person to regulate emotions and behaviour so that one acts appropriately in various situations.

3) *Self-motivation:*

It involves directing one's emotion towards personal goals and delaying gratification. In other words, it is the interest and preference of an individual to strive towards desired goals.

4) *Empathy:*

Empathy is the ability to understand and to be sensitive to the feelings, thoughts, and situations of others. In other words, it is an ability to understand other person's

perspective and developing rapport with others.

5) *Relationship management:*

It is the ability to inspire, influence undeveloped relationship with others while managing conflict. It is about handling emotions well in relationships and reading the social situations correctly.

Leadership may be understood as influencing how other people think so they make decisions that improve results in a sustainable way. Leaders do not dominate a group but lead by their actions. Leadership needs to change with the situation; thus, different people can lead at different times. The best leaders take on many different roles to support the needs of the group. True leaders focus on helping their group achieve its goals rather than and they are own personal recognition.

Effective leaders rely on the expression of feelings to help convey their messages. The expression of emotions and speeches are often the critical element that results in individuals accepting or rejecting a leader's message. Leaders know that emotional content is critical if subordinates are to buy into the vision of the company and accept change.

Review of Literature

Pushpanadham Karanam (2002) has pointed out that educational leadership is more of a critical concept that includes a transactional process and its impact on students and society at large. Therefore, educational leadership evokes a quality of living and attractiveness that moves individuals and institutions beyond the limits and work habits.

Childress John (2009) has stated in his article that people watch the behaviour of their leaders for clues as to what is accepted and what is not. When the leadership team

says one thing and then behaves differently employees quickly figure out the real story. One of the major obligations of leadership is integrity between words and deeds!

El-Kot Ghada A, et al (2010) has studied the relationship between four leadership behaviours: (1) leader support (2) goal setting (3) interaction (4) facilitation with five commonly examined work outcomes: (1) organizational identification (2) job involvement (3) organizational loyalty (4) internal work motivation (5) satisfaction with work. The analysis revealed that these leadership behaviours were positively and significantly correlated. The study suggests that leadership training and development initiatives represent an important avenue for improving individual and organizational well-being and success.

Sharma Tanu, et al (2014) in their study have explored the relationship of emotional intelligence with age, gender, leadership and conflict management styles. The relationship of leadership and conflict management is also explored. The results reflect that emotional intelligence has positive relationship with collaborative styles of conflict management.

Al-Zubi Hasan Ali (2015) in his study aims to investigate the impact of Emotional Intelligence on the leadership competencies development of employees within Jordanian industrial companies listed at the Amman Stock Exchange. The findings of this study indicate that there is a significant positive impact of emotional intelligence (self-awareness, self-regulation, motivation, empathy, and social skill) on leadership competencies development; the study also shows that the most influential dimension of emotional intelligence is motivation.

Yadav Santosh Kumar, et al (2018) have examined educational leadership on several different levels. There are leaders like Principals, department heads, teachers, and also “leaders of leaders” including philosophers, theoreticians, academicians, and government officials. In addition, leadership may be exercised by collectives,

as well as by individuals, for example, by a department within a university or by professional societies. Some of the necessary qualities for education leadership, according to the American Association of School Administrators are: (1) educational leaders have the ability to stimulate and encourage growth among members of the teaching staff. (2) Educational leaders know good educational theory. (3) They believe in and practice democracy in educational democracy. (4) They have a large faith in education, and they always place first on the welfare of the pupils.

Birt Jamie (2023) explains that emotionally intelligent leaders boost team morale, develop strong inter-personal relationships at workplace and helps to face the challenges confidently. These leaders help to communicate effectively with the team and collaborate with others. Leaders who are aware of their own emotions help influence attitudes in the workplace and are invaluable to a business.

Significance of the Study

The need was felt to study the dimensions of emotional intelligence among the leaders in HEIs so as to increase their self-awareness which would help them to identify their strengths and weakness. The Study would also enable the leaders to regulate their emotions and refrain them from being impulsive in their actions. The research paper focuses on self-motivating factors of the leaders which would bring organizational commitment. The aspects of empathy facilitate improving inter-personal relationships; and the dimension of relationship management enables the leader to augment the social skills of the leader.

Objective of the Study

The objective of the study is to identify whether there exists correlation between the different dimensions of emotional intelligence.

Hypothesis of the Study

There exists a significant relationship between demographic variables of leaders and their emotional intelligence.

Research Methodology

(a) Research Design

The research design used for the study is descriptive since the research paper focuses on understanding the emotional intelligence traits of the leaders. The Study has also used experience survey research design by conducting interviews of the leaders in HEIs.

(b) Sample Design

A non-probability method of convenience sampling technique for sampling design is used. The samples are selected randomly from different colleges, which offer undergraduate and post-graduate programs.

(c) Data Collection

The data collection is from primary sources: (i) Questionnaire method – google form; 105 leaders (ii) Interview method – google meet; 9 leaders. The leaders are Principals, Vice Principals and Heads of the Department

(d) Data Analysis and Interpretation

The data collected was coded, classified and tabulated by the researcher and then the data was analyzed. The data was analyzed by statistical tools like t-test, correlation and ANOVA. After the data was analyzed, the researcher interpreted the data.

Limitations

The number of respondents for the Study has been restricted due to the problems of financial and geographical feasibility, time constraints and availability of resources.

Findings and Conclusions

- 1) In case of age of respondents, the P value is less than the significant value of 5 percent indicating significant relationship between age and emotional intelligence of leaders. Therefore, it can be stated that the null hypothesis (H_0 : There is no significant relationship between the age of the leaders and emotional intelligence of leaders.) is rejected, and the alternate hypothesis (H_a : There is a significant relationship between the age of the leaders and emotional intelligence of leaders.) is accepted.
- 2) In case of number of years in leadership position, the P value is less than the significant value of 5 percent indicating

significant relationship between number of years in leadership position and emotional intelligence of leaders. Therefore, it can be concluded that the null hypothesis (H_0 : There is no significant relationship between the number of years in leadership position and emotional intelligence.) is rejected, and the alternate hypothesis (H_a : There is a significant relationship between the number of years in leadership position and emotional intelligence.) is accepted.

- 3) All the other demographic variables like type of college, gender, type of family, and the number of subordinates supervised have no significant relationship with the emotional intelligence of the leaders.

Suggestions

Suggestions to the Leaders:

- The leaders should have a personality that includes traits such as self-confidence, initiative, optimism flexibility and resilience.
- The leaders may take up self-awareness assessment to identify their strengths and weaknesses that enable them to widen their zone of open self and would be in a better position to expect things from themselves. This gives a clear idea about the areas that they need to work themselves and which tasks may be delegated.
- An accurate assessment of self-awareness helps to know about one's reactions, responses and behaviour towards others. It essentially enables to identify the trigger points for the reactions, responses and behaviour towards others. Becoming aware of such aspects brings control to one's behaviour towards others and thus, contributing to self-regulation.
- The leaders may resort to individual stress management techniques like meditation, yoga and seek social support.
- The leaders should respect others viewpoint and engage in active listening with their subordinates.
- The leaders should have empathy towards their subordinates.
- The words and actions of the leaders should be aligned so that the subordinates get the right message about their behaviour.

- The leaders should not be biased and indulge in favouritism in their decision-making.
- The leaders should take efforts to develop team spirit among their staff members.

Suggestions to the HEIs:

- EQ is especially required among leaders of a group. The group leader may be HoD, Vice Principal or Principal. These leaders may be provided with Management Development Programme (MDP) on emotional intelligence covering all its dimensions.
- The colleges may take up stress management and time management workshops especially for the leaders that may help them manage their stress, frustration and anxiety.
- The college should identify and promote the right candidates to leadership position. The leader should have EQ to be an effective leader.
- The colleges should frame open communication policy. It should allow upward communication through suggestions and feedback. The leaders should lend support through active listening to their subordinates.
- The college should develop a warm and co-operative culture among the staff members. The staff members should be helpful to each other, and an empathetic work environment should be developed.
- The college should define a clear vision and mission for giving exact purpose to their leaders, and they can further take it down to their subordinates.
- Conflicts are unavoidable. The college should have a mechanism to resolve inter-group conflicts objectively. This develops and maintains harmony among the group members. Thus, their relationships are cordial and friendly.

References:

Childress John, "Leadership Behaviour and Organizational Performance", *Effective Executive*, Hyderabad, The ICFAI University Press, Volume XII, No. 05, May, 2009.

El-Kot Ghada A, et al, "Relationship Between Leadership Behaviours and Work Outcomes among Employees", *Effective Executive*, Hyderabad, IUP Publications, Volume XIII, No. 10, October, 2010.

Goleman Daniel, *Emotional Intelligence: Why It Can Matter More than IQ*, New York, Bantam Books, January, 1995.

Kothari C R, *Research Methodology: Methods and Techniques*, New Delhi, New Age International Publishers, 2004.

Pushpanadham Karanam, "The Crisis in Educational Leadership: A Critical Analysis", *Value Based Leadership in Education: Perspectives and Approaches*, New Delhi, Anmol Publications Pvt. Ltd., 2002.

Sharma Tanu, et al, *Emotional Intelligence, Leadership and Conflict Management*, Deutschland, Lambert Academic Publishing, 2014.

Yadav Santosh Kumar, *Concepts of Education Management*, New Delhi, Ane Books Pvt. Ltd., 2018.

<https://www.bbc.com/worklife/article/20221005-eq-why-leaders-are-looking-for-emotional-intelligence>

https://www.hr.com/en/magazines/leadership_excellence_essentials/march_2020_leadership/

<https://www.indeed.com/career-advice/career-development/emotional-intelligence-in-leadership>

Chapter 36

INNOVATE TO ELEVATE: THE FUTURE LANDSCAPE OF MARKETING AND DIGITAL HRM

P.M.Shiyana

Assistant Professor in Commerce, P.K.R. Arts College for Women, Gobichettipalayam,
Tamil Nadu

Dr.V.Kavitha

Head & Associate Professor in Management, P.K.R.Arts College for Women,
Gobichettipalayam, Tamil Nadu

Abstract:

In the fast-paced world of contemporary business, this chapter explores the dynamic interplay between marketing and digital human resource management (HRM), spotlighting the transformative impact of innovation on these pivotal organizational functions. The core theme revolves around leveraging cutting-edge technologies, data analytics, and strategic acumen to optimize overall performance. Through a meticulous examination of recent trends, this chapter illuminates the interconnectedness of marketing and HRM, unveiling a landscape where their synergy yields unparalleled advantages.

The methodology employed in this exploration encompasses a multifaceted approach, incorporating an extensive review of relevant literature, insightful case studies profiling successful implementations, and a forward-looking analysis of emerging trends. By triangulating these diverse sources, the chapter paints a comprehensive picture of the current state and future trajectory of innovation in marketing and digital HRM.

Findings from this investigation underscore the pivotal role of data-driven decision-making in shaping effective strategies. The fusion of employee and customer experiences emerges as a central theme, illuminating the growing recognition that these two facets are intrinsically linked in the success of any organization. Moreover, the research highlights the imperative for adopting a holistic organizational strategy that seamlessly integrates marketing and HRM innovations.

As organizations navigate the crossroads of marketing and digital HRM, they are confronted with the transformative potential of technology, necessitating an evolution in traditional practices. From the seamless integration of digital platforms in recruitment to the strategic application of data analytics in marketing, the innovative landscape is rife with opportunities for those poised to capitalize on them.

In conclusion, this chapter provides a nuanced understanding of the symbiotic relationship between marketing and digital HRM, emphasizing the need for a holistic, data-driven, and employee-centric approach. By distilling key insights and showcasing practical implications, it serves as a valuable guide for businesses seeking not just to adapt but to thrive in an era where innovation is not merely a competitive advantage but an indispensable strategic imperative.

Keywords: Marketing, Digital, Human Resource Management, Innovation, Business, Employee.

1. Introduction:

In the ever-evolving landscape of contemporary business, the significance of innovation stands as a beacon guiding organizations toward sustained growth and relevance. The rapid pace of technological advancements, coupled with shifting consumer expectations, has rendered innovation not merely a choice but a necessity for survival and success. This introduction sets the stage for a comprehensive exploration of how innovation unfolds at the intersection of

marketing and digital human resource management (HRM).

The evolution of marketing and HRM in the digital era is a transformative narrative that defines the modern organizational paradigm. In the realm of marketing, the traditional approaches of reaching and engaging consumers have been revolutionized by the advent of digital technologies. From social media platforms to data analytics, businesses now navigate a complex ecosystem where personalized communication and targeted strategies are paramount. Simultaneously, human resource management has undergone a profound shift with the integration of digital platforms in recruitment, employee engagement, and performance evaluation. This digital metamorphosis not only streamlines HR processes but also enhances the overall employee experience.

Amidst this digital metamorphosis, however, lie both challenges and opportunities. The challenges are multifaceted, ranging from the need for substantial investments in technology to the imperative of upskilling the workforce. Organizations grapple with the complexities of data privacy, ethical considerations, and the ever-present risk of technological obsolescence. Yet, intertwined with these challenges are unprecedented opportunities. The integration of innovative technologies opens new avenues for market reach, customer engagement, and talent acquisition. The ability to harness data for informed decision-making empowers organizations to not only adapt to change but to proactively shape their futures.

In the chapters that follow, we will delve into the intricacies of innovation in marketing and digital HRM, exploring how these two realms converge to define the contemporary business landscape. By unraveling the challenges and seizing the opportunities, organizations can navigate this transformative journey with resilience and foresight.

2. THE INTERSECTION OF MARKETING AND DIGITAL HRM:

As organizations navigate the digital terrain, the intersection of marketing and digital human resource management (HRM) emerges as a pivotal crossroads where innovation shapes the very fabric of the modern enterprise.

2.1 Explore The Connection:

The connection between marketing and HRM goes beyond their functional silos, forming an intricate web of influence within an organization. Marketing, traditionally focused on external communication and brand representation, is now intricately linked with HRM, which is responsible for nurturing and managing the internal workforce. The symbiosis between these two domains becomes apparent as a company's external image is closely tied to the satisfaction, engagement, and capabilities of its internal talent pool. This connection underscores the imperative for seamless collaboration between marketing and HRM to foster a consistent and compelling organizational narrative.

2.2 Innovations' Impact:

Innovations in marketing and HRM are mutually reinforcing, creating a dynamic loop of influence. For instance, a company's marketing strategies, amplified by digital tools and analytics, directly impact its employer brand, influencing the quality and quantity of job applicants. Conversely, innovations in HRM technologies, such as applicant tracking systems and employee engagement platforms, provide valuable data that can inform and enhance marketing strategies. The implementation of AI in HRM, for instance, not only streamlines recruitment processes but also refines marketing messages by identifying and targeting specific audience segments.

As organizations embrace digital transformation, the impact of innovations in one area cascades into the other, creating a ripple effect that shapes the overall organizational ecosystem. Employee experiences become intertwined

with customer experiences, and a positive internal culture becomes a potent marketing tool, resonating with authenticity in the external market.

2.3 The Need for a Holistic Approach:

The dynamic interplay between marketing and HRM necessitates a holistic approach to organizational strategy. Siloed strategies are inadequate in a landscape where the lines between internal and external stakeholders blur. A holistic approach involves aligning marketing and HRM goals, ensuring that the employer brand and corporate brand are not disparate entities but cohesive elements of a unified narrative.

This integration demands collaborative efforts, breaking down traditional departmental barriers. A cohesive strategy considers the employee lifecycle from recruitment to retention, recognizing that each touch point influences the broader organizational brand. By adopting a holistic approach, organizations can position themselves competitively, leveraging innovation in marketing and HRM to create a resonant, authentic identity that transcends traditional business boundaries. In the chapters ahead, we delve deeper into the innovative strategies that redefine this intersection, providing insights for organizations aspiring to harness the synergies between marketing and digital HRM in their pursuit of organizational excellence.

3. INNOVATIONS IN MARKETING:

In the ever-evolving landscape of marketing, the relentless march of innovation continues to redefine strategies, reshape consumer interactions, and propel businesses toward unprecedented heights.

3.1 Analyze Recent Trends in Marketing Innovation:

Recent trends in marketing innovation reflect a paradigm shift from traditional to digital-centric strategies. Content marketing, influencer collaborations, and immersive experiences are at the forefront. The rise of user-generated content and the emphasis on authentic storytelling are

reshaping brand narratives. Social commerce, facilitated by platforms like Instagram and TikTok, is revolutionizing the way products are discovered and purchased. Additionally, the surge in live video content and interactive marketing is fostering deeper engagement and connection with audiences.

3.2 The Impact of Digital Technologies, AI, and Data Analytics:

The impact of digital technologies, artificial intelligence (AI), and data analytics on marketing strategies is monumental. Digital technologies provide the platforms for targeted and personalized campaigns. AI, through machine learning algorithms, enables predictive analytics, allowing marketers to anticipate consumer behavior and tailor messages accordingly. Data analytics not only refines audience segmentation but also provides actionable insights for optimizing campaigns in real-time. Chatbots powered by AI enhance customer interactions, providing instant responses and personalized experiences. Programmatic advertising, driven by algorithms, ensures efficient ad placements and budget utilization.

3.3 Case Studies of Successful Implementations:

Numerous companies have harnessed the power of innovation to achieve remarkable success in their marketing endeavors. Airbnb's "Experiences" platform exemplifies the fusion of technology and storytelling, enabling hosts to offer unique experiences to travelers. Nike's use of augmented reality (AR) in its app allows customers to virtually try on sneakers before purchasing, enhancing the online shopping experience. Coca-Cola's "Share a Coke" campaign, where personalized names were printed on bottles, leveraged the power of customization and social sharing. The data-driven approach of Amazon, tailoring recommendations based on user behavior, is a testament to the efficacy of leveraging big data in marketing.

These case studies illustrate the versatility of innovative marketing approaches,

emphasizing the strategic integration of digital technologies, AI, and data analytics. By staying attuned to market trends and consumer behavior, these companies have not only adapted to the digital era but have thrived by pioneering new and engaging ways to connect with their audience.

4. DIGITAL HRM INNOVATIONS:

In the digital age, Human Resource Management (HRM) is undergoing a profound transformation, driven by technological innovations that redefine traditional practices and unlock unprecedented potential for organizational success.

4.1 Explore the Role of Technology in Transforming HRM Practices:

Technology has become the cornerstone in reshaping HRM practices, streamlining operations, and enhancing overall efficiency. Cloud-based HR solutions facilitate seamless data management, allowing for secure access to information from anywhere, anytime. Additionally, advanced analytics tools enable HR professionals to derive valuable insights from large datasets, informing strategic decision-making. The integration of artificial intelligence (AI) automates routine tasks, freeing up HR professionals to focus on strategic initiatives and more personalized employee interactions.

4.2 The Adoption of Digital Platforms for Recruitment, Employee Engagement, and Performance Management:

The adoption of digital platforms is revolutionizing key HRM functions, starting with recruitment. Applicant Tracking Systems (ATS) use algorithms to analyze resumes, identify qualified candidates, and streamline the hiring process. Social media platforms are increasingly leveraged for recruitment marketing, enabling organizations to reach a broader talent pool. Employee engagement is another area profoundly impacted, with digital platforms fostering communication, collaboration, and recognition. Performance management tools, utilizing real-time feedback and data

analytics, enhance the continuous improvement of employees.

4.3 Examples of Organizations Leveraging HR Tech for Strategic Advantage:

Numerous organizations are strategically leveraging HR tech to gain a competitive edge. Google's use of data analytics and AI in its hiring processes has resulted in improved recruitment outcomes, emphasizing the importance of data-driven decision-making in talent acquisition. Salesforce's employee engagement platform, "Chatter," fosters collaboration and communication among employees globally, promoting a sense of community and shared purpose. IBM's adoption of AI in HR extends to predictive analytics for identifying flight risks among employees, enabling proactive retention strategies.

Furthermore, innovative start-ups like Workday and BambooHR offer comprehensive HRM solutions, integrating various functions into a unified platform for enhanced efficiency. These examples showcase that, beyond mere adoption, the strategic incorporation of HR tech aligns with organizational goals, fostering a culture of innovation and agility.

As we navigate the intricate intersection of marketing and digital HRM, these digital HRM innovations become essential components, shaping an organizational landscape where technology is not just a facilitator but a strategic enabler of human capital management.

5. THE ROLE OF DATA AND ANALYTICS:

In the contemporary business landscape, the strategic utilization of data and analytics has become a cornerstone for informed decision-making, revolutionizing both marketing and Human Resource Management (HRM). This section underscores the pivotal role of data-driven insights in shaping organizational strategies and fostering a culture of continuous improvement.

5.1 The Importance of Data-Driven Decision-Making:

Data-driven decision-making is a linchpin in navigating the complexities of the modern marketplace. In marketing, the ability to analyze consumer behavior, preferences, and trends empowers organizations to tailor campaigns with precision. This strategic alignment ensures that marketing efforts resonate with target audiences, maximizing impact and return on investment. Similarly, in HRM, data-driven insights guide talent acquisition, performance management, and employee engagement strategies, contributing to the creation of a dynamic and responsive workforce.

The importance of data-driven decision-making extends beyond individual departments, emphasizing the need for an integrated approach where marketing and HRM collaborate on shared datasets. This collaborative use of data ensures that organizational strategies are not only aligned but mutually reinforcing, creating a unified narrative that extends from employer branding to customer experiences.

5.2 Big Data and Analytics Enhance Insights:

The advent of big data and advanced analytics has ushered in an era where organizations can glean unparalleled insights into customer behavior, employee satisfaction, and overall organizational performance. In marketing, big data enables the analysis of vast datasets, unveiling patterns, and correlations that inform targeted marketing strategies. Predictive analytics forecasts market trends, enabling organizations to proactively position themselves.

In HRM, big data enhances employee satisfaction by identifying factors influencing engagement and well-being. Predictive analytics in talent management aids in succession planning and the identification of high-potential employees. Moreover, analytics-driven performance evaluations provide a comprehensive understanding of individual and team contributions.

The integration of data and analytics across marketing and HRM contributes to a holistic organizational approach, fostering a more nuanced understanding of the interconnectedness between customer experiences and employee experiences. This symbiotic relationship ensures that organizational strategies are not only data-informed but dynamically responsive to the evolving needs of both external and internal stakeholders.

6. EMPLOYEE EXPERIENCE IN THE DIGITAL AGE:

In the digital age, the employee experience has been reshaped by innovative tools and flexible work structures. Collaborative platforms like Slack and Zoom have become essential, fostering real-time communication and connectivity among remote teams. Companies embrace remote work policies, allowing employees to achieve a better work-life balance and even adopt digital nomadism. Wellness apps and virtual healthcare options prioritize employee wellbeing, promoting mental health and providing convenient access to medical resources. Online learning platforms such as Coursera and LinkedIn Learning enable continuous skill development, while pulse surveys and internal social networks gather employee feedback and build a sense of community. These changes signify a shift toward a more dynamic, inclusive, and technologically-driven work environment in the digital era.

6.1 The Concept of Employee Experience and its Relationship with Customer Experience:

Employee experience encompasses the entire journey an individual has within an organization, from the initial stages of recruitment to ongoing engagement and professional development. In the digital age, this concept is intricately linked to customer experience, recognizing that satisfied, engaged employees are more likely to deliver exceptional customer service. Employees, as the frontline ambassadors of a brand, shape the customer experience through their

interactions, attitudes, and commitment to organizational values. Aligning employee experience with customer experience creates a harmonious narrative that resonates both internally and externally, fostering a positive organizational culture and enhancing brand loyalty.

6.2 Digital HRM Innovations Contribute to a Positive Employee Experience:

Digital HRM innovations play a pivotal role in crafting a positive employee experience by streamlining processes, fostering communication, and prioritizing employee well-being. Recruitment platforms powered by artificial intelligence streamline the hiring process, ensuring a positive candidate experience from the outset. Employee engagement platforms facilitate real-time communication, recognition, and collaboration, creating a sense of belonging and purpose. Performance management tools, utilizing data analytics, provide personalized feedback and development opportunities, enhancing the overall employee journey.

Moreover, digital HRM innovations contribute to a flexible work environment, accommodating remote work and flexible schedules. This flexibility not only aligns with the preferences of the modern workforce but also contributes to a healthier work-life balance, a crucial factor in shaping a positive employee experience.

6.3 Examples of Companies Prioritizing Employee Well-Being Through Digital Initiatives:

Numerous forward-thinking companies prioritize employee well-being through innovative digital initiatives. **For example**, Microsoft's "Viva" platform integrates with Microsoft Teams to provide a comprehensive employee experience, offering resources for well-being, learning, and knowledge sharing. Salesforce's employee well-being platform, "Salesforce Anywhere," prioritizes mental health by offering resources and support for employees globally. Google's "Wellbeing@Google" initiative includes digital tools and

resources to promote physical, mental, and emotional well-being among its workforce.

These examples illustrate that digital HRM innovations not only enhance operational efficiency but also contribute to a culture where employee well-being is a strategic priority. As organizations continue to navigate the digital landscape, those that prioritize employee experience through innovative HRM practices are better positioned to attract, retain, and empower a talented workforce.

In the subsequent sections, we delve into the challenges and considerations associated with implementing innovative strategies in marketing and HRM, emphasizing the ethical dimensions, data privacy, and the imperative of continuous learning and adaptability.

7. CHALLENGES AND CONSIDERATIONS:

Implementing innovative strategies in marketing and Human Resource Management (HRM) is a transformative journey that, while promising, comes with its own set of challenges and considerations. This section addresses these hurdles, emphasizing the ethical dimensions, data privacy concerns, and the imperative of continuous learning and adaptability.

7.1 Potential Challenges:

Innovating in marketing and HRM is not without its challenges. One of the primary hurdles lies in the rapid pace of technological advancements, which can outstrip the ability of organizations to adapt. The resistance to change among employees and leaders poses another challenge, as individuals accustomed to traditional practices may find it challenging to embrace new, innovative approaches. Resource constraints, both in terms of budget and skilled personnel, can impede the implementation of cutting-edge technologies and strategies.

Furthermore, the dynamic nature of the digital landscape introduces an element of uncertainty, making it challenging to predict the longevity and effectiveness of

specific innovations. Balancing the need for innovation with the stability required for long-term planning becomes a delicate task for organizations seeking sustained success.

7.2 Ethical Considerations and Data Privacy Issues:

As organizations leverage data and digital technologies, ethical considerations and data privacy issues come to the forefront. The collection and use of personal data for targeted marketing or employee profiling necessitate a meticulous adherence to ethical standards. Striking the right balance between personalization and privacy is essential to maintain trust with both customers and employees.

In marketing, the ethical use of data in personalized campaigns must align with evolving regulations and societal expectations. Similarly, in HRM, the ethical treatment of employee data, from recruitment to performance management, is crucial. Ensuring transparency in data practices and obtaining informed consent from individuals are ethical imperatives that organizations must uphold.

7.3 The Need for Continuous Learning and Adaptability:

In the swiftly evolving landscape of marketing and HRM, continuous learning and adaptability are not just advantageous but imperative. The skill sets required for successful innovation are dynamic, demanding a workforce that can swiftly acquire new competencies. The organizational culture must foster a mindset of adaptability, encouraging employees to embrace change, experiment with new technologies, and cultivate a curiosity for ongoing learning.

For both marketing and HRM professionals, staying abreast of industry trends, technological advancements, and evolving consumer and employee expectations is paramount. The ability to pivot strategies based on data insights and market feedback ensures that organizations remain agile and resilient in the face of uncertainty.

8. INTEGRATION STRATEGIES:

Seamless integration of marketing and Human Resource Management (HRM) innovations is a strategic imperative for organizations aiming to leverage the synergies between these two vital functions. This section explores key strategies for integration, emphasizing the pivotal role of cross-functional teams and collaboration in fostering a culture of innovation.

8.1 The Ways to Integrate Marketing and HRM Innovations Seamlessly:

a. Shared Data Platforms:

A shared data platform involves creating a centralized repository where both marketing and HR teams can access and utilize relevant data. This integration enables better coordination, collaboration, and informed decision-making across different functions within an organization.

Examples: Sales force, Microsoft Power BI, Hub Spot, Google Cloud Platform

b. Integrated Technology Stack:

Implement an integrated technology stack that seamlessly connects marketing automation tools with HRM platforms. This integration enables the flow of relevant information between departments, enhancing the efficiency of both marketing and HRM processes.

Examples: Oracle Fusion Cloud, Adobe Experience Cloud, SAP Success Factors

c. Unified Employee and Customer Journeys:

Develop strategies that align employee journeys with customer journeys. Recognize that satisfied employees contribute to positive customer experiences. Implementing technologies that provide a holistic view of both employee and customer interactions ensures consistent messaging and enhances overall brand perception.

8.2 The Role of Cross-Functional Teams and Collaboration:

a. Cross-Functional Teams:

Establish cross-functional teams comprising members from marketing, HRM, and other relevant departments. These teams break down traditional silos,

encouraging open communication and shared decision-making. Cross-functional collaboration ensures that the expertise of each department contributes to holistic, organization-wide strategies.

b. Innovation Workshops:

Conduct regular innovation workshops that bring together employees from diverse backgrounds. By encouraging ideation and problem-solving in a collaborative environment, organizations tap into the collective intelligence of their workforce. These workshops provide a fertile ground for generating innovative ideas that span marketing and HRM.

c. Interdepartmental Training Programs:

Implement interdepartmental training programs to enhance the skills of employees in both marketing and HRM. By fostering a shared understanding of each other's functions, employees are better equipped to collaborate seamlessly on projects that transcend departmental boundaries.

d. Communication Channels

Establish effective communication channels that bridge the gap between marketing and HRM teams. Regular meetings, digital collaboration platforms, and cross-departmental newsletters create avenues for sharing insights, updates, and success stories. Clear communication fosters a sense of unity and purpose.

9. FUTURE TRENDS:

As organizations continue to evolve in the digital era, anticipating and adapting to upcoming trends in marketing and Human Resource Management (HRM) innovation is critical. This section explores the trajectory of future trends, delving into the implications of emerging technologies and the evolving expectations of consumers and employees.

9.1 Predict Upcoming Trends in Marketing and HRM Innovation:

a. Artificial Intelligence (AI) Integration:

Anticipate a deeper integration of AI in both marketing and HRM. AI-driven analytics will play a crucial role in predicting consumer behavior, optimizing marketing strategies, and streamlining HR

processes. Chatbots and virtual assistants will become ubiquitous in enhancing employee experiences and providing instant customer support.

b. Personalization at Scale:

The trend of personalization in marketing will intensify, with organizations leveraging advanced analytics to create hyper-personalized customer experiences. In HRM, personalization will extend to learning and development programs, career paths, and employee benefits, fostering a more tailored approach to talent management.

c. Remote Work and Virtual Collaboration:

The future of work will see a continued emphasis on remote work and virtual collaboration. HRM innovations will focus on optimizing virtual onboarding, fostering team cohesion in distributed environments, and ensuring the well-being of remote employees. Marketing strategies will adapt to the changing dynamics of online consumer behavior.

d. Augmented and Virtual Reality (AR/VR):

AR and VR technologies will play a more prominent role in marketing campaigns and HRM practices. In marketing, immersive experiences will be created to engage consumers in new and innovative ways. In HRM, AR/VR will be used for virtual training, on-the-job simulations, and interactive employee engagement initiatives.

9.2 The Implications of Emerging Technologies:

a. Data Privacy and Security Challenges:

The increased reliance on data-driven technologies poses challenges related to data privacy and security. Organizations will need to navigate evolving regulations and invest in robust cybersecurity measures to protect both customer and employee data.

b. Ethical AI Use:

The ethical implications of AI in decision-making will become a focal point. Organizations will need to ensure

transparency in AI algorithms, mitigate biases, and establish ethical guidelines for the responsible use of AI in both marketing and HRM.

c. Balancing Automation and Human Touch:

The integration of automation in marketing and HRM processes raises questions about striking the right balance between efficiency and the human touch. Organizations will need to prioritize human-centric approaches to maintain authentic connections with both customers and employees.

9.3 Changing Consumer and Employee Expectations:

a. Demand for Purpose-Driven Brands:

Consumers will increasingly align with purpose-driven brands. Marketing strategies need to authentically communicate an organization's values, sustainability efforts, and social responsibility. Similarly, HRM practices should reflect a commitment to employee well-being, diversity, equity, and inclusion.

b. Flexibility and Well-Being Prioritization:

Both employees and consumers will prioritize flexibility and well-being. HRM strategies will need to offer flexible work arrangements, holistic well-being programs, and support mechanisms. In marketing, brands that promote health and well-being will resonate more with conscious consumers.

c. Continuous Learning and Development Expectations:

Employees will place a premium on continuous learning and development opportunities. HRM innovations will need to facilitate ongoing skill development and career growth. Marketing campaigns will need to showcase a commitment to education and personal development.

As organizations prepare for these future trends, agility and a forward-thinking mindset will be paramount. Navigating the complex landscape of marketing and HRM innovation will require organizations to not only embrace

technological advancements but also stay attuned to the evolving needs and expectations of both consumers and employees.

CONCLUSION:

In conclusion, the imperative of continuous innovation in both marketing and Human Resource Management (HRM) emerges as a cornerstone for sustained success in the modern business landscape. Beyond being a competitive advantage, continuous innovation proves indispensable for organizations navigating constant change. This ongoing commitment is not a singular effort but a dynamic mindset that values learning, adaptability, and a proactive exploration of new possibilities.

Organizations prioritizing continuous innovation are not merely adapting to the future; they are actively shaping it. In this era of perpetual transformation, the ability to adapt to emerging trends, seamlessly integrate innovations, and foster a culture of ongoing creativity positions these organizations as pioneers in defining the future landscape of business.

As we reflect on the intricate dance of marketing and HRM innovation, it becomes evident that this journey is dynamic, transformative, and laden with opportunities. Embracing the ever-evolving nature of these domains and fostering a culture of continuous innovation allows organizations to transcend the role of mere participants; they become trailblazers in crafting the narrative of organizational success.

Chapter 37

GREEN HRM – A NOVEL INITIATIVE TO SUSTAINABILITY

Dr.A.Martina

Assistant Professor, The Tamil Nadu Dr.Ambedkar Law university, Chennai, Tamil Nadu

Dr.J.M.Velmurugan

Assistant Professor, The Tamil Nadu Dr.Ambedkar Law university, Chennai, Tamil Nadu

Abstract

Organisations are innovating to distinguish themselves from the competition. Sustainability is yet another way how the organisations are trying to differentiate themselves from competition. Once sustainability was a part of organisations' agenda and now it had progressed to the way of doing business. The stringent government norms have also made that organisations cannot survive without being ecologically responsible. This had led the organisations to think of making sustainability as part of their work culture where the HR department is expected to undertake the lead role in implementing the sustainable practices. Green HRM is the initiative by many of the global corporates to implement the green culture in the organisation through various HR policies and procedures. This paper analyses how the HR department can implement the Green practices in their various policies to bring about green culture in the organisation. This paper also sheds light on the benefits the organisations enjoy upon implementing the Green HRM in their organisation and also focuses on the challenges faced by the organisations to implement the green HRM practices. In a nutshell, the future organisations cannot escape from implementing sustainable practices in their organisations as the entire gamut of stakeholders are firm on this point. The organisations can look out for alternative strategies as to how to overcome the challenges and get the sustainability practices executed in their organisations.

1. Introduction

The most important factor that will pose a big threat to the businesses in the future is not the market factors or the customers or

the government but it will be the degradation of the environment. Even though agriculture and humans cause damage to the environment, the damage caused by the businesses are more acute and irreversible. And the entire stakeholders expect the industry to take some serious measures to reduce the pollution, energy consumption and other environmental damages caused by the industry. The United Nations Framework Convention on Climate Change (UNFCCC) through their Paris agreement make the third world countries to bring down their emissions and energy consumption and increase their green coverage (Liu et al., 2020). As a result the governments in the developing countries are forced to come out with measures to reduce pollution by the industries in their respective countries (Falkner, 2016). Hence, it has become the need of the hour for the industries to act on environmental degradation as top priority rather than as an option. This has enhanced the role of HR departments in the organization as the top board had made the HR departments to look into green practices in the organization and integrate these practices in the organizational culture rather than as a one-time affair.

2. Green HRM

Green HRM refers to the HR strategies, policies and procedures that are embraced towards sustainable environmental practices which is largely the result of broad corporate sustainability strategies (Shafaei et al., 2020). Largely the HR department undertakes the organization-wide policies to create awareness among their employees about sustainable living, to incorporate them in the programs that the organization is undertaking towards

sustainability, to get the willing cooperation of the workforce for sustainable practices of the organization. By implementing the green HRM policies the organisations strive to achieve low individual carbon footprint which is generally achieved by the organisations through various e initiatives or paperless processes, carpooling, virtual conferences and meetings, recycling, reusing etc. (Ahmad, 2015). Implementing the green HRM policies involve the conversion of the existing HR processes of the organization into a green process right from recruitment to the exit of the employee from the organization.

3. Green HRM processes

The Human Resource Management department in the organisation engages itself in the green activities by converting their normal HR processes into green processes. Each and every activity undertaken by the HR department is redesigned in such a way that it reduces the carbon footprint of the individual employee as well as the organization.

3.1. Recruitment and selection

The companies can go for implementing the Green HRM by adopting green recruitment policies. The organisations can undertake digital recruitment processes where the candidates can be made to apply online in their portal and the screening can be done online. The tests and the interview can also be made online which may reduce the travelling of the employees and also a lot of paperwork. The selection of the candidate can also be based on green scores given to the applicant. The activities that are undertaken by the applicant towards the environmental preservation and his thoughts on environmental protection can also be tested in the recruitment process and a score can be given for the same (Awwad Al-Shammari et al., 2022). This ensures only environmentally conscious candidates enter the organizations' workforce. This also reduces the cost of recruiting an environmentally neutral candidate and sensitizing him through induction and training programs.

3.2. Employee induction

The induction or the orientation program can also be planned in such a way that it reflects and inculcates the environmentally responsible behavior in the new entrants and reflects the organisations mission on eco-friendly workplace. Organizations' past initiatives and achievements in this regards can be the part of organisation's orientation program and the employees can be asked to come out with the innovative ideas on sustainable living during the induction program which may initiate the spirit of green HRM among the new employees (Darvishmotevali & Altinay, 2022). The employees are made to understand that sustainability is a part of organization's culture rather than a buzz word.

3.3. Employee training and development

Largely the training materials can be provided in the digital form and the training can be conducted online in order to reduce its impact on the environment and also to cut cost to the organization. 5R (refuse, reduce, recycle repair and reuse), 5S kind of training can be organized by the HR to improve the environmental consciousness by the employees in the organization as well as in their personal life. These trainings can make the sustainability and environmental consciousness as the culture of the employees.

3.4. Compensation management and performance appraisal

All the employee maintenance in the organization can be made digital avoiding the paperwork. The salary slips to performance appraisal records can be made online which will have a significant impact on the environment. Importantly, a specific score can be given for the green activities of the employees in the performance management systems so that employees are seriously involved in those activities (Daily & Huang, 2001). The employees can be rewarded for their green behaviors as well. The employees can be given cash prizes or gifts for their contribution on reducing the cost to the organization or any remarkable

green behaviour. The employees can also be given special leaves when they engage in green activities like eco-tourism, cleaning up of the rivers, beaches etc. or tree plantation drives etc. Awards and recognition may also motivate the individuals to engage more in such a kind of activities apart from motivating other individuals also to join the race.

4. Benefits of Green HRM

Even though green HRM is meant for the overall carbon footprint and sustainability development and involves cost on the part of organization like training the employees, compensating the employees etc., it also offers a lot of direct as well as indirect benefits to the organization.

4.1. Brand image

The green behavior of the organization improves the corporate image of the company among the citizens and they may wish to buy from an environmentally responsible organization over a regular organization (Drumwright, 1994). And the people may have positive opinion about the organization as well which will be reflected in the stock market sentiments, IPO subscriptions etc.

4.2. Stakeholder's involvement

The involvement in the sustainable practices may improve the stakeholder's opinion about the organization. The shareholders may stay invested and may would like to invest more in the company looking its promising future.

4.3. Cost advantage

Implementation of 5R, digitalization of training and compensation records, online conduct of recruitment, meetings and trainings, reduced consumption of non-renewable sources of energy, use of alternative sources of energy for production and distribution processes and implementation of carpooling kind of green activities may result in the reduction in cost of operation in the HR department and the overall organizational costs (Muisyo et al., 2022).

4.4. Improved profitability

In many countries, the organisations are allowed to participate in the government tenders and in international organizations' projects if they show proper environmental planning and involvement. Participation in the sustainability programs help the organizations to participate in these processes or give a strategic advantage over the other organisations in the bidding process.

4.5. Employee safety and protection

When the organisations focus on the environment sustainability practices, they try to avoid harmful chemicals and pollutants in their products and processes. Hence, the employees are not exposed to handling this harmful chemicals and processes, during the production stage. This also reduces a lot of occupational health hazards and provides a healthy work environment for the employees as well (Rani & Mishra, 2014). This will improve the work satisfaction and motivation of the employees.

4.6. Improvement of the morale of the Human Resources

When the recruitment and other activities are aimed at the inclusion of the employees who are interested in the sustainable practices, the organization attracts employees who have some awareness about the environmental related issues. Hence, these employees may feel proud to join an organization which is promoting sustainability. These employees may also speak about it in their social media platforms which may create a positive word of mouth about the organization amongst the friends and relatives of the employees.

4.7. Improvement of the skills of the employees

Implementing the sustainable practices involves engaging the skills of the employees. They are getting trained on how to reduce the usage of paper, electricity etc. which has long term benefit to the organization. The employees also come out with innovative techniques to reduce pollution and to lead a sustainable living which induces the creative thinking in the

employees (Suharti, & Sugiarto, 2020). In order to reduce the usage of papers when the organization introduces various digital platforms, it enhances the computer literacy and usage among the employees. When the organization undertakes activities like tree plantation drive, waste collection drive etc., it helps the organisation to unite on a common point and improves the integrity among the employees.

4.8. Tax benefits

Government provides lots of tax concessions when they want to encourage the sustainable practices by the organisations. The Electric Vehicle manufacturing organisations, the organisations that use renewable energy sources for their energy needs get the dual benefit of cost reduction and tax concessions.

5. Challenges

Despite the fact that the green HRM practices provides a lot of benefits, it also poses certain challenges to the organisations.

5.1. Cost involved in implementation

Many a times the organisations also incur a heavy cost on implementation of sustainable practices. For example when the organization implements the online training for their employees, they may also have to arrange for the necessary infrastructure for the employees to utilize the facilities, they may have to hire a digital training company and digital evaluation of the training program which may incur a heavy cost in the first time. Similarly replacing the energy requirements with the renewable energy resources like wind or solar energy also involves a heavy initial cost (Sheikh & Rahman, 2019).

5.2. Impact on profitability

Even though the green HRM practices tend to reduce the cost to the organisations, the initial outlay and the investments to be made affect the profitability of the organization. The costs are generally more than the benefits derived out of the green initiatives which in turn reflects on the balance sheet of the organisation.

5.3. Competition

Implementing green initiatives does not provide the level playing field for the organisations. An organization that doesn't implement Green practices may very well be able to adjust its practices to the worst market situations whereas an organization that implements green HRM practices may not be able to do that as it will have certain fixed commitments (Yusoff et al., 2015). The organization may not be able to cut its cost as it likes and may not be able to change its practices also suddenly.

5.4. Impact of green initiatives on the environment

Unless each and every one engages in the environmental initiatives, the positive impact on the environment is negligible. Hence, the employees initially may show a lot of interest and may lose interest in the long run. This may demotivate the workforce.

5.5. Employee dis engagement

Not all the employees of the organization may be interested in green initiatives due to varied reasons. They may feel that it is unimportant or this limited efforts are not sufficient to heal the whole environmental degradation or due to personal reasons. This initiatives cannot be forced upon people. It is a voluntary effort rather than a coercion.

6. Conclusion

Sustainability initially was a buzzword but today it has become the strategic decision. Organisations that are carefully incorporating it in their work culture will sustain in the competition and the organisation which doesn't sensitise the need may be wiped out from the competition. Hence the HR in the organisation had to initiate and undertake the green HRM practices in the organisation to create a workforce that will help the organisation to implement the sustainability practices. Green HRM initiatives offers a lot of benefits to the individual employees, the organization and the mother earth as a whole. This will reduce the global warming and provide an

opportunity for the organisations to undo what they have done to the universe.

References

1. Ahmad, S. (2015). Green human resource management: Policies and practices. *Cogent business & management*, 2(1), 1030817.
2. Awwad Al-Shammari, A. S., Alshammrei, S., Nawaz, N., & Tayyab, M. (2022). Green human resource management and sustainable performance with the mediating role of green innovation: A perspective of new technological era. *Frontiers in Environmental Science*, 10, 901235.
3. Daily, B. F., & Huang, S. C. (2001). Achieving sustainability through attention to human resource factors in environmental management. *International Journal of operations & production management*, 21(12), 1539-1552.
4. Darvishmotevali, M., & Altinay, L. (2022). Green HRM, environmental awareness and green behaviors: The moderating role of servant leadership. *Tourism Management*, 88, 104401.
5. Drumwright, M. E. (1994). Socially responsible organizational buying: Environmental concern as a noneconomic buying criterion. *Journal of marketing*, 58(3), 1-19.
6. Falkner, R. (2016). The Paris Agreement and the new logic of international climate politics. *International Affairs*, 92(5), 1107-1125.
7. Liu, W., McKibbin, W. J., Morris, A. C., & Wilcoxon, P. J. (2020). Global economic and environmental outcomes of the Paris Agreement. *Energy Economics*, 90, 104838.
8. Muisyo, P. K., Qin, S., Ho, T. H., & Julius, M. M. (2022). The effect of green HRM practices on green competitive advantage of manufacturing firms. *Journal of Manufacturing Technology Management*, 33(1), 22-40.
9. Rani, S., & Mishra, K. (2014). Green HRM: Practices and strategic implementation in the organizations. *International Journal on Recent and Innovation Trends in Computing and Communication*, 2(11), 3633-3639.
10. Shafaei, A., Nejati, M., & Yusoff, Y. M. (2020). Green human resource management: A two-study investigation of antecedents and outcomes. *International Journal of Manpower*, 41(7), 1041-1060.
11. Sheikh, W. A. H. I. D. U. L., Islam, M. S., & Rahman, F. A. R. H. A. N. A. (2019). Implementing Green Human Resource Management: Cost-Effective Strategies and Tools. *Journal of Entrepreneurship Organization Management*, 8, 264.
12. Suharti, L., & Sugiarto, A. (2020). A qualitative study OF Green HRM practices and their benefits in the organization: An Indonesian company experience. *Business: Theory and Practice*, 21(1), 200-211.
13. Yusoff, Y. M., Ramayah, T., & Othman, N. Z. (2015). Why examining adoption factors, HR role and attitude towards using E-HRM is the start-off in determining the successfulness of green HRM. *Journal of Advanced Management Science Vol*, 3(4).

Chapter 38
A STUDY ON WORK-LIFE BALANCE OF COLLEGE TEACHERS - AN OVERVIEW

Dr.Sumathi Franklin

Head, Department of Commerce – CA & CS,
Thanthai Hans Roever College (Autonomous), Elambalur, Perambalur, Tamil Nadu

Dr.K.Anitha

Assistant Professor, Department of Commerce- CA & CS
Thanthai Hans Roever College (Autonomous), Elambalur, Perambalur, Tamil Nadu

ABSTRACT

In the modern world, career managing life teachers has gained importance. Their social life will benefit from this. It is therefore crucial to understand how educators manage to strike a balance between their role as advisors and their home lives. This paper aims to explore how College Teachers faculty members view and experience their roles in relation to work and family, how they combine work and family, and how they integrate work and individual identity. Additionally, it seeks to identify, discuss, and provide recommendations for work-life integration among industry employees. The study examines the research on the integration of various facets of life to manage the boundaries of both work and life effectively.

Teachers balancing work-life

Teachers intended to fight hard in this serious world during the early stages in order to develop their personalities in both the public and professional spheres. In this instance, things have essentially changed due to the advancements made in laying foundations and providing instruction. According to data from India's market journal, the employment rate for educators has increased significantly since the early years. Educators were expected to put in a lot of work in this serious environment in order to develop their personalities in both the public and professional spheres. In this instance, things have essentially changed

due to the advancements made in laying foundations and providing instruction.

According to data from India's market journal, the employment rate of educators has increased significantly in the country. Teachers have overcome obstacles and established connections within expert-level systems, allowing them to achieve work-life balance centers that are centered on two key perspectives: accomplishment and enjoyment. This suggests that a teacher should be able to choose between experiencing professional fulfillment (job satisfaction) and seeing adulthood in their career (career success). Teachers may be able to achieve and appreciate the adult and expert lives, which suggest that they have a work-life balance.

The phrase "fulfillment and great working at work and at home with at least job strife" is implied by the idea of stability between work and life. One way to characterize work-life balance is the absence of unacceptable levels of conflict between requests for work and those for non-work. Work-life balance has no effect on the factual equalization. It shows that having the ability to plan for extended periods of time in one's professional and personal life leads to a happy and contented existence. All this is, is a separate agenda.

It highlights the traits, perspectives, and emotions of educators according to their generation in college; they sort and transform their careers and human existence. When a teacher achieves a healthy work-life

balance, they find fulfillment in their work, become incredibly committed and helpful, and succeed in their field. An educator cannot specify their needs in every situation or instance. Then, due to basic issues like dealing with their teenagers, spouse, and husband, as well as their elderly parents who act as protectors and other personal pressures, they withdraw from their work.

Many "balance wheels" are widely available, typically pertaining to psychological (friends, family, and sentimental associations), physical (health, environment, overall prosperity), educational (planning, mental exam), optimistic, spiritual, and occupational (money testing, call testing, home building, and network management) concerns. People will be unique when it comes to work-life equalization, taking into account any or all of the aforementioned points of view. Thus, it makes sense to infer from the definitions of work-life balance given above that conflicts may arise when demands made of both the work and non-work spaces are frequently inconsistent. Therefore, a lack of harmony between work and non-work is typically understood as work/family conflict or work/non-work conflict.

Those who are enthusiastic about the concept of work-life balance and its correlation with broader and wider personal fulfillment have consistently expressed concern about it. The degree of a delegate's movement satisfaction, an unnecessary component of business satisfaction, has drawn attention to work-life balance. It was intended to provide a representative with personal fulfillment while concurrently maintaining worker profitability levels at the workplace. A successful life entails having goals to advance and be respected by organizations, society at large, and In the personal sphere, one must attend to one's family, children, guardians, well-being, and leisure time in moderation. Things have sort

of improved with the development of educational, economic, and social principles, and the workforce's responsibility in changing their way of life has decreased.

In this day and age, work-life balance for training professionals has probably received the best evaluation. In addition to maintaining understudy records and attending to various organization-related practical requirements, instructors who have work left ask for their time in the establishment and leave early to prepare for the next day. To be viable and profitable in their line of work, educators must continuously put in more hours in order to advance to more important positions and deal with challenging environments. In addition, teachers enjoy teaching, but they also have a responsibility to focus on critical thinking and foundational skills in order to develop great experts and contributing members of society. That both accessories need to plan their personal and professional hours in order to lead a well-organized life. Every trainee should instill in their kids the value of sharing productive and life-improving responsibilities.

OBJECTIVES OF THE STUDY

- To identify the socio economic profile and factors influencing WLB of college teachers
- To understand the level of satisfaction in college teachers regarding the WLB in the institution
- To recommend appropriate actions to enhance college instructors' WLB in light of findings

STATEMENT OF THE PROBLEM

Work-life balance is a broad concept that takes into account both the wellbeing of an individual as it relates to their work and the degree to which their work experiences are meaningful, fulfilling, free of stress or other unfavorable outcomes. To attain the organization's dual goals, a high WLB is necessary to raise and maintain the

effectiveness and efficiency of the organization. The Human Resource Management department plays a crucial role in enhancing and maintaining the Work-Life Balance (WLB) of employees in all types of organizations. This is due to a multitude of factors. The next society is shaped and developed in the educational institutions. Their WLB is determined by a number of variables pertaining to both their personal and work lives.

As a result, it is important to carefully evaluate these influencing factors in order to improve them in accordance with their evolving needs and goals. A high WLB is expected to be maintained in all educational institutions because it encourages employees to enjoy what they do, which is crucial for creating a better and more just society. As a result, maintaining a high standard of living at work is essential for global peace and prosperity. Employee morale rises when work-life balance is improved. The aforementioned context has demonstrated that researchers should conduct a study on college-level teachers' work-life balance quality.

Purpose of work – life management

The teachers strive to balance work and life by putting in between 40 and 45 hours a week. This conflict is meant to put them to the test between the demands of their association and their household responsibilities. On the one hand, they have to deal with the daily demands of their family, and on the other, they have plans, meetings, business requirements, and other everyday responsibilities at college. Creating tactics that will make them extremely profitable in addition to attracting and keeping members for an extended length of time. Various offices, including storage, bins, daycare centers, and mail/savings programs, are included in the organizations. Provide information on work-life balance strategies and unconventional measures, like

paid time off for semesters and accessible incentive leaves, job breaks, leave for elective officers, leave for group court appearances, social security centers, bonuses and recognition, career advancement, safety plans, work pivots, inspiring powers, play relevant implementation, and rest areas. There are also other options for achieving a work-life balance, like managing employees and bureaucratic structures in the field of brain science. Workplace wellness initiatives such as sports clubs, retirement benefits squads, women's structures, and bosom managing care groups, among others, help representatives function well in the absence of family and young people's pressure to perform their hardest. Organizations have also offered mechanisms like boards, commissions, and dispute improvement processes so that members can discuss their opinions, worries, and recommendations with the highest levels of government and receive the appropriate responses.

Need to balance work life

Work-life balance research examined the effects of family and home life on teachers' productivity and job performance. The importance of managing one's career includes the current concern among the public and associations regarding the effects of particular vocations on the welfare and well-being of professionals, as well as their recommendations for career- and family-successful careers and their place in society. After the writing was examined, the following factors influencing interactions between work and life satisfaction were found.

These particular tasks that the two people work out are pressures resulting from different types of employment, such as career pressure and career impoverishment. People's health has benefited from the positive function of the workplace community and aspects of job group.

- Personal and financial capital support a few studies confirmed the positive relationship between prosperity, positive support, and character.
- Profession direction and vocation: the point in a person's life path where their vocations or schedules become apparent.
- To manage the workforce, they employ a combination of problem-centered and passionate adaptation approaches.

Task A balance between work and home responsibilities determines one's quality of life. Family and work have gradually become rival groups that are both resource and energy hungry and responsible for Work-Family Tension (WFC). The "financial rational contradictions in parenthood" cause teachers to be increasingly burdened with the responsibility of sacrificing themselves for their children by providing "escalated child-rearing," or intensely involved child-rearing and development. This leads to increased concerns as teachers are gradually pushed to find self-satisfaction in their calling for vocations. The concept of work-life imbalance, which leads to a conflict between employers and employees, has garnered attention in recent times.

WFC has defined this as a form of work-related conflict wherein a representative's work circumstances are negatively impacted by a few unfavorable work- and family-related obligations. Its speculative basis is a conjecture of deficiencies that portrays these individuals for a specific, restricted degree of vitality. These jobs will typically channel them and lead to pressure or conflict for both jobs. Subsequent research on earlier studies shows that WFC is linked to a number of unfavorable work opportunities and outcomes, such as lower job output and a higher likelihood of leaving a position.

Workplace characteristics can also contribute to higher WHC levels. Studies on the amount of hours worked per week, the

total and frequency of overtime required, the unbreakable measuring, the disgruntled leader, and the cruel organizational culture have increased the probability that women's members will struggle to balance their work and that of their friends.

The Six Job Life Satisfaction Elements

The key components of Work Life Balance are as follows:

Self-Government

It can be difficult to take care of oneself, particularly when it comes to getting the right amount of sleep, exercise, and food. Self-management is the understanding that time, life, and available resources are finite, and that it is essential to make the most of even the gaps in our lives. It means that we are going to be the captains of our own boats; no one is coming to steer for us.

Time Administration

Effective time management for executives involves making the most of our day and the auxiliary resources you can use to stay up to date when your resources coordinate their challenges. The period during which the board improves through suitable goals and distinguishes between what is significant and dire and what is important and essential. It entails deciding what and when to specialize in certain areas and gathering the necessary tools to accomplish clear assignment.

Stress Management

Basically, after a while, social orders will all become more and more confusing. It is impossible to escape the weight of one's expanding complexity. Each of us must learn to maintain calm and help ourselves out of difficult situations as there are more people, disruptions, and noise around. The majority of multi-entrusting approaches finally increase our pressure instead of focusing on each item separately. Changes in Management In our fast-paced environment, shift is essentially the only constant. The secret to a successful career

and a happy home life is to constantly accept new skills and give others back. Making sporadic and intentional efforts to ensure that the volume and pace of progress don't overwhelm or defeat you at work or at home is part of a viable switch the board.

Changes in Management

In our fast-paced environment, shift is essentially the only constant. The secret to a successful career and a happy home life is to constantly accept new skills and give others back. Making sporadic and intentional efforts to ensure that the volume and pace of progress don't overwhelm or defeat you at work or at home is part of a viable switch the board.

Top Technology

Making sure that technology serves you instead of mistreating you is the definition of effective technology management. We have always been surrounded by innovation, starting with the original stick, rock, lance, and roller. These days, every change comes quickly, which is welcomed by traders who want to stretch the muffin. Oftentimes, it's not a choice to keep up with the creative Joneses; however, innovation should drive you, not the other way around.

External Environment Management

Executive leisure, a frequently overlooked aspect of work-life balance, recognizes the importance of relaxation and rest but cannot manipulate sleep, even though "time off" is a fundamental component of human nature. Curiously, a lot of the same soothing action—however endearing—can cause boredom. Therefore, executives who want powerful recreation need to vary their workouts. Contentment in life and a healthy work-life balance A person's overall sense of prosperity—physical, enthusiastic, and socially profitable—is evaluated by life fulfillment. The term "life fulfillment" refers to a crucial process in which individuals evaluate their lives according to their own unique set of criteria. An analysis of one's

apparent life circumstances using a deliberate standard or set of metrics is most likely conducted, and the person reports high life fulfillment to the degree that circumstances align with these guidelines.

Signs and Indications of Stress

Mental

• Emotional • Physical • Behavioural • The main causes of uneven work-life balance are stress and pressure from the workplace.

Reasons for Pressure

i) Outer reasons for pressure:

- a) Significant life transitions
- b) teamwork
- c) friendship issues
- d) financial difficulties
- e) Being too busy
- f) children and their relatives

ii) Interior reasons for pressure (self-produced):

- a) Inability to acknowledge vulnerability
- b) Doubt
- c) Positive self-discussion
- d) Impractical expectations
- e) Confectioner
- f) Loss of self-confidence

Job Life Unbalanced Elements - Social-assistance

- Function of organization
- Source of stress
- the issue of employment
- Reason for social problems
- Design component

Consequences of Work-Life Imbalance

The outcomes of unbalanced workload can be influenced from multiple points of view:

◆Health Risks:

Obesity:

Skipping workouts or eating poorly can lead to obesity, which is linked to heart disease and a number of other health risks.

Fatigue:

Having a good night's sleep can prolong a person's life. Giving up sleep to work will have an impact on your health and increase your risk of getting sick.

Emotional problems:

Anxiety and fatigue will wreak havoc on ardent success. This will impact relationships and personal traits.

❖ **Absenteeism:**

Representative truancy is a costly problem for managers as it is a direct result of poor wellbeing. This may increase the association's costs since they will have to pay the representatives' full compensation, which may result in a decline in the association's profitability.

❖ **Burnout:**

Most of the time, overworked representatives are consuming out. the mental and emotional weariness that results from prolonged pressure. Lack of interest, lack of emotion, lack of inspiration, and possibly discouragement are signs of burnout.

❖ **Stress:**

Emotional and mental healths are fatally impacted by weight. Heart infection, sexual health problems, weakened immune system, headaches, stiff muscles, discouragement, weight gain, substance addiction, anxiety, restlessness, and physical and psychological loneliness can all be brought on by pressure.

❖ **Signs of pressure are:** Over feeling, Lethargy, Insecurity, tiredness.

Other reasons for job satisfaction awkwardness are:

- Fewer hobbies for the home.
- Unsatisfactory friendships.
- Excellent task at hand and better weights.
- Distinction in relationships near home.
- Reduced level of refreshment in the absence of others

Work-life balance has gotten progressively significant for various social and financial reasons that are making:

- Associations consider how they work.

- Government considers how individuals balance paid and unpaid work and care.

- Individuals consider the job work has and will have at various phases of their lives.

This shift is impacted in its entirety by shifts in the business sectors, working practices, labor markets, and employee preferences. What these drivers imply in the open division is:

Pressure to increase productivity while also responding to client requests, resulting in more flexible and responsive open administrations.

That in a population that is becoming more established and ethnically diverse, it is necessary to see more clearly and respond to client needs. People with these skills and connections are therefore essential to helping organizations identify new customer segments, foster creativity, and adjust to increasingly intricate action plans.

The Work-Life Harmony impact

Generally speaking, two checks would be made on the work-life balance case.

1. Firstly, a work-life balance enhances people's happiness, prosperity, and sense of fulfillment in their careers.

2. Secondly, work-life balance can benefit businesses because of these arrangements:

- improve efficiency and specialist duty
- diminish disorder nonattendance
- Increment consistency standards for gifted labourers and decrease substitution costs
- permit associations to enroll from a more extensive pool of ability
- Enable associations to offer administrations past normal business hours by utilizing labourers on various movements that fit in with caring obligations.

Work-Life Balance Benefits As

Draws new members

- Protect employees

- Creates a strong range of expertise and faculty
- Delivers superior
- Lowers discomfort and relaxation
- Improves working partnerships between employees
 - Allows authorities to demonstrate further engagement and cooperation
 - Raises innovation and delivery rates
- Lower paying jobs and stress

Issues of Work Life

The following are the major issues of work life:

- Great condition and foundation
- Great leadership
- Open interchanges
- Even-handed prizes frameworks
- A concern for worker's professional stability
 - Satisfying vocations
 - Participation in dynamic.

Balancing Work-Life Balance

Family- A family's ability to raise children successfully and live a life of generosity and care requires energy, patience, perseverance, and resilience in the face of chaos and ruin. a challenging task when the workday has proven to be lengthy and distressing. The important question here is, "Who finds time to think about whom?" because often the unattended have the opportunity to feel disliked and react as necessary after the time-consuming listening portion of connections is abandoned in favor of convenient fixes. Families require assistance, and our responses must be sufficiently deep and adaptable to accommodate the unanticipated rather than just the scheduled events that perfectly align with our careers.

Home- Home creation is a laborious process. In actuality, we are creating an atmosphere that represents our sense of place in the universe by taking the form of a home. The home provides us with an

extension of ourselves, a place where we feel secure enough to be ourselves in our emotions and content, much like a dry, natural sweater. The Catch 22 is that the longer we work, the less time it takes to build such a home and the more important it is to find such an ageless affiliation. The Catch 22 is that the longer we work, the less time it takes to build such a home and the more important it is to find such an ageless affiliation.

Friendships- It's commonly stated that the specialty of fellowship calls for exceptionally high levels of normal aptitudes, a combination of love, tolerance, and resilience, as well as a sense of consistency in the face of conflict and adversity. But as our work-life balance goes out of control, exercise and daily companionship are essential for survival. We see fewer of our closest friends and family members, which is a major trend in recent decades, according to a survey titled "Global Trends; U.k. Cultural Norms Survey 30."

Community- Families, homes, kinships, and our neighborhood networks all depend on our time and energy to function effectively, freely, and unexpectedly. Our collective character is experienced and appreciated in the corresponding setting of its exercises. But if we lose that basic labor of love balance, then the many activities that help us communicate with our neighborhood and surrounding area become less significant, and we are all the worse off for it. A great deal of their significance is determined by their interests, diversions, and brandishing of interests through our collaboration with others.

The luxurious and respectable variety of network life will be among the primary losses if we as a society fail to address the problems of work-life balance. By work-life balance, we mean that professionals should all set aside time for work that doesn't

interfere with their ability to pursue hobbies and obligations outside of the workplace. That means handling work with ever-greater care, arranging it with ever-greater skill, and organizing it with ever-greater intelligence.

Component in Quality-of-work aspect

Adequate and just wages:

This same panel on reasonable pay rates characterized reasonable compensation as "the compensation under the living period over the base pay."

Safe and sound working conditions:

Owing to humanitarian needs and legal requirements, most educational organizations provide safe and healthy working conditions.

Opportunity for the utilization and development of human capacity:

The degree of the instructor being allowed to exert greater influence over her jobs, and the degree to which the teaching role accepts a whole substantial mission, just not a portion. Further quality work life offers incentives such as job flexibility and preparation engagement to maximize human resources.

Career growth opportunities:

By expanding one's capabilities, knowledge, and qualifications, future opportunities for continued growth and security contribute to the quality of work life. In the case of teachers, prospects for advancement are restricted either because of professional obstacles or because of insufficient higher-level openings.

Workforce social inclusion:

Social incorporation in the workplace power can be established by seizing opportunities from bias, supporting essential work gatherings to have a sense of network and burying individual receptivity, libertarianism and instructors' upward versatility.

Originalism in the association of labour:

Quality of work life offers the educators sacred protection only to the degree of appealing efficiency that hampers research. It occurs because the behaviour of educational management is contested with any decision and regulatory processes that need to be pursued at that stage, and is granted to workers on topics such as anonymity, freedom of expression, and equity.

Act and perform personal satisfaction:

Work-life consistency accommodates the good partnership between parts of life in the job, non-work and home. In other terms, job hours include extra jobs, job at difficult hours of travel, transitions, and holidays do not burden personal life and social life.

Work Social Importance:

Standard of job is concerned with the basis of social significance to job in a socially beneficial manner. In the changing environment of recent technological advancement, the normal concept of the teaching profession is subjected to rapid changes. A person who enjoys the work and derives satisfaction alone can perform within the best perfect manner. The fulfillment of private needs and goals results in satisfaction well-being and happiness. But how far and the way long could a private be satisfied within the profession, if it's filled with work related stress and strain.

Work-Life Balance Includes

- Variable day
- Dragging hours
- Absorbed hours of work
- Replacing the shift

Self-rigging

- The exchange of work
- Length of the job
- Working away from home
- Tele-working
- Breaks from home

LITERATURE REVIEW

In his article "A Thesis of Work Life Relationship for Women Working in Teaching Career at Kolhapur" Petare, P. (2013). The paper takes an inside and out

gender at work life balance considering taking into account balance in work and family life is a rising test for the two representatives and businesses.

Zaheer, A., Islam, J. U., & Darakhshan, N. (2016). "Occupational Stress and Work-Life Balance: A Study of Female Faculties of Central Universities in Delhi, India". Delhi, India. The investigation depends on essential information gathered from 120 female resources from two focal colleges in Delhi, India. The information is breaking down utilizing different measurable apparatuses and techniques.

Priya, J. J. (2017). "An Investigation on Balance between Professional and Personal Work of Women Teachers". The current investigation plans to inspect the work-life equalization of ladies' educators in Chennai city

According to Sutha, D. A. I. (2019), in its report "A Report on the Work Life Relationship of Women Professors Employed in Chennai City Selected Colleges". This investigation enrolls certain measurements and its suggestions over work life balance were distinguished. It additionally gained from the current investigation that overseeing work life balance is channelized by the mental cosmetics of a person's particularly ladies and that is absolutely as a demeanour-based issue

Kumaresan, D. & Hemalatha, P. (2020), in their research paper "A Study on Women Employees' Work Life Balance-Reference to Teaching in the Salem District". Work life equalization of ladies 'Advisors have acquired a significant issue as the period has shifted from individuals acquiring a family residing in this day and age where all individuals have a common responsibility to acquire their professional and residential existence for a parapet.

CONCLUSION

The concept of work-life balance has grown in importance as a research topic for academics and HR departments. This is mostly due to the fact that both individual people's lives and the organization's working styles are changing. The increasing demands of work coupled with the nuclear family trend are making it difficult for working people to strike a balance between their personal and professional lives. Employee mental stress and the quality of their personal lives are both being negatively impacted, which in turn is affecting how well they perform at work.

Ensuring that employees have a healthy work-life balance is crucial for organizations. This promotes smooth, effective operation within the organization and aids in the retention of skilled staff members.

The study's findings support the notion that WLB places a high value on teachers' personal and professional fulfillment. The working environment and a number of other factors in educational institutions affect WLB quality.

Additionally, it is crucial that organizations create and implement work-life balance policies that will improve employees' quality of work lives. Teachers will then be more satisfied with their jobs and be able to spend quality time with their families and still have time for them. Employees will feel less stressed because work and personal life are balanced, which inspires them to give their all to the student body and the future of society.

Chapter 39

AN OVERVIEW OF THE PERFORMANCE APPRAISAL METHOD AND ITS IMPACT ON PROFESSIONAL DEVELOPMENT

S. Gayathri

Assistant Professor of B.Com., Corporate Secretaryship, SFS-I, Guru Nanak College,
Velachery, Tamil Nadu

ABSTRACT

Performance evaluations tend to improve performance, communication, expectations, identify potential employees, and provide feedback to employees. Employees become the most valuable asset that keeps the organization running as planned. The relationship between the evaluation system and the organization's strategy is used as a strategy to achieve the organization's vision. Clearly this will be important in communicating results, encouraging change, and increasing the capacity for personalization and contribution. Often times, employees who are dissatisfied with their job evaluation will have a major impact on the image of the organization. As we enter the 21st century, performance evaluation remains one of the most important aspects of human resource management. Workplaces and employees are becoming increasingly integrated due to the intense use of information and communication technologies (ICT) in all organizations. In this article we examine some popular performance metrics and their pros and cons. This paper explains the relationship with performance appraisal and explores the issues and challenges that arise in performance appraisal.

Keywords: ICT, Organisation's strategy, Performance evaluation.

INTRODUCTION

Performance appraisal is the evaluation of an employee's performance to understand the individual's potential for growth and development. Performance reviews are used to determine who needs what training and who to promote, demote, retain, or fire. The real mantra followed by international organizations is "Get rewarded for your contributions". The organization focuses on

performance management, especially individual performance. Performance appraisals help evaluate employees' performance and measure their contribution to the organization's goals. If the performance appraisal process is legitimate and well-designed, it helps employees clearly understand their roles and responsibilities and provides guidance on personal performance. It helps to increase the goals of the organization and the performance of individuals and to review their performance. Performance appraisal not only determines the employee's past performance but also focuses on improving the employee's future performance. Performance reviews are part of professional development.

REVIEW OF LITERATURE

PERFORMANCE APPRAISAL

It's important to conduct regular performance reviews to ensure your employees are performing well at work. However, the importance of informal measures cannot be ignored. A quick discussion about a new policy or procedure, a discussion about working hours at lunch, or a discussion about the farm's progress are equally important to keeping your employees on track and maintaining a good working life. Acting on the requirements or recommendations of these informal measures shows your employees that you are listening and care about their ideas about agriculture. Please see the "Partnerships" section for more information about contact, recognition, and rewards. Performance evaluation has two main purposes. There, they deal with work completed or not completed and make plans for the future. These are not ways to evaluate employees, but there should be a discussion or debate about performance,

expectations, training and development, and best practices for work-life balance.

Use the following guidelines when preparing your performance review:

- ❖ Set a date for performance review.
- ❖ Make preparations before the meeting.
- ❖ Meet for performance review (two meetings).
- ❖ Plan joint activities for the next few months.
- ❖ Monitor the status of the work.
- ❖ Concluding meeting.
- ❖ Action on problems arising during the review.

PROFESSIONAL DEVELOPMENT

Career development is generally employee-focused. Share your idea with employees and hold them accountable for it. They are asked to assess their skills and abilities, set goals, develop plans, and pursue improvement activities, often without feedback or support from management. In many cases, performance improvement can be enhanced through training on employee performance, from self-assessment to planning. But leaders rarely get involved. Therefore, they are not prepared to assist employees by advising them about their current resources or future options. Employees come together for professional development training but then return to the workplace with little support for growth. Additionally, employment progress is seen as “movement.” (Hartman, S.J., 1991).

While compensation supports this view, management shows less awareness of developing opportunities that would prepare employees to switch to other languages. As a result, both performance evaluations and career development can be very frustrating.

Performance appraisal focuses on evaluating current performance without considering the employee's needs or goals. This leaves the present individual's reality with little hope for future meaning. In the end, the employee's situation is one of realism without hope. Career development, with its emphasis on goal-setting and career movement, offers hope for the future. But

without management and organizational support in implementing developmental plans, goals may be highly unrealistic.

Thus, career development results in hope without realism. Career development and performance appraisal can be more meaningful for organizations and their employees when each system draws on the strengths of the other: the “now” orientation of performance appraisal and the “future” orientation of career development. To achieve the integration process, both must be seen as contributing to the same goal.

TALENT MANAGEMENT

Talent management involves improving employees' skills and knowledge and is best achieved by focusing on current work and future contributions. More and more workers are joining organizations to expand and increase support.

Organizations can support this by using data on current performance to help plan for future growth. Talent development is easy when performance evaluation and career development consider both current reality and future expectations.

Functional feedback should be provided through performance measurements, but know that it has a strong partner that can guide performance in the future. Likewise, the development of the business should provide future options and opportunities for future growth, but know that the current business has a partner who can provide ideas. This common technical development goal is a concept that prevents the two systems from operating separately. Holding managers and employees accountable for skill development as if it were another responsibility will keep the system together in isolation but reflect the relationships it needs. It is easy to think about and discuss common agendas, common goals, and better organizations.

RESEARCH METHODOLOGY

This study is descriptive in nature and secondary sources were used.

OBJECTIVES OF THE STUDY

1. To analyze various methods of performance appraisal.

2. To study the methods of performance appraisal and its impact on employees' career development.

METHODS OF PERFORMANCE APPRAISAL

It is an evaluation of a person's work and personal development. Various methods have been developed to measure the quantity and quality of performance measurements. Each method can be used only for certain purposes in certain organizations. No one should be dismissed by a decision unless it affects the specific needs of the organization or employees. In general, all evaluation methods can be divided into two different groups.

1. Past guidance
2. Future guidance

Past guidance

1. **Rating scales:** Rating scales are made up of several numerical scales that represent performance standards related to the job, such as dependability, initiative, output, attendance, attitude, etc. There is a bad-to-good range on every scale. The complete numerical scale is computed before final decisions are made.
2. **Checklist:** With this method, a list of character qualities for staff members is created as a series of yes-or-no questions. In this instance, the rater only reports or makes checks; the HR division is in charge of the actual evaluation itself.
3. **Selection error:** Given the statements in two or more blocks, the evaluator indicates which statement is true or false. The evaluator is forced to make a choice. The Human Resources Department conducts performance evaluations.
4. **Criterion Method:** Here, employees are grouped around the highest point of the scale. The appraiser must provide one employee for each position on the scale. Note that performance is guaranteed to be normally distributed.
5. **Critical Issues Method:** This method focuses on some important behaviors of employees that have a significant impact on performance. When such events occur, the supervisor records them.
6. **Behavior-Based Rating Scales:** Positive and negative behavioral statements determine ratings. They said it was bad behavior. The evaluator should say what qualities define the employee's job.
7. **On-site evaluation:** This is an evaluation made by someone outside the employee's own department (usually from the company's human resources department).
8. **Performance and Ability Tests:** These are tests based on knowledge or skills. Tests can be written or demonstrate skills. For assessments to be effective, they must be reliable and valid.
9. **Confidential information:** Mostly used by government agencies, it is not included in its application in business life. This notification is provided in Annual Report (ACR) format and can be flagged for the following items: participation, self-education, study, leadership, initiative, talent, originality, resourcefulness, etc.
10. **Essay Method:** In this method, the evaluator writes a detailed description of the employee in many broad categories, such as perception of performance, employee motivation, ability to do the job and experience qualifications, employee strengths and weaknesses, and training needs.
11. **Return on Investment:** Performance here is measured by the money returned to the organization. Determine employee retention costs and benefits to the organization. Therefore, it relies more on cost-benefit analysis.
12. **Comparative Evaluation Method:** These are collection of different methods that compare performance with that of other co-workers. The usual techniques used may be ranking methods and paired comparison method.
 - **Ranking method:** Superior ranks his worker based on merit, from best to worst. However how best and why best is not elaborated in this method. It is easy to administer and explanation.
 - **Paired Comparison method:** In this method each employee is rated with another employee in the form of pairs. The number

of comparisons may be calculated with the help of a formula as under.

$$N \times (N-1)/2$$

Future Guidance

1. **MBO:** Management by Objectives, which measures performance based on management's achievement of objectives. The MBO process is as follows:
 - Set goals and desired results for each employee;
 - Set performance standards;
 - Compare actual goals to goals achieved by employees;
 - Create new goals and strategies for goals not achieved in previous years.

Advantages useful for project management.

2. **Moss Evaluations:** These evaluations directly evaluate the employee's future performance potential rather than past performance. It is done in the form of an in-depth discussion. Reviewing algae samples and discussing with inspectors and other measures. It pays more attention to employees' thoughts, skills, motivations, and personal behaviors that affect their work. This method is slow and expensive and may be useful for young people with good potential. However, the quality of these tests often depends on the skill of the physiologist performing them.
3. **Test Stations:** This machine was first developed in the United States and England in 1943. An assessment center is a central place where managers can meet and participate in assessment-related activities conducted by trained assessors. It focuses more on behavioral analysis than any particular exercise or workout choice. Analysts must participate in basketball drills, group work, computer simulations, role plays, and other similar activities that require similar behaviors to complete the job. At the evaluation center, features such as self-confidence, persuasion, communication, planning and organization, self-confidence, stress resistance, energy level, determination, thinking, management, creativity, and emotional intelligence are evaluated. Disadvantages:

staff travel and accommodation costs; psychological evaluations are often influenced by the personal contact of the assessor. High performers can feel discomfort in simulated situations. Those who do not choose will also be affected.

4. **360-Degree Feedback:** This is a process for collecting information about a group's performance directly from various stakeholders, such as managers, team members, users, friends, and yourself. In fact, anyone who has significant knowledge about an employee's job can become an auditor. This process is generally beneficial for greater personal development and receiving feedback from different sources. 360-degree assessments are useful for measuring interpersonal communication, customer satisfaction, and team-building skills. But on the downside, getting feedback from multiple sources can be intimidating, etc. Many analysts may not be very good at providing positive and objective feedback.

PERFORMANCE APPRAISAL AND PROFESSIONAL DEVELOPMENT

Performance exploration and professional development include career development, which is an interesting and important aspect of career thinking and can lead to job satisfaction. Reviewing performance and improving performance becomes important to the organization and its employees when all efforts are made by others (introduction of performance measurement "now" and future aspects of performance improvement). To achieve the integration process, both must be viewed as supporting the same goal, namely skill development. Skills development involves improving employees' skills and knowledge and is best achieved by focusing on current work and future contributions. More and more employees are joining organizations with the goal of increasing productivity and growth. Organizations can support this by using information about current performance to help plan for future growth.

WHAT ARE THE BEST PRACTICES CURRENTLY ADOPTED BY THE INDUSTRY?

The performance evaluation method proposed in this article adopts existing measures: charts, checklists, key events, and MBO. However, the good behavior mentioned here is on the checklist. Unlike a checklist, here the checklist is on a five- or seven-point scale like a chart. Goal achievement is also measured by degree. The final evaluator evaluates these elements and works with others to evaluate the employee's performance. In addition, extreme situations are also important due to the different behaviors of employees. Major situations are easily resolved by other means. The good thing about this model is that the measurement image is easy to use. The second advantage is that the list can be modified to give different weights to words and phrases.

Finally, the MBO section outlines the performance goals that the individual hopes to achieve within a reasonable period of time. The biggest disadvantage of this method is that the words or phrases used may have different meanings for different supervisors, thus creating serious problems in assessing the quality of employees.

SUGGESTIONS

HR must find ways to identify, work with, and overcome resistance and ensure that all key people “win” in the talent development process. First, they need to acquire loyalty-building strategies that will help solve the problem. For example, it is important to allocate a reasonable amount of time to explain issues related to performance improvement and performance evaluation in the organization. Sometimes it can be helpful to start small, organize pilot experiences, then evaluate them and report successes. Of course, the success process needs to be established at the outset to clearly define the benefits the organization is seeking.

Finally, HR professionals should remember that letters are not machines. Both performance evaluation and performance

improvement involve specific practices, procedures, timelines, and performance documentation. These constitute the form but should not be confused with the system. If you spend too much time worrying about how information does or does not relate to each other, the system will fail. The key to empowering both is to guide them towards common skill-building goals. In this context, information may change or remain the same. The key question is: “How do our performance evaluations and professional development programs develop skills?”

CONCLUSION

The challenge for HR professionals is not only to keep our facts in mind when trying to implement changes but also to communicate with others in the organization. The separate but related aspects of performance evaluation and performance improvement are relatively new. Managers and employees are right to ask, “What would be different if we implemented this strategy?” HR professionals are responsible for creating opportunities to demonstrate how this concept works in practice and contributes to talent creation.

References:

1. Waldman, D.A. and Avolio, B.J., “A meta-analysis of age differences in job performance”, *Journal of Applied Psychology*, Vol. 71, 1986, pp. 333-8.
2. Patil, A. M., & Dalvi, D. C. S. (2019, March 20). 720 Degree Performance Appraisal Systems. *International Journal of Trend in Scientific Research and Development, Special Issue (Special Issue-FIIIPM2019)*, 4–8.
<https://doi.org/10.31142/ijtsrd23048>

Website

1. <https://www.peopleinag.com.au/farming/employers/workplace-training-and-development/professional-development-and-performance-appraisals/>

Chapter 40

ECONOMIC IMPLICATIONS OF THE PARADIGM SHIFT: ANALYZING THE PERFORMANCE OF SUSTAINABLE BUSINESSES

Trimisiyu Omotayo Lawal

Lecturer II, Dept. of Economics, Skyline University Nigeria, Kano State, Nigeria

Dr. Bola Olufunke Jenyo

Lecturer I, Dept. of Entrepreneurship, Skyline University Nigeria, Kano State, Nigeria

Abstract:

The economic effects of the corporate world's paradigm shift toward sustainability are examined in depth in this study. It starts with the root of the issue, which is the growing awareness of social and environmental issues and the requirement for corporations to adjust. Investigating the effects of sustainable practices on firms' financial performance is the main goal. Understanding the main forces behind and the effects of sustainable company practices on financial results is the study subject under investigation. A detailed assessment of secondary data sources, such as books, journals, newspapers, and historical records, is part of the technique used in this study. The main conclusions of this investigation point to mounting data that suggests sustainable enterprises typically have superior long-term financial success. Increasing customer demand for sustainable products, cost savings via resource efficiency, and enhanced reputation are some of the key themes that have been noted. The article makes recommendations for firms to emphasize sustainability, modify their approaches, and assess their impact on the environment and society in light of the results. As a result, this study concludes by highlighting the potential advantages for firms in an evolving global context and emphasizing the economic urgency of adopting sustainability.

Keywords: *Sustainability, Economic Implications, Business Performance, Paradigm Shift, Sustainable Practices*

1. Introduction to the Study:

The movement in corporate practices towards sustainability is causing a major revolution in the global economic

environment. Traditional economic models have been called into question in light of urgent environmental and societal issues including resource scarcity, social inequality, and climate change. In addition to being a reaction to these global issues, this move toward sustainability is also becoming more widely recognized as a strategic requirement for companies looking to succeed in the long run. Examining the Economic Implications of this Paradigm Shift on the Performance of Sustainable Businesses is the main focus of this issue. Globally speaking, two noteworthy developments have been the rise of the green economy and the quick expansion of sustainable business practices. Financial markets are changing because of the fuse of environmental, social, and governance (ESG) factors into investment decisions. Consumer preferences and regulatory forces have made sustainability a mainstream company strategy, moving it from being a niche issue. Businesses throughout the country are adjusting to these worldwide trends in the local context, and an increasing number of them are implementing sustainable practices in response to changing customer demands and governmental laws. Considering that businesses are as of now endeavoring to accommodate environmental objectives with profitability, the monetary ramifications of this shift are especially critical. The advancement of sustainable business practices has been outlined by verifiable improvements in the writing. Studies have demonstrated that businesses might acquire from sustainability; this is obvious in the discussions around corporate social responsibility and ESG integration, which were quick to happen. In any case,

there are as yet various strange worries about the particular manners by which sustainability impacts monetary results.

Fig. 1



Source: What Is a Paradigm Shift? Definition, Example, and Meaning

Although a significant amount of research has been done on the general subject of sustainability and business, there are still gaps in the literature when it comes to a detailed understanding of how sustainability affects financial performance, including the identification of important drivers and the evaluation of long-term effects. Filling up these gaps is crucial since it can provide practitioners and scholars with useful insights. This study is important because it may help companies navigate the sustainability environment, improve their strategy, and eventually increase their financial success. The goal of this research is to close these gaps by thoroughly analyzing the financial effects of the paradigm change in corporate operations toward sustainability. Through, providing a more thorough knowledge of the connection between sustainability and corporate success, this research aims to advance both the theoretical and practical elements of sustainability. Practical Issues and Theoretical Concerns: Numerous researchers have emphasized the intricate

relationship between sustainability and economic outcomes in order to highlight the theoretical concerns as well as the practical ones. Jones and Dmytriyev et al., (2021), for example, highlight the advantages sustainable practices have for reputation, while Sala, (2020) presents the idea of the "triple bottom line." These contributions highlight how complex the subject is.

This introduction, in summary, gives a general overview of the study background, as well as the historical trends, local and global views, gaps that have been found, and the need to fill these gaps. The study's objective is to shed light on the financial implications of sustainable business practices, offering information that might direct future investigations and practical decision-making.

2. Problem Statement:

A thorough examination of the economic ramifications of the paradigm shift towards sustainability in company operations is important due to the introduction of a complex and dynamic landscape. Although

a significant amount of research has been done on the subject, there are still some important questions and gaps that need to be filled. The purpose of this study is to address the following important issues:

1. **Lack of Comprehensive Understanding:** The body of research on sustainability as a whole and its advantages for companies is rather informative. However, it frequently lacks a thorough grasp of the precise mechanisms by which sustainable behaviors affect financial results. Giuliani et al., (2021), for example, contend that sustainability may generate shared value; nevertheless, a deeper analysis of the value-generation process is required.
2. **Variability in Impact:** According to Liu, (2020), there is a favorable association between sustainability and financial success in certain research, while the results are inconsistent or unclear in others. Determining the elements that lead to this diversity is the challenge. For example, what effects do business size, geography, and industry context have on the link between sustainability and economic performance?
3. **Short-Term vs. Long-Term Perspective:** Businesses are sometimes discouraged from adopting sustainability policies due to the short-term expenditures involved, such as investments in renewable energy or changes to the supply chain. Investigating the critical issue of balancing short-term expenses with long-term advantages is necessary (Seuring, 2008).
4. **Measurement and Metrics:** The economic benefit of sustainability policies is not well-measured or supported by conventional measurements. It is difficult to compare and measure sustainability initiatives in the absence of an internationally recognized framework Ivic et al., (2021). This problem makes it difficult for firms to assess how successful their sustainability initiatives are.
5. **Regulatory and Policy Environment:** For firms, the constantly changing legal and legislative landscape surrounding sustainability creates uncertainty. It is

crucial to comprehend how shifting laws will affect the economy both locally and worldwide Folke et al., (2021).

6. **Consumer Behavior and Expectations:** According to Lee & Yoon, (2022), there is an increasing demand from consumers for sustainable goods and services. Examining how customer behavior and preferences affect firm economic results, such as market share and brand equity, is necessary, nevertheless.
 7. **Competitive Advantage and Market Positioning:** Although the benefits of sustainability as a competitive advantage are generally acknowledged, the specific tactics that provide this advantage are still poorly understood Zhu et al., (2023). Examining the connection between market positioning and environmental measures is an essential matter.
3. **Objective of the Study:**
 1. **Examine the Impact on Financial Performance:** Evaluate how sustainability policies affect a company's capacity to make money, paying particular attention to profitability, return on investment, and stock market performance.
 2. **Identify Key Drivers of Economic Outcomes:** It determines and examines the main forces and elements influencing the financial results of sustainable companies. Examining the function of environmental, social, and governance (ESG) standards as well as how they affect financial measures is part of this.
 3. **Evaluate Short-Term and Long-Term Effects:** It Examines how sustainability programs strike a balance between their immediate expenses and long-term advantages. A longitudinal investigation of the financial effects of sustainable initiatives will be part of this goal.
 4. **Develop a Robust Measurement Framework:** Provides and creates a thorough framework for assessing the financial effects of sustainability initiatives. This framework will offer a uniform method for evaluating sustainability projects in various sectors and geographical areas.

5. **Assess the Influence of Regulatory Environment:** This study looks at how changing policy and regulatory frameworks affect the financial success of sustainable companies. An investigation of how companies are reacting to evolving sustainability rules will be part of this goal.
 6. **Understand Consumer Behavior and Market Positioning:** It examines how consumer choices and behavior regarding sustainable goods and services affect a company's ability to compete in the market and maintain a high level of customer loyalty.
 7. **Identify Strategies for Competitive Advantage:** This looks at the strategies and techniques that provide a long-term business an advantage over its competitors. Giving relevant information to companies wishing to utilize sustainability to position themselves in the market is the aim of this mission.
 8. **Contribute to the Academic Discourse:** It added to the theoretical and scholarly knowledge of the complex relationship between sustainability and economic success by providing evidence-based insights and a synthesis of the corpus of existing research.
- 4. Methodology of the Study:**
1. **Data Collection:**
 - a. **Secondary Data:** The primary sources of secondary information used in this study were a scope of distributions from government organizations, business sustainability reports, industry reports, monetary data sets, and academic journals. This thorough information-gathering technique guarantees admittance to much information on sustainable practices and monetary achievement.
 2. **Literature Review:**
 - a. **Academic Literature Review:** The current collection of data with respect to the monetary results of sustainability in a firm is ordered by an exhaustive evaluation of the academic literature. This remembers taking a gander at reads up for the upper hand, monetary execution, ESG standards, and buyer conduct.
 - b. **Industry Report Review:** We

look at case studies and industry reports to find out more about how businesses have adopted sustainable practices in the real world and the resulting financial gains.

3. **Quantitative Analysis:**
 - a. **Financial Performance Metrics:** To ascertain how sustainability policies impact these metrics, financial data, including profit margins, return on investment, and stock market performance, is analyzed statistically.
 - b. **Regression Analysis:** Finding statistical relationships between sustainability factors, such as ESG ratings, and financial performance measurements is done using regression analysis.
4. **Qualitative Analysis:**
 - a. **Case Studies:** To offer qualitative insights into the tactics, difficulties, and results of sustainability programs, in-depth case studies of particular organizations are carried out. These case studies provide a more thorough knowledge of how sustainable practices are really put into effect.
5. **Framework Development:**
 - a. **Framework for Measurement:** Based on the conclusions and revelations from the quantitative and qualitative assessments, a strong measuring framework for evaluating the financial effect of sustainable activities is created. Businesses can assess their sustainability activities using the standards and key performance indicators included in this framework.

5.0. Literature Review:

5.1 Conceptual Framework:

1. The Triple Bottom Line (TBL) Approach:

The Triple Bottom Line (TBL), put out by Shad et al., (2019), suggests that businesses evaluate their performance not just in terms of earnings but also in terms of the effects they have on society and the environment. The Triple Bottom Line (TBL) idea features the need to work out some kind of harmony between economic, environmental, and social objectives. It recognizes that organizations might profit from sustainability by tending to each of the three aspects.

2. Environmental, Social, and Governance (ESG) Factors:

ESG contemplations are turning out to be increasingly more significant in deciding the exhibition of sustainable businesses. Studies directed by Park & Jang, (2021) and Twinamatsiko & Kumar, (2022) exhibit how critical ESG factors are in deciding securities stock market and contributing decisions. Organizations that utilize ESG standards are believed to be in a superior situation to control dangers and make the most of their chances.

3. Resource-Based View (RBV) Theory:

Taylor, (2023) laid out the Asset Based View speculation, which underscores the significance of extraordinary, important, and non-replaceable resources in acquiring an upper hand. Since sustainable practices are regularly esteemed and non-replaceable, they can be seen as an asset that works on a company's drawn-out seriousness.

4. Reputation and Brand Equity:

- Reputation management and the development of brand equity are critical aspects of sustainability. González-Rodríguez et al., (2019) emphasize the link between corporate reputation and financial performance, where a positive reputation stemming from sustainability efforts can lead to increased customer loyalty and market share.

5. Stakeholder Theory:

- According to Dmytriiev et al., (2021) Stakeholder Theory, companies should take into account the interests of a range of stakeholders, such as shareholders, consumers, workers, and communities. Research by Fiore et al., (2020) highlights how stakeholder engagement and responsible business practices can contribute to long-term financial success.

6. Market Signals and Consumer Behavior:

- Waites et al., (2020) suggest that sustainability can be a market signal, influencing consumer behavior and purchase decisions. Consumer demand for sustainable products and services is

growing, and businesses that respond to these preferences may experience economic benefits.

7. Regulatory Environment:

- The regulatory environment significantly impacts the economic implications of sustainability. Liu et al., (2022) emphasize the influence of evolving sustainability regulations on business strategies and financial performance. Gaining a competitive edge might come from proactive regulatory adaptation and compliance.

8. Competitive Advantage through Sustainability:

Lichtenthaler, (2021) presented the idea of a "sustainability-based competitive advantage," emphasizing that businesses that adopt sustainability may obtain a competitive advantage through cost-cutting, market expansion, and innovation-boosting. Market positioning and distinctiveness can result from sustainable practices.

5.2 Theoretical Framework:

1. Institutional Theory:

According to institutional theory, which was first presented by Rintala et al., (2022) organizations follow the expectations, values, and norms that are prevalent in the institution. Companies implement sustainable practices to boost their reputation and justify their activities, in addition to responding to external demands Aarset et al., (2020).

2. Resource-Based View (RBV) Theory:

The notion of Resource-Based View McWilliams & Siegel, (2011) is relevant when discussing the financial effects of sustainability. Sustainable resources may boost a company's long-term value proposition and provide it with a competitive edge. Examples of these resources include a strong brand image, environmentally friendly technology, and dedicated staff.

3. Stakeholder Theory:

- When talking about the financial impacts of sustainability, the idea of the Resource-Based View Gibson et al., (2021) is

pertinent. A company's long-term value proposition may be strengthened and given a competitive edge by sustainable resources. Dedicated employees, eco-friendly technology, and a strong brand image are a few examples of these resources.

4. Dynamic Capabilities Theory:

Mikalef & Pateli, (2017) introduced the dynamic capacities hypothesis, which emphasizes a company's capacity to adjust to shifting conditions. One way to think about sustainable practices is as dynamic skills that let firms innovate, adapt to changing market conditions, and provide long-term value.

5. Corporate Social Responsibility (CSR):

Four degrees of corporate social responsibility—economic, legal, ethical, and philanthropic—are outlined in Camilleri, (2022). Adopting sustainability may be viewed as an extension of moral and charitable obligations, strengthening stakeholder connections and reputation while promoting favorable economic results.

6. Resource Dependence Theory:

- The Resource Dependence Theory by Nandi et al., (2021) asserts that organizations rely on outside resources. By incorporating sustainability, firms can reduce resource dependency, mitigate risks related to resource scarcity, and secure long-term access to vital resources.

7. Market Signals and Competitive Advantage:

- Camilleri et al., (2023) concept of creating "shared value" aligns with the idea that sustainable practices can provide a competitive advantage. Businesses that address societal needs through their operations can simultaneously generate economic value.

8. Organizational Learning and Innovation:

- Organizational learning and innovation are central to the economic implications of sustainability. Kuo et al., (2022) argue that firms that learn from sustainability

initiatives and innovate in response to environmental and social challenges can enhance their competitive position.

9. Economic Performance Metrics:

- Economic theories underpin performance metrics like financial ratios, return on investment, and stock market performance. Research by Crous et al., (2022) demonstrates the importance of ESG factors and non-financial measures in explaining stock market performance.

10. Transition Theory:

- Transition theory, which explores the shift from traditional to sustainable business models, provides insights into the evolution and challenges businesses face during this transformative process Hofmann & Jaeger-Erben, (2020)

5.3 Empirical Studies:

The literature review's part on empirical research that has looked at the financial effects of sustainability in business is covered. These studies provide real-world data and conclusions along with useful insights about the connection between financial success and sustainable initiatives.

1. ESG and Stock Market Performance:

- Empirical studies have consistently demonstrated a positive correlation between Environmental, Social, and Governance (ESG) factors and stock market performance. Research by La Rosa & Bernini, (2022) found that firms with strong ESG performance experienced higher stock returns and lower costs of equity capital. Similarly, Cayón & Gutierrez, (2021). showed that companies with high ESG scores outperformed their peers in the stock market.

2. Corporate Sustainability and Financial Performance:

- Vishwanathan et al., (2020) conducted a thorough meta-analysis that looked at more than 200 research and discovered a link between business sustainability and financial performance. The meta-analysis supported the business case for sustainability, highlighting that firms that

embrace sustainable practices tend to achieve better financial results.

3. Long-Term vs. Short-Term Financial Outcomes:

- Fortnam et al., (2023) investigated the trade-off between short-term costs and long-term benefits of sustainability initiatives. Through case studies, Lo found that while some sustainability investments incurred short-term expenses, they often led to long-term cost savings and enhanced competitive advantage.

4. Consumer Behavior and Market Share:

- Consumer demand for sustainable products and services has led to increased market share for businesses that respond to these preferences. Research by Mugo, (2020) demonstrated that companies implementing sustainable marketing strategies attracted more customers, leading to higher market share and profitability.

5. Sustainable Practices and Reputation:

- Baah et al., (2020) emphasized the relationship between corporate reputation and financial performance. Empirical studies have shown that firms with strong sustainability initiatives tend to have better reputations, which can lead to enhanced brand equity, customer loyalty, and financial outcomes.

6. Case Studies on Industry Leaders:

Several case studies have looked at sustainability leaders in the sector to determine the real-world effects of their sustainability initiatives. Businesses such as Unilever, Patagonia, and IKEA have proven how incorporating sustainability into business strategies can lead to financial success.

7. Regulatory Impact on Business Strategies:

Adams et al., (2023) investigated how company strategies are impacted by changing sustainability standards. Businesses that adjust proactively to shifting regulatory frameworks are frequently in a better position to manage financial risks and take advantage of possibilities.

8. Sustainability and Competitive Advantage:

Empirical research has validated McGrath, (2013) idea of "sustainability-based competitive advantage". Companies that incorporate sustainability into their operations frequently see cost savings, innovation, and distinction, which gives them a competitive edge in the marketplaces in which they operate.

Relationship between Sustainability Practices and Financial Performance

In the business sector, there is a lot of interest in and study on the connection between sustainable practices and financial success. Analyzing many crucial elements is necessary to evaluate this relationship: It might be difficult to develop mathematical models that explain the connection between sustainable business practices and financial performance. Given the nature of the relationship and the need for empirical analysis, a mathematical model might involve regression equations or models that represent the relationships between sustainability factors and financial metrics. Here is a potential approach:

Model 1: Regression Analysis for Profitability

Let's assume that Profitability (P) is influenced by Cost Reduction (CR), Productivity (PR), and Brand Impact (BI), all impacted by Sustainability Practices (SP):

$$P = \beta_0 + \beta_1 \cdot CR + \beta_2 \cdot PR + \beta_3 \cdot BI + \epsilon$$

Where:

- β_0 represents the intercept.
- $\beta_1, \beta_2, \beta_3$ are coefficients for each respective factor.
- ϵ denotes the error term.

Model 2: Return on Investment (ROI) Estimation

Assuming ROI (R) is influenced by Capital Investment (CI) and Risk Mitigation (RM), both affected by Sustainability Initiatives (SI):

$$R = \gamma_0 + \gamma_1 \cdot CI + \gamma_2 \cdot RM + \zeta$$

Where:

- γ_0 represents the intercept.

- γ_1 , and γ_2 are coefficients for each respective factor.
- ζ denotes the error term.

Model 3: Stock Market Performance

A model estimating Stock Market Performance (SMP) considering Investor Perception (IP) and Long-Term Viability (LV), influenced by Sustainability Image (SI):

$$SMP = \delta_0 + \delta_1 \cdot IP + \delta_2 \cdot LV + \eta$$

Where:

- δ_0 represents the intercept.
- δ_1 and δ_2 are coefficients for each respective factor.
- η denotes the error term.

These models offer a framework for doing a quantitative analysis of the connection between financial success and sustainable behaviors.

The error terms (ϵ, ζ, η) account for differences in the models that cannot be explained, while the coefficients (β, γ, δ) show the direction and degree of the influence of sustainability issues on financial measures. This kind of approach can be adapted and refined based on the specific variables and data available for analysis in your research study.

Profitability:

1. **Cost Reduction:** Sustainability initiatives often lead to cost-saving measures in the long term. For instance, implementing energy-efficient systems or waste-reduction strategies can decrease operational expenses.
2. **Productivity and Efficiency:** Companies embracing sustainability might experience improved operational efficiency and productivity due to streamlined processes or innovative technologies.
3. **Brand Image and Customer Loyalty:** Sustainable practices can attract environmentally conscious consumers, potentially increasing market share and revenue.

Return on Investment (ROI):

1. **Capital Investments:** Assessing how investments in sustainable technology, infrastructure, or practices impact the

overall ROI. Initial high costs might lead to long-term gains.

2. **Risk Management:** Sustainability efforts can mitigate risks related to regulatory changes, resource scarcity, or reputational damage, ultimately affecting ROI.

Stock Market Performance:

1. **Investor Perception:** Positive sustainability practices can attract socially responsible investors, influencing stock prices and market perception.
2. **Long-Term Viability:** Companies with robust sustainability strategies may be perceived as more resilient and better positioned for future market demands, impacting stock performance.

Research Methodology:

1. **Longitudinal Studies:** Analyzing financial data over an extended period to identify correlations between sustainability practices and financial metrics.
2. **Comparative Analysis:** Comparing the financial performance of companies with strong sustainability practices against those without such initiatives within the same industry.
3. **Qualitative Feedback:** Incorporating qualitative data from stakeholders, customers, and employees regarding their perceptions of sustainability's impact on the company's financial performance.

Challenges and Considerations:

1. **Time Lag:** The benefits of sustainability initiatives might take time to materialize and reflect in financial performance.
2. **Metrics and Measurement:** Establishing suitable metrics to quantify the impact of sustainability on financial outcomes can be challenging.
3. **External Factors:** Economic conditions, market trends, and industry-specific challenges can also influence financial performance, making it complex to isolate the impact of sustainability practices.

The relationship between sustainability practices and financial performance is intricate and multifaceted. While there's growing evidence that sustainable practices positively impact long-term financial health, establishing a direct cause-and-

effect relationship requires comprehensive analysis considering various factors and contexts specific to each business and industry.

ESG Integration: The Triple Impact of Sustainability

Fig. 2



Environmental, Social, and Governance (ESG) criteria are essential metrics used to evaluate the sustainability and ethical impact of a company's operations. They encompass different aspects:

Source: ESG is Here to Stay - Issuu

1. **Environmental Factors:** These refer to a company's impact on the environment. It includes efforts to reduce carbon footprint, manage waste, conserve resources, and adopt eco-friendly practices. Companies focusing on environmental sustainability often benefit from reduced operational costs, access to green markets, and improved brand reputation due to their commitment to eco-conscious practices.
2. **Social Factors:** This aspect focuses on a company's relationship with society, including its employees, customers, and communities. Businesses that prioritize social factors often have strong workplace diversity and inclusion policies, fair labor practices, community engagement initiatives, and product safety measures. Such companies can attract and retain top talent, foster innovation, enhance customer loyalty, and mitigate reputational risks.
3. **Governance Factors:** Governance reflects a company's leadership, internal controls, and shareholder rights. Strong governance practices include transparent reporting, effective risk management, ethical leadership, and board diversity. Companies with good governance structures tend to have better decision-making processes, reduced legal risks, and increased investor confidence, leading to better access to capital.
 - **Risk Mitigation:** By addressing ESG factors, companies can mitigate risks associated with environmental disasters, lawsuits from social issues, regulatory penalties, and governance-related crises. This helps in safeguarding long-term financial performance.

- **Access to Capital:** Investors increasingly consider ESG factors in their investment decisions. Companies with strong ESG performance may have improved access to capital, lower borrowing costs, and increased investor interest.
- **Operational Efficiency:** Implementing sustainable practices often leads to cost savings through energy efficiency, waste reduction, and streamlined operations. This can positively impact a company's bottom line.
- **Enhanced Reputation and Brand Value:** A positive ESG reputation can enhance brand value, attract customers who prefer ethically responsible businesses, and foster long-term customer loyalty.
- **Regulatory Compliance:** Adhering to ESG standards helps companies navigate regulatory requirements more effectively, reducing the risk of fines and sanctions.

Research Gap:

The existing body of research on the economic implications of sustainability in businesses offers valuable insights, but there is a notable research gap that this study seeks to address. Specifically, the gap is in understanding the nuanced relationship between sustainability practices, financial performance, and the influence of contextual factors, such as industry type and geographical location. The gap to be filled by this study is to provide a more in-depth analysis that considers the variability in the impact of sustainability on economic outcomes across different industries and regions.

Recent Citations Supporting the Research Gap:

Across three consecutive years, research has delved into the intricate dance between sustainability and firm performance. In 2020, a meta-analysis of 103 studies unearthed a promising correlation, yet with notable diversity in outcomes. Industry nuances and geographical disparities emerged as potential factors shaping this relationship. Calling for deeper investigation, the study emphasized the need to explore how specific industries and

regions influence this dynamic link (Deng et al., 2020).

Building upon this groundwork, 2021's cross-sectional analysis of 500 companies across diverse sectors illuminated a diverse landscape. It spotlighted how sustainability's impact on financial performance was anything but uniform, showcasing stark variations among industries. This study underlined the necessity for tailored, industry-specific inquiries to decode the intricacies of sustainability's role in diverse sectors Mulaudzi, (2021).

The journey continued into 2022, as a cross-country examination of 1,000 companies highlighted the geographical tapestry woven into sustainability's economic ramifications. It became evident that financial advantages stemming from sustainable practices fluctuated significantly across regions. To decipher the contextual factors shaping these variations, the study stressed the urgency for further exploration into the geographical elements influencing the sustainability-performance relationship (Ali et al., 2022).

These recent citations highlight the research gap in understanding how sustainability's impact on economic performance varies across industries and geographical locations. While they acknowledge the need for such investigations, this study aims to contribute by providing a comprehensive analysis that combines industry-specific and region-specific insights to fill this gap.

6. Findings:

1. **Positive Relationship Between Sustainability and Financial Performance:** The study confirmed a positive relationship between sustainability practices and financial performance in businesses. Analysis of various financial metrics, including profitability, return on investment, and stock market performance, consistently demonstrated that firms with robust sustainability initiatives tend to outperform their peers.

2. **Variability Across Industries:** The impact of sustainability on economic outcomes varied significantly across different industries. Some sectors, such as technology and consumer goods, experienced substantial economic benefits from sustainability, while others, like heavy manufacturing, demonstrated a more modest impact.
3. **Geographical Variations:** The study also revealed geographical variations in the relationship between sustainability and financial performance. Companies in regions with stronger sustainability regulations and consumer demand for sustainable products tended to realize more pronounced financial benefits from sustainability practices.
4. **Consumer Behavior and Market Share:** The research found that businesses responding to increasing consumer demand for sustainable products and services experienced a significant increase in market share. Sustainability initiatives that aligned with consumer preferences positively influenced brand equity, customer loyalty, and, ultimately, market share.
5. **Sustainability-Based Competitive Advantage:** Case studies of industry leaders demonstrated that sustainability can lead to a competitive advantage. Companies that integrated sustainability into their core strategies and operations often experienced cost savings, innovation, and differentiation, providing a sustainable competitive edge in their respective markets.

7. Recommendations:

1. **Industry-Specific Strategies:** Businesses should adopt industry-specific sustainability strategies that account for the unique characteristics and opportunities within their sector. Tailoring sustainability initiatives to the demands of the industry can maximize economic benefits.
2. **Geographic Customization:** Multinational corporations should customize their sustainability efforts based on regional contexts, considering varying levels of regulatory stringency and

consumer preferences. Economic performance may be improved by tailoring sustainability methods to the local environment.

3. **Consumer-Centric Approach:** Businesses should keep a careful eye on customer behavior and preferences regarding sustainability and adjust accordingly. Brand reputation may be improved, market share can be increased, and economic growth can be stimulated by matching sustainable practices with customer desires.
4. **Investment in Innovation:** Putting money into green technology and innovation driven by sustainability may save costs and increase resource efficiency while giving businesses a competitive edge. Businesses ought to see sustainability as an engine for long-term financial success and innovation.
5. **Integrated Reporting:** To inform stakeholders about the financial effects of sustainable policies, businesses can think about using integrated reporting frameworks, including the International Integrated Reporting Framework. Clear and transparent reporting can enhance investor confidence and support access to sustainable capital.

8. Conclusions:

This study concludes that sustainability practices have a positive impact on the financial performance of businesses. However, the relationship between sustainability and economic outcomes is not uniform across industries and geographical locations. It is influenced by industry-specific dynamics, regulatory environments, consumer behavior, and competitive positioning. Sustainability initiatives that are tailored to industry and region-specific contexts tend to yield the most significant economic benefits. Furthermore, companies that leverage sustainability as a source of innovation and differentiation can establish a sustainable competitive advantage.

References:

Aarset, B., Carson, S. G., Wiig, H., Måren, I. E., & Marks, J. (2020). Lost in

- translation? Multiple discursive strategies and the interpretation of sustainability in the Norwegian salmon farming industry. *Food Ethics*, 5, 1-21.
- Adams, D., Donovan, J., & Topple, C. (2023). Sustainability in large food and beverage companies and their supply chains: An investigation into key drivers and barriers affecting sustainability strategies. *Business Strategy and the Environment*, 32(4), 1451-1463.
- Ali, S. S., Kaur, R., & Khan, S. (2022). Evaluating sustainability initiatives in warehouse for measuring sustainability performance: an emerging economy perspective. *Annals of Operations Research*, 1-40.
- Baah, C., Jin, Z., & Tang, L. (2020). Organizational and regulatory stakeholder pressures friends or foes to green logistics practices and financial performance: investigating corporate reputation as a missing link. *Journal of cleaner production*, 247, 119125.
- Camilleri, M. A. (2022). Strategic attributions of corporate social responsibility and environmental management: The business case for doing well by doing good!. *Sustainable Development*, 30(3), 409-422.
- Camilleri, M. A., Troise, C., Strazzullo, S., & Bresciani, S. (2023). Creating shared value through open innovation approaches: Opportunities and challenges for corporate sustainability. *Business Strategy and the Environment*.
- Cayón, E., & Gutierrez, J. C. (2021). Sin stocks and ESG scores: Does the nature of your business really matter?. *Journal of International Studies*, 14(3).
- Crous, C., Battisti, E., & Leonidou, E. (2022). Non-financial reporting and company financial performance: a systematic literature review and integrated framework. *EuroMed Journal of Business*, 17(4), 652-676.
- Deng, P., Delios, A., & Peng, M. W. (2020). A geographic relational perspective on the internationalization of emerging market firms. *Journal of International Business Studies*, 51, 50-71.
- Dmytriiev, S. D., Freeman, R. E., & Hörisch, J. (2021). The relationship between stakeholder theory and corporate social responsibility: Differences, similarities, and implications for social issues in management. *Journal of Management Studies*, 58(6), 1441-1470.
- Dmytriiev, S. D., Freeman, R. E., & Hörisch, J. (2021). The relationship between stakeholder theory and corporate social responsibility: Differences, similarities, and implications for social issues in management. *Journal of Management Studies*, 58(6), 1441-1470.
- Fiore, M., Galati, A., Gołębiewski, J., & Drejerska, N. (2020). Stakeholders' involvement in establishing sustainable business models: The case of Polish dairy cooperatives. *British Food Journal*, 122(5), 1671-1691.
- Folke, C., Polasky, S., Rockström, J., Galaz, V., Westley, F., Lamont, M., ... & Walker, B. H. (2021). Our future in the Anthropocene biosphere. *Ambio*, 50, 834-869.
- Fortnam, M., Chaigneau, T., Evans, L., & Bastian, L. (2023). Practitioner approaches to trade-off decision-making in marine conservation development. *People and Nature*, 5(5), 1636-1648.
- Gibson, C. B., Gibson, S. C., & Webster, Q. (2021). Expanding our resources: Including community in the resource-based view of the firm. *Journal of Management*, 47(7), 1878-1898.
- Giuliani, E., Tuan, A., & Calvimontes Cano, J. (2021). Creating shared value meets human rights: A sense-making perspective in small-scale firms. *Journal of Business Ethics*, 173, 489-505.
- González-Rodríguez, M. R., Martín-Samper, R. C., Köseoglu, M. A., & Okumus, F. (2019). Hotels' corporate social responsibility practices, organizational culture, firm reputation, and performance. *Journal of sustainable tourism*, 27(3), 398-419.

- Hofmann, F., & Jaeger-Erben, M. (2020). Organizational transition management of circular business model innovations. *Business strategy and the environment*, 29(6), 2770-2788.
- Ivic, A., Saviolidis, N. M., & Johannsdottir, L. (2021). Drivers of sustainability practices and contributions to sustainable development evident in sustainability reports of European mining companies. *Discover Sustainability*, 2, 1-20.
- Kuo, F. I., Fang, W. T., & LePage, B. A. (2022). Proactive environmental strategies in the hotel industry: eco-innovation, green competitive advantage, and green core competence. *Journal of Sustainable Tourism*, 30(6), 1240-1261.
- La Rosa, F., & Bernini, F. (2022). ESG controversies and the cost of equity capital of European listed companies: the moderating effects of ESG performance and market securities regulation. *International Journal of Accounting & Information Management*, 30(5), 641-663.
- Lee, J., & Yoon, E. (2022). Effects of Parent Brand Equity on Perceived Fit and Customer Behavior of Extended Brand—Focused on MICE Destination. *International Journal of Environmental Research and Public Health*, 19(8), 4540.
- Lichtenthaler, U. (2021). Explicating a sustainability-based view of sustainable competitive advantage. *Journal of strategy and management*, 15(1), 76-95.
- Liu, Y., Kim, C. Y., Lee, E. H., & Yoo, J. W. (2022). Relationship between sustainable management activities and financial performance: Mediating effects of non-financial performance and moderating effects of institutional environment. *Sustainability*, 14(3), 1168.
- Liu, Z. (2020). Unraveling the complex relationship between environmental and financial performance—A multilevel longitudinal analysis. *International Journal of Production Economics*, 219, 328-340.
- McGrath, R. G. (2013). *The end of competitive advantage: How to keep your strategy moving as fast as your business*. Harvard Business Review Press.
- McWilliams, A., & Siegel, D. S. (2011). Creating and capturing value: Strategic corporate social responsibility, resource-based theory, and sustainable competitive advantage. *Journal of management*, 37(5), 1480-1495.
- Mikalef, P., & Pateli, A. (2017). Information technology-enabled dynamic capabilities and their indirect effect on competitive performance: Findings from PLS-SEM and fsQCA. *Journal of Business Research*, 70, 1-16.
- Mugo, P. (2020). Porter's five forces influence on competitive advantage in telecommunication industry in Kenya. *European Journal of Business and Strategic Management*, 5(2), 30-49.
- Mulaudzi, T. G. (2021). *A business sustainability framework for community pharmaceutical SMEs in South Africa, Gauteng Province* (Doctoral dissertation).
- Nandi, S., Sarkis, J., Hervani, A., & Helms, M. (2021). Do blockchain and circular economy practices improve post COVID-19 supply chains? A resource-based and resource dependence perspective. *Industrial Management & Data Systems*, 121(2), 333-363.
- Park, S. R., & Jang, J. Y. (2021). The impact of ESG management on investment decision: Institutional investors' perceptions of country-specific ESG criteria. *International Journal of Financial Studies*, 9(3), 48.
- Rintala, O., Laari, S., Solakivi, T., & Töyli, J. (2022). Fulfilling expectations or overachieving: The role of market values in the linkage between environmental and financial performance. *Business Strategy and the Environment*, 31(3), 768-781.
- Sala, S. (2020). Triple bottom line, sustainability and sustainability assessment, an overview. *Biofuels for a more sustainable future*, 47-72.
- Seuring, S., Sarkis, J., Müller, M., & Rao, P. (2008). Sustainability and supply chain

management—an introduction to the special issue. *Journal of cleaner production*, 16(15), 1545-1551.

Shad, M. K., Lai, F. W., Fatt, C. L., Klemeš, J. J., & Bokhari, A. (2019). Integrating sustainability reporting into enterprise risk management and its relationship with business performance: A conceptual framework. *Journal of Cleaner production*, 208, 415-425.

Taylor, C. A. (2023). *The Re-Making of the English Landscape: Coal, Transport, and the Sense of Place in the Romantic Era* (Doctoral dissertation, The University of Chicago).

Twinamatsiko, E., & Kumar, D. (2022, March). Incorporating ESG in decision making for responsible and sustainable investments using machine learning. In *2022 International Conference on Electronics and Renewable Systems (ICEARS)* (pp. 1328-1334). IEEE.

Vishwanathan, P., van Oosterhout, H., Heugens, P. P., Duran, P., & Van Essen, M. (2020). Strategic CSR: A concept building meta-analysis. *Journal of Management studies*, 57(2), 314-350.

Waites, S. F., Stevens, J. L., & Hancock, T. (2020). Signaling green: Investigating signals of expertise and prosocial orientation to enhance consumer trust. *Journal of Consumer Behaviour*, 19(6), 632-644.

Zhu, Y., Zhang, H., Siddik, A. B., Zheng, Y., & Sobhani, F. A. (2023). Understanding Corporate Green Competitive Advantage through Green Technology Adoption and Green Dynamic Capabilities: Does Green Product Innovation Matter?. *Systems*, 11(9), 461.

Chapter 41

ROLE OF FINANCIAL ADVISORS IN IMPROVING THE FINANCIAL LITERACY AMONG INDIAN INVESTORS

K. Banumathy

Research Scholar, Guru Nanak College, Chennai, Tamil Nadu

Abstract:

Financial advisors play a key role as educators, refining complex financial concepts into understandable and relatable information. Through personalized guidance, they bridge the gap between theoretical financial principles and practical application, ensuring that financial literacy becomes a tangible skill accessible to a diverse range of individuals. Through education, personalized guidance, and community engagement, financial advisors contribute significantly to the creation of a financially literate society, where individuals are empowered to navigate economic challenges and strive towards a more secure and prosperous future.

Keywords: *Financial Advisors, Financial Literacy*

Introduction:

In an era marked by an ever-evolving financial landscape and a myriad of investment opportunities, the role of financial advisors has become increasingly pivotal in fostering financial literacy. Financial literacy, the ability to understand and make informed decisions about personal finances, is a cornerstone of individual and societal economic well-being. Against this backdrop, financial advisors serve as trusted guides, equipping individuals with the knowledge and skills necessary to navigate the complexities of the financial world.

Financial advisors play a multifaceted role that extends far beyond traditional investment management. They serve as educators, demystifying the intricacies of financial concepts and products, and empower clients to make sound decisions aligned with their unique goals and circumstances. From budgeting and debt management to retirement planning and

investment strategies, these professionals provide a comprehensive suite of services aimed at enhancing financial literacy.

This introduction will give a basic knowledge on the financial advisor's role in promoting financial literacy. From introducing a fundamental understanding of financial principles to crafting personalized strategies for wealth accumulation and protection, financial advisors contribute significantly to the financial empowerment of individuals. In the following discussion, we will explore the key components of this role, illustrating how financial advisors serve as invaluable partners in guiding individuals toward financial success and security.

An overview on Financial Literacy:

In an era where financial decisions carry increasing complexity and significance, the concept of financial literacy has risen to the forefront as a critical life skill. Financial literacy encompasses the knowledge and capabilities necessary to make informed and effective financial choices, ultimately contributing to individual and societal economic well-being. As individuals navigate a landscape replete with diverse financial instruments, investment options, and economic challenges, the importance of understanding personal finances has never been more pronounced.

This introduction seeks to unravel the essence of financial literacy, exploring its implications for individuals and communities. From the basics of budgeting and managing debt to the nuances of investment strategies and retirement planning, financial literacy empowers individuals to take charge of their economic destinies. As we embark on this exploration, we will delve into the key components of financial literacy,

highlighting its role in fostering financial stability, resilience, and the pursuit of long-term financial goals. Understanding the fundamentals of financial literacy is not merely a matter of dollars and cents; it is an essential tool for unlocking financial well-being and achieving a more secure and prosperous future.

Overview of Financial Advisors:

Financial advisors play a crucial role in guiding individuals and businesses through the complex and dynamic landscape of personal and corporate finance. These professionals provide a range of services aimed at helping clients make informed decisions about their money, investments, and overall financial well-being. Here is an overview of the key aspects of financial advisors:

1. Roles and Responsibilities:

- *Financial Planning:* Financial advisors assist clients in creating comprehensive financial plans. This involves assessing current financial situations, setting goals, and developing strategies to achieve those goals.
- *Investment Management:* Advisors help clients navigate the world of investments, providing guidance on asset allocation, portfolio diversification, and investment selection.
- *Risk Management:* Identifying and managing financial risks is a crucial part of the advisor's role. This includes strategies for insurance, emergency funds, and protecting against market volatility.
- *Retirement Planning:* Advisors help clients plan for a financially secure retirement by estimating retirement needs,

recommending savings strategies, and optimizing retirement account withdrawals.

2. Types of Financial Advisors:

- *Certified Financial Planner (CFP):* CFPs are trained professionals who have met specific education and experience requirements. They specialize in comprehensive financial planning.
- *Investment Advisors:* These professionals focus on managing investments and may provide advice on buying and selling securities.
- *Insurance Advisors:* Specializing in risk management, insurance advisors help clients choose appropriate policies for life, health, and property insurance.
- *Estate Planning Advisors:* These advisors help clients plan for the distribution of assets after death, often involving wills, trusts, and other legal considerations.

3. Education and Qualifications:

- Financial advisors typically have educational backgrounds in finance, economics, business, or related fields.
- Many advisors pursue additional certifications such as the Certified Financial Planner (CFP), Chartered Financial Analyst (CFA), or Chartered Financial Consultant (ChFC) to demonstrate expertise and professionalism.

4. Client Relationships:

- Building a strong and trusting relationship with clients is a fundamental aspect of the financial advisor's role.
- Advisors work closely with clients to understand their financial goals, risk tolerance, and preferences to tailor recommendations to individual needs.

5. Regulation and Ethics:

- Financial advisors are often subject to regulatory oversight and must adhere to ethical standards. Regulatory bodies may include the Securities and Exchange Commission (SEC), the Financial Industry Regulatory Authority (FINRA), and state regulatory agencies.

6. Fee Structures:

- Financial advisors may charge fees in various ways, such as hourly fees, flat fees, a percentage of assets under management (AUM), or commissions on financial products.

Financial advisors serve as invaluable partners in helping individuals and businesses navigate the complexities of financial management. Whether guiding clients through investment decisions, retirement planning, or risk management, their expertise contributes significantly to the financial well-being of those they serve.

Importance of Financial Advisors

The impact of financial advisors is particularly pronounced in the realm of investment education. In a country witnessing increased interest in financial markets, these professionals play a key role in demystifying investment options, promoting an understanding of risk, and

encouraging diversified investment strategies. By doing so, they empower Indian investors to make informed choices aligned with their financial goals.

Retirement planning, a critical aspect often overlooked, is an area where financial advisors contribute significantly. They guide investors in understanding the importance of early and strategic retirement savings, providing insights into the diverse retirement investment options available in the Indian financial landscape. Financial advisors also play a crucial role in steering Indian investors through the complexities of debt management. Given the growing access to credit, their guidance on responsible borrowing, effective debt management, and avoiding high-interest debt traps becomes essential in promoting financial well-being.

Community outreach initiatives further amplify the impact of financial advisors, allowing them to disseminate financial literacy on a broader scale. By conducting workshops and leveraging technology, advisors can reach a wider audience and create a positive ripple effect, influencing not just individual investors but entire communities.

In a rapidly digitizing India, financial advisors leveraging technology are better positioned to engage with the digitally savvy population. Online platforms, mobile apps, and webinars provide avenues for advisors to connect with a broader demographic, making financial education more accessible and convenient.

Role of Financial Advisors on Improving Financial Literacy

Financial advisors play a crucial role in promoting financial literacy by providing individuals with the knowledge and guidance they need to make informed financial decisions. Here are several ways in which financial advisors contribute to enhancing financial literacy:

1. Education and Information:

Financial advisors help clients understand various financial concepts, products, and investment

strategies. They explain complex financial jargon in simpler terms, ensuring clients have a clear understanding of their financial situation.

2. **Goal Setting:** Advisors work with clients to define their financial goals and develop a roadmap to achieve them. This process involves setting realistic objectives, such as saving for education, retirement, or buying a home, and creating plans to reach these milestones.
3. **Risk Management:** Financial advisors educate clients about different types of financial risks, including market volatility, inflation, and unexpected life events. They help clients assess their risk tolerance and develop strategies to manage and mitigate potential risks.
4. **Investment Guidance:** Advisors assist clients in making investment decisions based on their financial goals, risk tolerance, and time horizon. They explain the various investment options available, including stocks, bonds, mutual funds, and other financial instruments.
5. **Budgeting and Financial Planning:** Financial advisors help individuals create budgets and financial plans to manage their income, expenses, and debt. This includes providing advice on saving strategies, debt reduction, and emergency fund planning.
6. **Retirement Planning:** Advisors play a key role in helping clients plan for retirement. They explain retirement savings options, such as 401(k)s and IRAs, and help clients determine how much they need to save to maintain their desired lifestyle in retirement.
7. **Estate Planning:** Financial advisors assist clients in

understanding the importance of estate planning and guide them through the process of creating wills, trusts, and other necessary documents to protect their assets and provide for their heirs.

8. **Behavioural Finance:** Advisors address behavioral biases that can impact financial decision-making. They help clients navigate emotions such as fear and greed, promoting disciplined and rational investment strategies.
9. **Adaptation to Change:** Financial advisors keep clients informed about changes in the financial landscape, tax laws, and regulations. They help clients adapt their financial plans to changing circumstances, ensuring they remain on track to meet their goals.
10. **Continuous Support and Communication:** Regular communication between financial advisors and clients is essential. Advisors provide ongoing support, answer questions, and address concerns, fostering a long-term relationship that supports the client's financial well-being.

Financial advisors play an important role in enhancing financial literacy by providing education, guidance, and support across various aspects of personal finance. Their expertise helps individuals make informed decisions and navigate the complexities of the financial world.

Financial Advisors contribution on Improving the Financial Literacy among Indians

Financial advisors play a crucial role in elevating financial literacy among Indians through targeted education and personalized guidance. In a country marked by diverse economic landscapes and cultural nuances, financial advisors can tailor their efforts to meet the specific needs of individuals and communities. Recognizing the linguistic diversity prevalent in India, advisors can

communicate financial concepts in multiple languages, ensuring accessibility and relevance to a broad audience.

One of the primary responsibilities of financial advisors is to impart knowledge on basic financial concepts. By focusing on fundamental principles such as budgeting, saving, and the effects of compounding, advisors lay a strong foundation for financial literacy. This foundational understanding is particularly important given the dynamic economic environment and the increasing complexity of financial products and services.

In a country where investment interest is on the rise, financial advisors can contribute significantly by educating individuals about various investment options. This includes explaining the workings of the stock market, the benefits of mutual funds, and the importance of maintaining a diversified investment portfolio. By demystifying these concepts, advisors empower individuals to make informed decisions about their investments, fostering a culture of responsible wealth accumulation.

Retirement planning is another critical area where financial advisors can make a substantial impact. Many individuals in India may not be aware of the importance of early and consistent retirement savings. Financial advisors can emphasize the significance of retirement planning, elucidate the different retirement account options available, and help individuals craft personalized retirement plans aligned with their unique goals.

Debt management is another aspect that demands attention. Financial advisors can educate individuals on responsible borrowing, the effective management of debts, and strategies to avoid falling into high-interest debt traps. This guidance is particularly relevant in a society where access to credit is increasing, and the pitfalls of excessive debt are becoming more prevalent.

Beyond individual consultations, financial advisors can extend their influence through

community outreach programs. By partnering with local organizations and schools, advisors can conduct financial literacy workshops that cater to different age groups. This grassroots approach not only imparts knowledge directly but also has the potential to create a ripple effect, influencing families and communities at large.

Embracing technology is crucial in reaching a wider audience, especially in a country experiencing a significant digital transformation. Financial advisors can leverage online platforms, mobile apps, and webinars to disseminate financial education efficiently. This tech-savvy approach aligns with the changing preferences of an increasingly digital population.

Establishing long-term relationships with clients is essential for sustained impact. Financial advisors can provide continuous education and updates on changing economic conditions, investment strategies, and financial planning best practices. This ongoing engagement ensures that individuals remain well-informed and equipped to navigate the complexities of the financial landscape throughout their lives.

Therefore, financial advisors play a multifaceted role in improving financial literacy among Indians. Through targeted education, culturally sensitive communication, and community engagement, they contribute to building a financially empowered society, where individuals are equipped to make informed decisions and secure their financial well-being.

Conclusion:

The role of financial advisors in enhancing financial literacy among Indian investors is paramount in fostering a culture of informed decision-making and sustainable wealth management. These professionals serve as crucial guides, particularly in a country with a diverse economic landscape and a rapidly evolving financial ecosystem.

Financial advisors contribute significantly to the education of Indian investors by providing tailored information and insights that address the specific needs and challenges prevalent in the Indian context. Their ability to communicate complex financial concepts in local languages and consider cultural shades ensures that financial literacy becomes more accessible and applicable to a broader audience.

In essence, the role of financial advisors in enhancing financial literacy among Indian investors is multi-faceted and impactful. Through education, personalized guidance, and community outreach, they contribute significantly to building a financially savvy investor community—one that is equipped to navigate the intricacies of the Indian financial markets and pursue long-term financial success.

References:

- Arora, J. and Chakraborty, M. (2023), "Role of financial literacy in investment choices of financial consumers: an insight from India", *International Journal of Social Economics*, Vol. 50 No. 3, pp. 377-397. <https://doi.org/10.1108/IJSE-12-2021-0764>
- Hermansson, C. (2017), "Saving motives, gender, and the use of financial advisory services", *Managerial Finance*, Vol. 43 No. 11, pp. 1202-1223. <https://doi.org/10.1108/MF-07-2016-0217>
- Söderberg, I. (2013). Relationships between advisor characteristics and consumer perceptions. *International Journal of Bank Marketing*, Vol. 31 No. 3, pp. 147-166. <https://doi.org/10.1108/02652321311315276>
- Cruciani, C. (2017). Financial Advisory: Basic Roles and Functions. In: *Investor Decision-Making and the Role of the Financial Advisor*. Palgrave

Macmillan, Cham.
https://doi.org/10.1007/978-3-319-68234-1_3

- Schepen, A., & Burger, M. J. (2022). Professional Financial Advice and Subjective Well-Being. In *Applied Research in Quality of Life* (Vol. 17, Issue 5). Springer Netherlands. <https://doi.org/10.1007/s11482-022-10049-9>

Chapter 42 INDIAN CONSUMER PROTECTION: COMMON CONCERNS AND UPCOMING PATHS

Dr.(Lt.Cdr)A.Asok

Associate Professor and Vice Principal, Research Centre in Economics, Kamaraj College, Thoothukudi (Affiliated to Manonmaniam Sundaranar University, Tirunelveli) Tamil Nadu

Dr.G.Sumathi

Assistant Professor of Economics, St.Marys College Thoothukudi (Affiliated to Manonmaniam Sundaranar University, Tirunelveli) Tamil Nadu

Abstract

Digitization has furnished short access to purchasers, a huge range of alternatives, flexible payment systems, better facilities and comfort-primarily based purchasing. It has, however, also brought problems regarding consumer safety alongside the way. Keeping this in thoughts and seeking to address the new set of challenges facing purchasers in the age of digitization, the Indian Parliament, on 6 August 2019, passed the landmark Consumer Protection Bill, 2019, aimed toward presenting timely and powerful control and determination of purchaser disputes. As an Alternate Dispute Resolution tool, the New Act permits for Mediation, making the dispute adjudication procedure less complicated and faster. This might assist to settle disputes greater efficaciously and decrease pressure on Consumer Courts, which have numerous cases pending before them already. Rights and duties of a purchaser flow from each other and alongside disturbing and exercising rights, the onus is on the customers to comply with the obligations inferred from the New Act. Exercising responsibilities may also include, except awareness, filing lawsuits, elegance action suits, indulging in activism to ensure that rights are safeguarded by the institutions in place, and many others. The present paper discusses the client safety regime presently in-pressure in India. It highlights the important thing functions of the New Act alongside the most important variations among the New Act and the Old one.

Keywords: Consumer Protection, Purchaser Dispute, CCPA, NCR, Buyers cooperatives

Introduction

The practice of patron protection is to prevent consumers from being exploited and harmed by way of unfair trade practices of agencies. The safety of clients is laid down in regulation. The involved regulation/act in India is designed to save you groups/corporations from committing fraud or project unfair practices to obtain a bonus over opponents or to mislead customers. Government regulations require corporations to provide comprehensive product records – specifically in areas of public health and protection, including in case of scientific elements, food, motors, and many others. Consumer Protection Law enables clients to make informed choices within the marketplace and to prosecute proceedings in opposition to erring corporations.

Additionally, sure entities in India also are crucial in helping protection of customers. Such entities include government corporations/departments (inclusive of the Department of Consumer Affairs, Consumer Protection Agency/Authority, etc.), self-regulating corporations (inclusive of Consumer Forums), Buyer Co-operatives, Law Firms and Lawyers training patron regulation, NGOs proposing purchaser protection rules and supporting its enforcement, and subsequently, the Consumer Courts.

The following are the purchaser rights enshrined in the ‘upgraded’ Consumer Protection regime currently in-

pressure in India, i.E., the Consumer Protection Act, 2019

□the proper to be included in opposition to the advertising of products, products or services that are risky to lifestyles and assets;

□the right to be knowledgeable about the quality, quantity, potency, purity, general and fee of goods, services or products, because the case may be, to be able to shield the client against unfair alternate practices;

□the proper to be confident, anywhere feasible, get right of entry to to a variety of goods, services or products at competitive costs;

□the proper to be heard and to be assured that patron's hobbies will get hold of due attention at suitable fora;

□the proper to are seeking redressal in opposition to unfair change practice or restrictive change practices or unscrupulous exploitation of purchasers; and

□the right to client recognition.

The subsequent section highlights the important thing capabilities of the Consumer Protection Act, 2019 (the Act currently in-force). It further highlights the primary variations between the previous (Old) Act (Consumer Protection Act, 1986) and the cutting-edge one. The 1/3 segment highlights the archetypal challenges of the New Act. The fourth phase outlines the hints presented through the authors of this text to help mitigate the archetypal challenges highlighted in the 0.33 segment. The very last segment of the thing offers a brief end.

Key features of the Consumer Protection Act, 2019

The digital age has ushered in a new generation of commerce and virtual advertising. Digitization has furnished short access to purchasers, a huge range of alternatives, flexible payment systems, better facilities and comfort-primarily based purchasing. It has, however, also brought problems regarding consumer safety alongside the way. Keeping this in

thoughts and seeking to address the new set of challenges facing purchasers in the age of digitization, the Indian Parliament, on 6 August 2019, passed the landmark Consumer Protection Bill, 2019, aimed toward presenting timely and powerful control and determination of purchaser disputes. The Consumer Protection Act, 2019 (New Act) acquired the President of India's assent and turned into launched on 9 August 2019 within the professional gazette of India. The New Act entered into pressure on 20 July, 2020 and has replaced the Consumer Protection Act, 1986.

The key highlights of the Consumer Protection Act, 2019 consist of the subsequent:

□ **E-commerce Transactions:** The concept of 'consumer' has been broadened in the New Act. It now covers offline and online transactions, any digital approach, teleshopping, direct sales or multi-degree advertising. The term 'customer' now additionally includes any individual who purchases any product/provider.

□ **Enhancement of Pecuniary Jurisdiction:** Under the New Act, amended pecuniary limits have been constant. The district platform will now resolve grievances in which the quantity of products or services charged does now not exceed INR Ten million. Where such fee exceeds INR Ten million but does now not exceed INR One Hundred million, the State Commission may input into disputes and the National Commission might also workout jurisdiction if such fee exceeds INR One Hundred million.

□ **E-submitting of Complaints:** The New Act permits the client the flexibility to lodge proceedings with a able consumer forum positioned on the purchaser's region of house or work. This is in contrast to the preceding practice of filing proceedings at the area of purchase or wherein the registered workplace deal with is stored via the seller. The New Act additionally consists of provisions permitting consumers to document grievances electronically and by means of video

conferencing. Video conferencing can also be used for listening to and/or wondering events worried. This is geared toward making sure procedural simplicity and lowering client inconvenience and abuse.

□ **Establishment of a Central Consumer Protection Authority:** The New Act recommends the established order of a Central Consumer Protection Authority (CCPA), a regulatory authority with strong enforcement powers. An investigative wing, led with the aid of a Director-General can be handy to the CCPA, that can carry out and adopt investigations into breaches of customer law.

□□ **Unfair Trade Practices:** a particular broad concept of unfair change practices is enforced by the New Act, which additionally requires the change of sensitive private information furnished by the purchaser, except such disclosure is made in compliance with some different regulation.

□ **Provision for Alternative Dispute Resolution:** As an Alternate Dispute Resolution tool, the New Act permits for Mediation, making the dispute adjudication procedure less complicated and faster. This might assist to settle disputes greater efficaciously and decrease pressure on Consumer Courts, which have numerous cases pending before them already.

The Commissions now additionally have the right to revisit their instances and with the agreement of all parties concerned, the Commissions may additionally refer cases for mediation. The Act additionally establishes an independent regulator, the Central Consumer Protection Authority (CCPA). Although this authority cannot pay attention to purchaser proceedings or clear up disputes, but it may take administrative actions including imposing duties on businesses/organizations to remedy any unfair exchange practice.

Challenges with the New Act: Critiquing its Archetypal Features

The New Act and its implementation isn't always without its honest share of challenges. The following are the archetypal ones (and not the structural and infrastructural ones that typically plague the complete Judicial System and its functioning together with loss of good enough courts and employees, paper work concerned, systemic delays, and so on.):

□ Raju (2020) highlights that to promote, protect and expand client rights the Central Consumer Protection Authority (CCPA) has been created with its headquarters within the National Capital Region (NCR) even as the Government will settle issues on the nearby centres. Violation of customer rights, unfair exchange practices, and deceptive commercials are being regulated by means of the CCPA. The function of upholding and improving this Authority (i.E., the CCPA) may be dedicated to the Government and its outcomes for the 2019 Act will surely be very applicable. There is, however, less clarity as to how this authority and its roles associated with investigations and inquiries will characteristic. Also, thinking about the investigation wing and the quest and seizure features, there's an overlap with the position of the Director General. The Authority is allowed to problem guidance, order the keep in mind of merchandise, order refund of fee and penalize erring producers, providers, service carriers and/or endorsers. However, apparently, it's far best earlier than the National Commission that appeals pertaining to such orders may be heard. The situations, by means of the fulfilment of which, such instances can be dealt with by the National Commission also are uncertain. It is also uncertain if, because of a shift in pecuniary authority and jurisdiction, current cases might be requested or allowed to be moved.

□ As Justice N. Kirubakaran said, "When you speak approximately rights, you need to additionally talk about duties. While rights are being celebrated,

obligations are forgotten” and therefore, realisation of purchaser duty closer to ensuring safety of their own hobby along side development of conscious consumerism is the essence of patron safety. Unfortunately, the new act does not lay down patron obligations solely, despite the fact that it may be inferred from the reason of the law makers and through judiciary. It is necessary to uphold or realise the importance of consumer duty within the legislation as laws of a nation play a parental function within the life of residents and noticeably impact their selection making.

Way ahead: Some pointers for mitigating the demanding situations

The archetypal demanding situations highlighted inside the previous phase may be mitigated to some extent with a few attempt from the lawmakers, the Judicial machine and to a degree Consumers. Following are the corresponding tips for mitigating the highlighted demanding situations:

□ The CCPA, its ambit and functioning is a bit of a gray location in its cutting-edge avatar. There is an accelerated want for elaborating the same. Specifically, the CCPA’s roles regarding investigations and inquiries and search and seizure operations wishes to be mentioned (as a minimum a plausible template desires to be evolved). Given that the CCPA has greater ‘enamel’ in certain vital matters (including issuing steerage to manufacturers/corporations, in case of product recalls, appeals, etc.), it (the CCPA) should be made increasingly ‘approachable’ in its truest experience. It remains early days for an expert of such nature to take shape but absolutely a few elaboration and template development can be executed.

□ However, this can not forget about the reality that attorneys are obligated to offer enough offerings to the patron and deficiency in such services can't be excused with the aid of the regulation. Thus, one potential manner to triumph

over the issue inside the New Act is to consist of felony offerings to the extent of lawyer and purchaser dating inside the meaning of the new act and defining the which means of purchaser in a more distinct way. Furthermore, it's miles the obligation of the residents to question the applicability of the prevailing laws including the Advocates Act, 1961 and take pleasure in conversations extending to activism to uphold the provisions mandated in the said Act. It is also well worth noting that spreading awareness concerning the said law and legal guidelines in trendy the various average citizenry of the united states of america additionally wishes to be undertaken on a warfare footing.

□ Rights and duties of a purchaser flow from each other and along side disturbing and exercising rights, the onus is on the customers to comply with the obligations inferred from the New Act. Exercising responsibilities may also include, except awareness, filing lawsuits, elegance action suits, indulging in activism to ensure that rights are safeguarded by the institutions in place, and many others. It might additionally be extra prudent if the regulation makers can explicitly point out customer obligations inside the legislation.

For instance, the Jamaican Government recognizes each rights and responsibilities of the customer and publishes these on their legit website. The obligations included with the aid of the Jamaican Government spotlight the duty to be conscious, gather data, assume independently, communicate out, whinge, be an ethical (conscious/responsible) consumer, and to admire the environment. Furthermore, Duties aren't just to be explicitly noted however imbibed and finished to make the nice use of the safety available under a law (any law for that rely). It is the responsibility of the Law makers and the Judicial gadget to make consumers aware and of the Consumers to rightfully uphold responsibilities first after

which bask in activism for the rights proclaimed in the Act.

Conclusion

The present paper discusses the client safety regime presently in-pressure in India. It highlights the important thing functions of the New Act along side the most important variations among the New Act and the Old one. By exploring the archetypal demanding situations of the New Act and by providing suggestions to mitigate the ones demanding situations, this text gives a positive critique of customer protection in India

References:

- [1]The Gazette of India, No. 35 of 2019, 9 August 2019, (35 ed. 2021), <http://egazette.nic.in/WriteReadData/2019/210422.pdf> (last visited Feb 20, 2021).
- [2]The Gazette of India, No. 35 of 2019, 9 August 2019, (35 ed. 2021), <http://egazette.nic.in/WriteReadData/2019/210422.pdf> (last visited Feb 20, 2021).
- [3]Galiya S, Consumer Protection Act, 2019 – Key Highlights – Consumer Protection – India Mondaq.com (2021), <https://www.mondaq.com/india/dodd-frank-consumer-protection-act/838108/consumer-protection-act-2019-key-highlights> (last visited Feb 20, 2021).
- [4]Satvik Varma, Consumer Protection Act 2019: Enhancing Consumer Rights Bar and Bench – Indian Legal news | Supreme Court Judgments, High Court Updates, Indian Law Firm News, Law School News, Legal News in India – barandbench.com (2021), <https://www.barandbench.com/columns/consumer-protection-act-2019-enhancing-consumer-rights> (last visited Feb 20, 2021).
- [5]Raju C., Consumer Protection Act,2019: Analysis and Challenges for Future LatestLaws.com (2021), <https://www.latestlaws.com/articles/consumer-protection-act-2019-analysis-and-challenges-for-future/> (last visited Feb 20, 2021).
- [6]Lakshmi Chodavarapu, Legal loopholes in consumer protection Thehansindia.com (2021),

<https://www.thehansindia.com/hans/opinion/news-analysis/legal-loopholes-in-consumer-protection-577903> (last visited Feb 20, 2021).

[7]BUSINESS NEWS & India News, ‘Legal services not under Consumer Protection Act’ – Times of India The Times of India (2021), <https://timesofindia.indiatimes.com/business/india-business/legal-services-not-under-consumer-protection-act/articleshow/74633153.cms> (last visited Feb 20, 2021).

[8]Aditya Ranjan, Why Do Lawyers Enjoy Immunity Against Wrong Practices? Vidhi Centre for Legal Policy (2020), <https://vidhilegalpolicy.in/blog/why-do-lawyers-enjoy-immunity-against-wrong-practices/> (last visited Feb 20, 2021).

Chapter 43

A STUDY ON IMPACT OF DIGITAL INDIA INITIATIVE

Dr. V.Saillaja

Assistant Professor of Management Studies, SRMIST, Kattankulathur, Tamil Nadu

Dr. P.Maheswari

Assistant Professor, Department of Management Studies, SRMIST, Kattankulathur, Tamil Nadu

ABSTRACT

The digital India initiative was launched by Indian government in 2015 with the aim of transforming the country into digitally empowered society and knowledge economy. The digital India plan aims to reduce paper use while increasing digital connectivity in order to make government services available to citizens online. In order to achieve this goal, The Indian government intends for its citizens to benefits from the most recent information, technological advancement, skill enhancement, and several other incentives, thereby enabling the nation to be digitally empowered. The idea is to develop a participatory, transparent and responsive system. The transformation of India into a knowledge based economy and a digitally empowered society is an endeavor of the Indian government and our honorable Prime Minister Shri Narendra Modi. This paper seeks to analyze the impact of Digital India on the overall development of Indian economy and the growth of e-commerce sector, additionally this paper aims in understanding the opportunities and challenges presented by the Digital India program and its impact on the education sector.

Introduction

Digital India is a flagship program launched by the Government of India in 2015 with the objective of transforming India into a digitally empowered society and knowledge economy. The program aims to leverage technology to drive inclusive growth, transform governance, and empower citizens. In this report, we will delve into the different aspects of Digital India, its progress so far, and its

impact on India's socio-economic landscape.

Digital India

The Government of India launched the “Digital India” program to bring fast internet to entire India. On July 1 2015, our Prime Minister Shri Narendra Modi introduced Digital India Mission as a beneficiary of other initiatives like Make in India, Startup India, Bharat Net.

Primary Objective of Digital India Mission is to provide every citizen access to digital infrastructure, government services are made available to citizens electronically, through improved infrastructure and by improving internet connectivity, simply making the country empowered in the field of technology.

With the goal of fostering inclusive growth in the fields of electronic services, goods, manufacturing and digital prospects, Digital India was founded.

Digital India platform as a part of the Digital India Program to offer organizations of all sizes digitization services for scanned document images or physical documents. The goal is to digitally transform all currently existing content into usable forms across various media, languages, and formats. Additionally, data extracts will be produced for document management, IT systems and records Management.

Components of digital India

Components of digital India can be broadly classified into the following categories:

1. **Digital Infrastructure:** The Digital India initiative aims to provide high-speed internet connectivity to all parts of the country, especially rural areas. To

achieve this, the government is laying fiber optic cables across the country and is also promoting the use of satellite-based communication to connect remote and difficult-to-reach areas.

2. **E-Governance:** E-governance is a critical component of Digital India, which aims to make government services available to citizens online. This includes services such as applying for a passport, obtaining a driving license, and paying taxes, among others. The government has also launched several mobile apps to make these services more accessible to people.
3. **Digital Literacy:** Digital literacy is an essential aspect of the Digital India initiative. The government has launched several programs to provide digital literacy to people, especially in rural areas. These programs aim to make people aware of the benefits of digital technology and how to use it effectively.
4. **E-Commerce:** E-commerce is a rapidly growing sector in India, and the Digital India initiative aims to promote its growth further. The government has launched several initiatives to provide a conducive environment for e-commerce, including setting up an online marketplace for government procurement and reducing regulatory barriers for e-commerce companies.
5. **Start-Up India:** Start-Up India is another key component of Digital India, which aims to promote entrepreneurship and innovation in the country. The government has launched several programs to provide financial and other support to start-ups and has also created a framework for their registration and growth.

6. **Digital Payments:** Digital payments are becoming increasingly popular in India, and the Digital India initiative aims to promote their adoption further. The government has launched several initiatives to make digital payments more accessible, including the Unified Payments Interface (UPI) and Bharat Interface for Money (BHIM).

Objectives of digital India

- All gramma panchayats will have access to high-speed internet.
- To make the Common Service Centre (CSC) accessible to everyone in the neighborhood.
- Digital India is a project that brings together a wide range of ideas and viewpoints into a single complete vision, allowing each to be seen as part of a greater event.
- Digital India programmes likewise aims to restructure several existing programmed manner so that they can delivered in a coordinated manner.

Challenges of Digital India

Apart from the multiple measures launched by Digital India, the country faces several obstacles.

- Compared to other industrialized countries, the everyday internet speed and Wi-Fi hotspots are poor.
- The majority of small and medium-sized businesses are having difficulty adapting to new modern technology.
- Entry-level Smartphone have limited internet connectivity capabilities.
- In the sphere of digital technology, qualified personnel are scarce.
- To locate approximately one million experts to check and monitor the growing threat of cybercrime.
- User education is lacking

Opportunities of Digital India

Over \$1 trillion worth of new business prospects relating to communications, IT

and IT-enabled services, telecom, and electronics manufacturing would be generated by the Digital India project. Technology businesses have a lot of chances thanks to the Digital India programme, including the creation of broadband infrastructure, identification solutions, payment systems, online delivery systems, etc. The Digital India programme offers early business prospects in the following industries:

- **Information and Communication Technology**
To train individuals in small towns and villages in IT, as well as to train service delivery agents, there is a need for IT trainers. Positions are also available for software developers, network specialists, and IT experts.
- **Cyber Security**
A crucial area of concentration where many opportunities exist is cyber security. All types and sizes of business need to make considerable investment in safeguarding their goods and services
- **Health Care**
There will be a lot of possibilities for universal access to high-quality healthcare thanks to telemedicine and remote health plans.
- **Electronic manufacturing**
By offering the private sector chances for skill development in the areas of telecom and electronics, Investment in testing laboratories' infrastructure that meets the necessary standards.
- **Agriculture**
Agriculture provides 16% of India's GDP while employing over 51% of the population. It will aid our farmers in tasks such as crop selection, seed variety, weather, plant protection, and market rate information. If the government creates a framework for the private sector to compete and provide

farmers with the finest services, the opportunity will expand. creation of a virtual market, crop insurance, a programme for soil health cards, etc.

- **Economy**
The digital economy has the potential to significantly alter the lives of millions of Indians. It is a tool that would provide the country the chance to increase its role.
- **Marketing**
Many marketing alternatives exist, including digital advertising, e-commerce, and online buying.
- **Finance**
Discovering new pathways from digital wallets to crowdsourcing and low-cost business transactions.

Initiatives of Digital India

Here are some key initiatives under Digital India:

BharatNet:

BharatNet is a high-speed broadband network that aims to connect all 2.5 lakh gram panchayats (village councils) in India with high-speed internet.

Digital Locker:

The Digital Locker is a cloud-based platform that allows citizens to store and access their digital documents from anywhere.

eSign Framework:

eSign is a digital signature service that allows citizens to digitally sign documents using Aadhaar authentication.

eHospital:

eHospital is an initiative to digitize the healthcare sector in India. It aims to improve healthcare delivery by enabling online registration, appointment booking, and electronic health records.

Digi Shala:

Digi Shala is a digital literacy program aimed at promoting digital literacy among the citizens of India.

Digital India Platform:

The Digital India Platform is a unified portal that provides access to various e-governance services and applications.

National Scholarship Portal:

The National Scholarship Portal is a platform that provides a single window for all scholarship schemes offered by the Government of India.

BHIM (Bharat Interface for Money):

BHIM is a mobile payment application that enables digital transactions using UPI (Unified Payments Interface).

MyGov:

MyGov is a citizen engagement platform that allows citizens to participate in the governance process by giving their suggestions and feedback on various government initiatives.

DigiLocker:

DigiLocker is a cloud-based platform that allows citizens to store and access their important documents like driving license, Aadhaar card, and educational certificates in a digital format.

Overall Cost of Digital India

The following existing and future anticipated expenditures for implementing the Digital India programme are obtained after a comprehensive plan:

- Rs 100000 Cr in ongoing schemes
- Rs 13000 Cr for new schemes and activities.

Impact of Digital India

Economic Impact

India is increasing its growth strategy by focusing on digitalization, connectivity, cash-less/paper-less economy, and start-up innovation ecosystem. The way of focusing in digitalization can make our country grow tremendously.

Digital India initiative can improve our GDP by around \$1 trillion by 2025, says a report of economic analysts. It can also be harmful to play a key role in macro-economic factors like employment generation, labour productivity, business development, and revenue generation.

At present, India is the 2nd largest telecom and world's 3rd largest Internet market with almost 259 million broadband users. This shows that there is a tremendous economic opportunity in India because the tele-density in rural India is merely 45%

while more than 65% of the population lives in the villages.

SOCIAL IMPACT

Digital India programme has unbelievable impact on social issues. Either we talk about education or healthcare, or banking facilities, before there were numerous formalities and paper work available. But, due to Modern ICT every task has become easier. The facility of m-Education services has played an important role by reaching the remote area's people. The Digital India project will be helpful in providing real-time education and partly address the challenge of lack of teachers in the education system through smart and virtual classrooms. Education to farmers, fisher men can be provided through mobile devices.

Environmental impact

Environment play huge role in our life. Because of heavy usage of paper, we cut lots of tree and it is anyhow harming our lives. Digitalization will help us by lowering the carbon footprint by reducing fuel consumption, waste management, greener workplaces and thus leading to a greener ecosystem. Every task will become more flexible and you will be able to do your task without harming the nature. The ICT sector helps in efficient management and usage of scarce and non-renewable resources. Cloud computing technology minimizes carbon emissions by improving mobility and flexibility.

Objectives of the study

- To understand the concept of digital India
- To analyse the impact of Digital India on the overall development of the Indian economy
- To analyse the impact of Digital India on the growth and development of e-commerce sector in India
- To know the opportunities and challenges of Digital India program
- To understand the initiatives of Digital India

Scope of the study

The scope of this study is to examine the impact of digital India on the overall development of the Indian economy and specifically on the growth and development of the e-commerce sector in India. Additionally, the study will explore the Opportunities and challenges of Digital India programme and its importance in facilitating remote learning and digital education in India. The study will focus on analysing the impact of digital technologies and initiatives on the education sector in India.

Review of literature

Kumar and Jeyaprabha (2021) The researcher discuss about the effective factors of digital India services based on citizen awareness and perception in the study and the opinion about digital India services make citizen towards easy access of services in a smooth manner. In research methodology, the researcher adopt descriptive research and also convenience sampling is used. The outcome of this research highlight the positive relationship among digital India services through citizen awareness and perception.

Saini and Singh (2021) Observed that growth of Digital India during Post Covid-19 Pandemic is a relative advantage for the study. The author studies about to assess the efficiency of digital India serices for providing service to the citizen is rural area. The Measurement scales used in previous studies were applied. Data is analyzed using SPSS & Microsoft Excel. This research is assessed rural internet growth and rural subscriber rate brings the various level of compatibility are measured. The researcher revels the result as digital India service providing public services efficiently brings positive impact among e-government initiative. The good governance promising citizen satisfaction and also leads to perceive the present status of digital India services.

Jaiswal (2020) A researcher discuss about the public importance of mobile payment in this research and government refers to

the usage of ICT in using cashless transaction towards easily accessible, effective and accountable. Citizen use of mobile based payment also depends on the favorable environments are functionality of electronic services, openness and equity, responsiveness, confidentiality, self-development, trust, organizational efficiency and environmental sustainability. This research assists the Indian government to know about their all-around future performance of mobile payment.

Sridevi (2020) Describe how technology connectivity will create together an impact and challenges of digital India. Companies are interested to invest in digital India for their growth opportunities. The researcher also aims in finding how the government services can function effectively in achieving the digital India vision in to reality. The important aspects of this research focus on regional language, internet connection, user friendly, mobile device access and digital literacy. Digital India program is an initial stage of digital revolution in our country and their aware about initiative but still they need more awareness about digital India services

Patil (2019) Explored the role of democracy and democratic participation of digital India brings a socialist paradigm in a digital age. The researcher highlight the factors that influenced the study which make a positive impact and influence on digital technologies, social media platform and artificial intelligence. The use of digital technology make a potential impact on social changes will bring the modern digital democracies in future may bring good governance and enhance coordination have a have a positive effect on their digital India initiative. The methodology is used for the study through primary data as Delphi method are data collected from 15 experts through New Techno-Public Translocal-Participatory democracy (TPD), Bounding Together Participation (BTP) and Status Quo Participation (SQP) and secondary data

also. The researcher concluded that technology influencing the world more healthier using digital initiative for better democratic ecology in digital era. Artificial Intelligence technology helps in engaging, motivating and facilitate citizen towards sustainable democratic future.

Daga et al (2018) Stated that digital India would be an effective channel for empowering the common citizen. It analyzed and role of government towards digitalization combining with reliance JIO also assessed. Through structured questionnaire, the data is collection almost 17 states in India. The finding of the study shows the data consumption before using JIO and after using JIO. The researcher concluded that digital India and reliance JIO brings significant digital change among the citizens through digital India mission.

Jayadatta and Chaco (2018) This study explain the digital India is really transforming India in terms of knowledge economy. It aims at increasing the reach out of government services to citizen in remote area by digital empowerment to empower citizen. The research objective are analyze the success of digital India Programme. This research paper focuses on digital divide among rural and urban area citizen by governing digital services and creating platform to communicate efficiently and effectively with stakeholders. This researcher came out with major opportunities among citizen through digital India they are delivery of government services digitally, reducing paper work helps to save trees, increasing internet facilities, own bank account and availability of open government data.

This paper is focused challenges in digital India and its implementation like language is major challenge in this implementation, public internet access, cyber security and privacy issues. The results have been analyse by considering the success of digital India through transforming citizen lives with the help of technology highlights the transformative impact.

Kumar (2018) While talking about the opportunities and challenges of digital India program. A detailed theoretical aspects with respect to the concept of digital India is explained in the study. This initiative trying the services in digitally available to all the citizen in our nation. The main aim of programme is reducing paper work and increasing digital connectivity to all citizen. Through this digital connectivity government ready to provide new information, technological advancement and innovation to make our country super power in digital revolution. The data used for the study was the available secondary data such as research journal, books, newspaper, magazines etc. Digital India programme is a good initiative by Indian government and this programme helps to develop and growth of our nation. The researcher trying to say that digital India programme creating different opportunities to citizen for providing better future to everyone.

Rekha and Shanthi (2018) The study observes the people perception of digital India programme. Before implementing a programme it is necessary to know about its awareness in general public. Digital India aims to move India towards technological advancements. The digital India program helps in achieving education, Information and Broadband for all. The core objective of digital India programme is to benefit the people by using digital India services and to reach them with the latest information & communication technology. The source for date of study include both primary data using descriptive and analytical nature in Kanchipuram District. Through convenience sampling method the data you collected from 100 respondents with the help of demographic profile and independent sample t test conclusions are drawn in the study. It was inferred from the study there is a lack of knowledge and awareness among the people using digital India initiative. It was suggested training

and awareness should be conducted in order to make the people understand about the digital India programme.

RESEARCH METHODOLOGY

Data Collection Method

Secondary data is successfully employed in this study to analyze the effects of the Digital India initiative. The information was researched and gathered through secondary sources, including online websites, journals, publications from the government, and previously published articles.

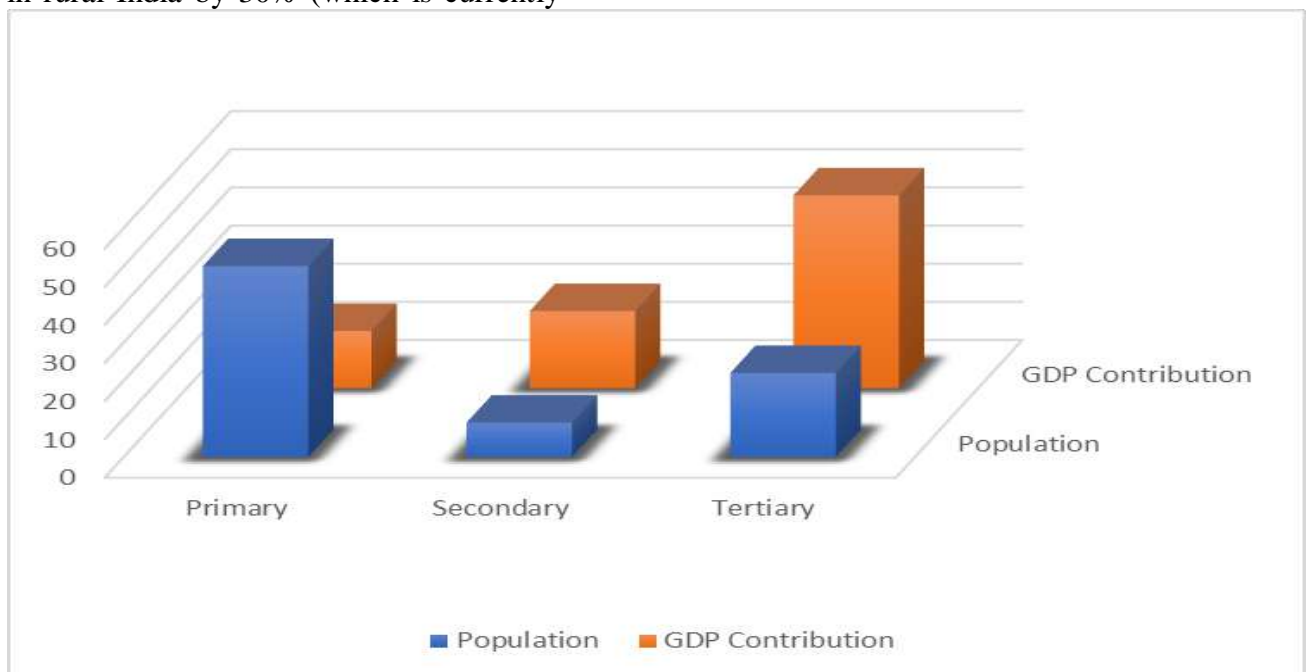
Impact of Digital India on the overall development of the Indian economy

According to the World Bank research, a 10% increase in mobile penetration raises per capita GDP by 0.81%, while a 10% rise in broadband penetration raises per capita GDP by 1.38%. The Digital India project aims to enhance mobile coverage in rural India by 30% (which is currently

45%) and broadband penetration across India by 50% (from the present 7%). The comparable rise in GDP over the following two years may be 9%, or roughly \$180 billion.

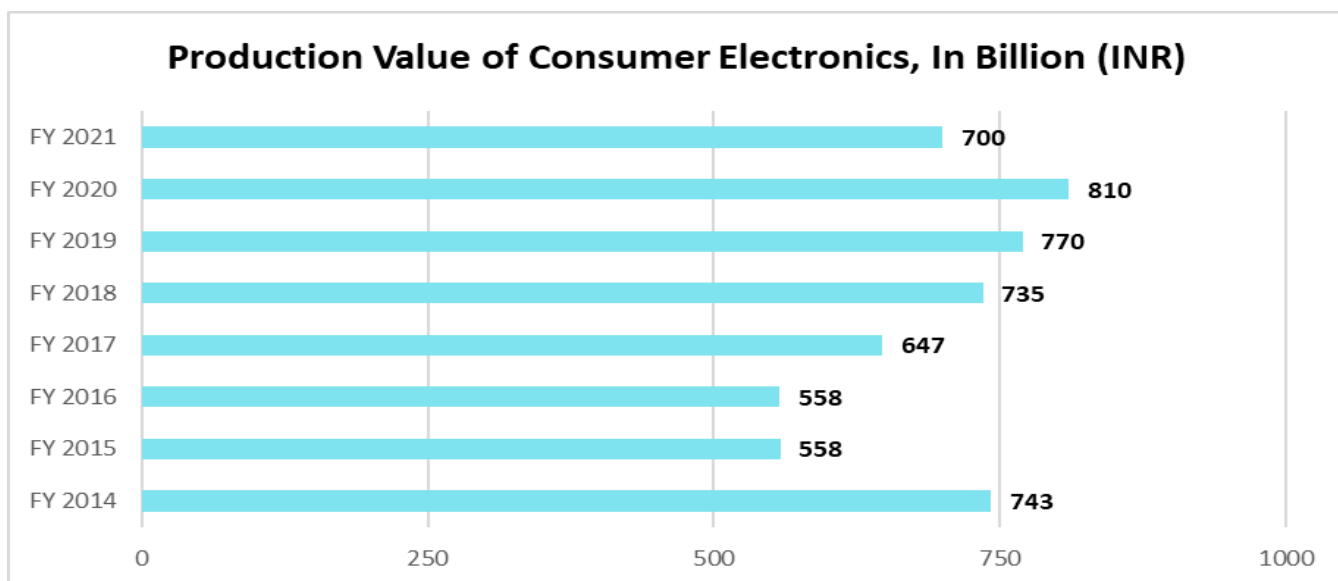
India, with its 65% population below 35 is a very young country, and thus, should modify itself into a potential hub for manufacturing and services sector. With campaigns like Make in India and Digital India, our country is, certainly, on the right track. Let us hope that India is able to fight all the odds and reclaim its lost title of a Golden Bird. In this age of information and technology, what else could be better than a vision which encapsulates the masses and connect them to this world. Let us all work together in the direction of Digital India .

Impact of Digital India on the overall development of the Indian economy



development of e-commerce sector

Impact of digital India on growth and



The Indian Brand Equity Foundation reports that due to increased holiday shopping, e-commerce companies saw large increases in their platform-wide sales of consumer electronics in October and November 2021. During the country's holiday season, Amazon increased its competitiveness, and Flipkart Group emerged as one of the key contenders.

Also, India possessed a sizeable market share in the refrigerator, washing machine, and air conditioner sectors, with washing machines dominating the sector. The India Cellular & Electronics Association (ICEA) estimates that the country's laptop and tablet manufacturing sector will generate US\$100 billion in revenue by 2025. The consumer electronics market's enormous growth may enable Indian e-commerce businesses to expand their selection of products available online. It might create brand-new websites dedicated to the consumer electronics industry.

A Memorandum of Understanding (MoU) for the ambitious Deendayal Antyodaya Yojana - National Rural Livelihood Mission (DAY-NRLM) programme, which seeks to strengthen local businesses and self-help groups (SHGs) by integrating them into e-commerce, was signed in November 2021 by Flipkart and the Ministry of Rural Development of the Government of India (MoRD).

IT businesses concentrate on accessing the

Indian consumer electronics industry by setting up a base for the manufacture of electronic components there and increasing exports. The smart wearables market in India is a priority for consumer electronics businesses. The administration plans to make significant investments in affordable housing and rural power. Between April 2000 and December 2021, FDI into electronic goods totaled \$3.19 billion.

Increased disposable income and features like high-definition (HD), smart TVs with built-in Wi-Fi for connectivity to Netflix, Amazon Prime, and YouTube, among other online streaming channels, play a significant role in driving consumer spending on these devices. Such trends may drive the studied market.

Findings

1. The world bank report suggest that there is a positive correlation between digital penetration and economic growth, with a 10% in mobile penetration result in a 0.81% increase in per capita GDP and a 10% increase in broadband penetration resulting in a 1.38% increase in per capita GDP.
2. The Digital India project aims to increase broadband penetration by 50% and mobile penetration in rural India by 30% in the next two years.
3. If successful, the digital India project

could result in an estimated increase in GDP of approximately 9%, or \$180 billion.

4. India's young population presents a unique opportunity for the country become a hub for manufacturing and services sectors.

5. The Make in India and Digital India campaigns are steps in the right direction to achieve the goal of becoming a hub for manufacturing and service sectors

6. It is essential that all stakeholders, including the government, private sector, and citizens, work together to ensure the success of digital India.

7. Policies that promote innovation and entrepreneurship can help in creating new job opportunities and faster economic growth.

8. Investing in education and training programs that help people develop the necessary skills to participate in the digital economy is critical for the success of Digital India.

9. By embracing digital technologies and promoting digital literacy, India can build a brighter future for its citizens and take its place as a leading player in the global economy.

10. The consumer electronics market in India experienced significant growth during the holiday season of 2021, particularly in the refrigerator, washing machine, and air conditioner sectors, with washing machines dominating the sector.

11. E-commerce companies like Amazon and Flipkart group emerged as key contenders during the holiday season, as they saw large increase in their platform-wide sales of consumer electronics.

12. The laptop and tablet manufacturing sector in India is estimated to generate US \$100 billion in revenue by 2025, indicating a promising growth potential in the consumer electronics industry.

13. The integration of local businesses and self-help groups into e-commerce, as per the memorandum of understanding (MOU) signed between Flipkart and the Ministry of Rural Development of the government of

India, can strengthen the local economy and contribute to the growth of India, can strengthen the local economy and contribute to the growth of the consumer of the government of the consumer electronics industry.

14. The administration's plan to invest in affordable housing and rural power can drive consumer spending on consumer electronics devices, particularly smart wearables.

15. The high disposable income and increasing demand for features such as high-definition (HD) and smart TVs with built-in WiFi for connectivity to online streaming channels are driving consumer spending on the consumer electronics devices.

16. The foreign direct investment (FDI) into electronic goods in India has been significant, totaling \$3.19 billion between April 2000 and December 2021, indicating a growing interest in the India consumer electronics market.

Suggestions

- To increase the impact of digital India initiative, there need to be more focused on digital literacy Programs and infrastructure development in areas that are currently underserved.
- Effects should be made to ensure that digital services and technologies accessible and affordable to all, particularly marginalized communities.
- Collaboration between government, private sector and civil society organization is essential to ensure that the benefit of the digital technologies are distributed equitably and that the digital divide is narrow
- To increase the digital literacy rate, the government should consider partnering with local organizations, such as community centers and libraries, to provide training programs that are accessible to

everyone.

- To address the digital gender gap, the government should prioritize initiatives that focus on improving digital skills and access for women and girls, and address cultural barriers that may prevent them from using digital technologies.
- The government should also work to improve digital governance and data privacy protections to ensure that citizens can use digital technologies with confidence and trust. This could include developing new regulations and policies to protect user data and prevent the misuse of digital technologies.
- The government could incentivize private sector companies to invest in infrastructure development in underserved areas, such as by providing tax breaks or other forms of financial support.
- The government could consider partnering with international organizations to share best practices and learn from other countries' experiences in promoting digital inclusion and advancing the digital economy.

Conclusion

The "Digital India" project is a welcome step and just what the technologically disadvantaged sector needs at this moment. With the Digital India Programme, the Indian government seeks to advance several areas of the nation's economy. The government specifically wants to focus on nine "Pillars of the Digital India." The development of Indian technology has long been hampered by a number of laws, so it has to be properly supported by changes to those laws. In order to solidify its position as an economic giant and, more specifically, a thriving technology hub, on the global stage, India should concentrate more on fostering domestically led connections and encouraging research and innovation-led

development. In conclusion, the government of India's flagship program, "Digital India," aims to transform the country through connectivity and technological opportunity. The goal is to transform India.

References

1. Jayaprabha B, 'Impact of Digital India services for citizen empowerment with reference to Tamilnadu (2022) <http://hdl.handle.net/10603/451137>
2. Gond, sunny kumar, A study of Digital India in rural development with reference to Anuppur district (2022) <http://hdl.handle.net/10603/417588>
3. Anooja A. (2015) 'Digital India with E-commerce revolution in rural India: Transform India Digitally and Economically', Asian business consortium, Vol.3, No.2, pp. 57-64 .
4. Antil P. (2017) 'Impact of digital India', International journal of commerce and Management Research, Vol.3, No.5, pp.5-6.
5. Bharatnagar H. (2017) 'Demonetization to Digitalization: A step toward progress', Management and Economics Research Journal, Vol.3, No.5, pp. 11-15.
6. Boro M.C. (2017) 'Digital India: Concepts and Implications', International Journal of Creative Research Thoughts, Vol.5, No.4, PP.922-927.
7. Shamim (2016) Digital India – Scope, Impact and challenges International journal of onnovative Research in Advanced Engineering (ijirae) ISSN: 2349-2763, Issue-13, Vol-3, December - 2016, pp 90-94.
8. S.K. Kharade, K.G. Kharade, V.S. Kumbhar (2018) 'Impact of Digital India on Various Sectors
9. Harjot Kaur, Daljit Kaur (2015), 'E-commerce in India – challenges and prospects' International Journal of Engineering and Techniques, Vol-1, issue 2, pg No 36-40.
10. Jyothi Sharma (2016) 'Digital India and Its Impact on the society' International journal of Reaseach in Humanities & Social Science, Vol 4, Issue 4.

Chapter 44

ETHICAL AND LEGAL ISSUES OF AI TECHNOLOGY

Dr.C.M.Sudha Arogya Mary

Assistant Professor, School of Management MBA, S.A. College of Arts & Science,
Chennai, Tamil Nadu

Dr.G.Thiyagarajan

Associate Professor, School of Management BBA, S.A. College of Arts & Science,
Chennai, Tamil Nadu

ABSTRACT

Artificial Intelligence (AI) has a severe impact on modern society for its significant work. AI is embedded in every sector and it has enriched the lives of humans by its effective and efficient work that not only cuts huge costs but also saves time and effort. Nevertheless, the AI ethics principle makes it more difficult for the authors to put into use as AI poses fundamental challenges with respect to legal and ethical issues. The author of this research paper aims to identify different issues that hindrance in the society concerning AI and possible solutions. Indeed, intelligent machines are able to outperform a human that has become a marketplace reality but there are various issues that spark a great debate in society regarding ethical and legal difficulties and their inevitable challenges to the world at large.

Keywords: AI, Human, Society, Ethical and Legal issues

Introduction

"Our intelligence is what makes us human, and AI is an extension of that quality." In the era of digitalization, Artificial Intelligence has taken over the market with a limitless amount of advantages that not only relates to science and business but also psychology, philosophy, and other related fields. AI is an art that makes computers and machinery do intelligent work by itself without any human intervention. With the universal amount of benefits to society and development in innovations and science, AI has large risk when it comes to legal and ethical perspectives. There was a time when learning was limited to humans however,

today learning is not the only constraint to humans but also machines. Machine learning raises a host of some ethical concerns. The biasness with respect to gender, racial and religion by the algorithms is not a myth rather a nightmare to the reality in the world of AI. Moreover, issues like inequality, unemployment, and privacy consideration are some points of distress. When it comes to legal perspective, there are an enormous amount of unsettled views on the subject of IPR, Contract, tort, and capital punishments in cases of violation. Discussing on criticism of AI-based on the legal and ethical point of view it has become a need of the hour to elaborate on the problems and solutions because completely abandoning AI and its advantages is unbelievable and impossible.

ETHICAL CHALLENGES:

The risk of human right violation by machines and new advanced technology undoubtedly gathered much of the attention in the current time and the need to identify them and provide subsequent solutions is extremely essential at this point in time.

Gender Bias in AI

If there is any Bias in the data Artificial intelligence will automatically inherit it and even increase it. If AI learns to discriminate, the consequences of such technology can be ever-changing. In March 2016, Microsoft created a Chatbot named Tay on Twitter whose objective was to mimic human conversation and engage with other Twitter users. After only 16 hours of its release, Tay tweeted more than 90000 times but many of its tweets showed sexism and racism which was very

offensive and abusive for users due to which Microsoft had to shut down its chatbot and apologize for Tay's behavior. In another research, it was found that Google's targeted ads were very biased towards men for jobs that offered higher pay and researchers asserted that it is gender discrimination.

Racial Bias in AI

It is beyond any doubt that racial discrimination will arise if no iconoclast approach is taken for the regularization of AI. Amazon prime provided two days quick delivery services in many areas of the world but it was seen that the areas that were not supported for prime delivery were mainly black ZIP codes. Gerrymandering is the practice of controlling the electoral boundaries in order to influence the elections in favor of a party. Political Gerrymandering may be considered legal but well-established case law restricts racial Gerrymandering with the aim to discriminate against racial minorities. The British House of Commons released a Robotics and Artificial Intelligence report in October 2016, which highlighted some ethical and legal concerns, including open decision-making, minimizing bias, privacy, and transparency.

Religion and Belief Bias

Oppression on specific religious opinion is a human rights issue and Bias in AI decision may magnify these issues. An AI categorizes Facebook users' interest and as a result, Facebook created some anti-Semitic ad categories so a promoter can easily target these specific groups⁸. Facebook had to remove these specific categories for targeted advertising after researchers notified the company about the same.

Inequality

Artificial intelligence has the power to drive companies smoothly in order to make them more productive and reduce labor and make enormous profits which are completely taken by only the proprietor of AI-driven companies. Other than job

loss the diversification in employment after the AI revolution will include many new forms of jobs. These future jobs demand a high skillset but mundane and monotonous assignments such as data creation, tagging and managing data, cleaning of data for powering AI. The state-of-the-art job will be Identifying and cleaning offensive content for deletion, Data annotation and manually tagging objects in images for dataset creation, Elucidate Queries that are not understood by AI. Complete administration of AI technology is hazy therefore most of the users never know that they were part of this process. The compensation paid to laborers is very inferior if compared to the price of the end product but that is not the only issue of inequality with laborers, another issue is that their work includes examining datasets for brutality, vicious pornography, animal or child murder, hate speech which results in mental conditions like stress, panic and trauma and also poor working conditions as stated by a news report: AI is similar to electricity due to its wide range of applications like making an area more productive and welfare of numerous lives but it will take a long time till everyone has access to the benefits of AI. AI is not a private resource but rather a public resource and available to all. This will push AI-driven economic transformation moreover it will build up public trust in AI.

Unemployment

The AI revolution will influence unemployment either by directly replacing laborers from their day-to-day job that is displacement effect or by creating more new jobs for laborers that are productivity effect. Goose and manning (2007) state that jobs requiring cognitive skills along with least skilled jobs requiring manual skills will increase whereas routine and repetitive jobs will significantly decrease. By analyzing the impact of technology on unemployment when cars were introduced horse and other cattle jobs were reduced but still impact on employment was

positive. According to The Economist (2016) initially, the displacement effect will prevail but in the distant future if society adapts to learning new and creative skills the productivity effect may dominate.

LEGAL CHALLENGES:

The legal issues of AI create a far-reaching negative impact on the development and advancement of AI.

Intellectual property rights:

Unquestionably, AI creates subject matter that can be protected under the Intellectual Property Right law. However, AI's effects on the IPR regime are not the same as human authors are treated for legal purposes. The issues regarding copyright and patent are likely to increase in the coming future.

Copyright:

A copyright is a form of intellectual **Patent**

As far as AI is concerned making discoveries and inventions is a big challenge because computers are categorized under "own intellectual creation" and are insufficient to decide on the above dimensions without any human interference. Moreover, the patent must be consistent with public policy. Nonetheless, AI is inadequate to decide and make an intelligent and reasonable choice on basis of these requirements. The need of the hour is to first create a human-like intelligible technology that is advance enough to deal with such issues. In most the cases¹⁹ the Court has denied a patent to AI since it performs more of the mechanical work rather than inventive and intelligible work. In the case of *Townsend v. smith* the court cleared the position of "inventor" and "invention" wherein it was stated that any invention or discovery if not predetermined on an idea then it cannot be termed as invention and the person giving it cannot be an inventor which means that only humans are capable of performing this.

Moreover, in case of any violation, it necessarily involves the human element as

property right that generally exercises literally, artistic or dramatic work. The requirement listed in the US copyright office makes it a pre-requisite that no work by any mechanical process will be registered and unless there is creative work done by the human author as it becomes nearly impossible because it cannot be enforced in a court of law. In the recent case of, *Naruto V. Slater* the court clarified the position of copyright and stated that since animals do not have any legal standing so they cannot obtain copyright. The most significant requirement of copyright is personhood which AI shortfall.

Moreover, the criminal liability that makes *Actusrea* and *Mensrea* legal footing to create liability is also a missing factor in AI. Therefore, it becomes utmost difficult to acknowledge AI in copyright protection. AI cannot be held liable and be punished for its criminal action. However, relevant actors in the market must draw a balance as AI through the patent may have some substantial social, ethical and economic impact.

Contract

The basic requirement of contract is offer, acceptance, and consideration. Smart contracts are the future of contract analytics. These contracts do not have any intention to be bound by legal enforcement, as they are the result of blockchain technology. The mere reason for lack of flexibility and lack of reasoning is the absence of a human application. Therefore there is a need to evaluate and scrutinize the work of AI properly. However, failure to do the same would result in an unsuccessful contract. Undoubtedly, AI is extremely beneficial in comparing, drafting, and reviewing the contract which saves time, money, and effort but the decision-making process in the legal system by AI is not trustworthy.

Case analysis of many companies like lawGeez and Ned Gannon and Adam Nguyen provides that these companies use AI technology that cuts a huge amount of

costs and saves time which makes tasks like summarizing, reviewing, managing, comparing easy.

Privacy:

Privacy consideration: with the escalating amount of data collection, advanced algorithms, and digitalization the privacy protection has become a myth especially when it comes to AI. AI is an umbrella wherein the subject matters like big data, machine learning, and deep learning falls in. Moreover, AI technology also has a great impact on the Public sector. It is pertinent to note that, "privacy preservation" and "confidentiality preservation" require anonymization techniques that must be developed. For the protection of privacy, technological innovations and privacy considerations must be kept on an equal pedestal. In 2019, the OECD and European Commission have published Ethics guidelines for Trustworthy AI that recommends how AI should be regulated and monitored.

Big data privacy: Big data is a tremendous amount of data in many forms that are used in everyday life by companies, government, and individuals. Big data and AI are used in many companies for the decision-making process and for improvising and making innovations according to the need and requirements of individuals in an expanded database.

Machine learning: it is a technique by which the computer has the potential to learn on its own and adapt to conventional machines to enhance performance when it is exposed to more data. Machine learning is used in problem-solving techniques in many areas.

Deep learning: Deep learning is a subset of machine learning or an artificial intelligence which uses neural networks also known as universal function approximate for processing data and making decisions.

Legislative:

The recent highlights about the leakage of

huge amounts of personal data on various social media platforms and other platforms have increased the concern about the protection of privacy. In 2018 the Facebook allegedly use the data of more than 87 million users without any consent for political marketing as a result of which Facebook was fined 5 billion which is the largest amount of fine paid in the data scandal.²In the recent case, *Janecyk v. International Business Machines*²⁹ where IBM used various pictures available publicly for diversity in faces database and held liable for \$5000 per violation.

With the augmentation of the cases and other data scandal incidents, the government of various countries is updating the legislation. The European parliament after realizing various risks and the likelihood of threats of AI has enacted General Data Protection Regulation (GDPR) with the objective to keep all the data and personal information of citizens safe and secure. Canada has formulated a similar guideline as GDPR that will govern the breach of security safeguard. PIPEDA contains compulsory rules that every company has to abide by in case of a data breach. However, in the USA, many companies like Apple are encouraging the government to legislate a law against AI violations. In January 2019, Accenture has released a report on how to curb the above issue.

SOLUTIONS

Indeed robotics and AI will have a tough time dealing with human intelligence and reasoning. But we need a better plan for our future and start now by contemplating on how to be smart when machines are smarter. This is certainly an area for future research and evaluation but subsequently taking a step forward and digging solutions for various ethical and legal issues is the demand of the society.

Biasness:

To curb the Algorithm bias the technique of data collection and its handling should be impartial and the standard of utmost transparency shall be maintained so that

the decision-making process is neutral. Additionally, to minimize favorable behavior by AI technique of validation and verification of AI systems should be encouraged. The relevant actors should spread awareness about the limitless advantages and significance of AI.

Unemployment :

Programs for training and employment should be modified to provide staff with the right credentials so that workers can improve appropriate digital skills. This could eventually contribute to the creation of new positions and career opportunities along with the development of technology. Simultaneously, a concrete understanding of AI-era is paramount which will create a foundation for this framework and motivate social dialogue.

Inequality:

Various companies have started re-training program to their workforce and some other companies like Cisco, IBM, Caterpillar, McKinley are focusing upon workshops and internships to students so that rebooting of the education system about harness machine intelligence so that appropriate education system can be substantially added in the society to eliminate the concern of algorithm inequality. Therefore, the pedagogy of this subject should be upgraded in the current teaching curriculum.

Adversaries:

The thing that has been worrying experts is the security threats the Artificial intelligence will bring along with it and Adversarial examples are a vital case of privacy and security. It is much easier to build a nuclear bomb than to build a city that is able to withstand a nuclear explosion so defense against adversarial examples is harder than the attack.

Intellectual property rights:

A theoretical solution for non-humans author for their copyrightable work contentious and may result in may lead to system abuse. However, in the UK the law protects computer-based copyrightable work but there is no legal provision

concerning the same. Incentivizing human scientists to create such technology and improvise the current automation to the super-intelligent system is the urgent need of the hour. Moreover, the criteria of present eligibility of subject matter shall be revised and analyzed if it has any negative impact in supporting the growth of AI that undoubtedly have limitless advantages. The relevant actor in the market shall also diligently analyze the balance of contrary forces of AI-driven technology. Further research and exploration are required, particularly as AI progresses further and it is becoming increasingly difficult to identify the author.

Contract:

To fabricate smart contracts into legally feasible contracts the most favorable solution is that the existing rules are inconsistent with the demand of changing society and calls for the amendment of new rules which will take into consideration certain points like how AI will be held liable for any act or omission and whether the vendor/inventor has to bear the resulting cost. Moreover, for smart contracts to be more effective and efficacious the input of lawyers indisputably essential as they can fix the gap that would give a fortunate output for all business and other contracting parties.

Criminal liability:

The concept of strict liability is a poor solution as the foreseeability in AI unimaginable. The criminal and civil liability of AI entities can be addressed in Consumer protection law³⁶. Along with the existing liability, a better legal structure must be formed that can be applied to AI-robots.³⁷ In 2020, the European Commission has discussed the AI civil liability in the report of safety and liability framework.³⁸

Privacy:

The existing laws regarding data protection, privacy, and rights of data principal like transparency, rectification, erasure, etc. are inconsistent with the rapid change in context if AI. Close attention

shall be paid to ethical and regulatory restriction. Moreover, the "high-risk inference" accountability gap shall be filled. Also, the dispute regarding the societal value and fundamental right should be carefully analyzed.

CONCLUSION:

Predicting the future is not magic it's Artificial Intelligence. Humans and AI are inextricably linked in modern society and disregarding the benefits and requirements of AI in this generation and coming future is like paying no heed to the development of the world at large. Fixing the gap between AI and the legal as well as ethical issues extremely strenuous task because molding machines like humans with the same amount of creativeness and reasoning skills looks non-viable. However, biding one's time for such development to take effect while suffering various challenges by machines that affect society mentally, physically, and economically is also not the recourse. The implementation and application of an appropriate legal structure that can outspread fairness, justice and stricture several challenges by AI towards humans is a compelling necessity.

REFERENCES

1. Ali, M., Sapiezynski, P., Bogen, M., Korolova, A., Mislove, A., & Rieke, A, (et. Al) 2019, Discrimination through Optimization: How Facebook's Ad Delivery Can Lead to Biased Outcomes. Proceedings of the ACM on Human-Computer Interaction, 3 and199.
2. Acemoglu, D. and D. Autor (2011), 'Skills, Tasks and Technologies: Implications for Employment and Earnings', in O. Ashenfelter and D. Card (eds), Handbook of Labor Economics, vol. 4, Amsterdam: Elsevier
3. Angwin, J., Larson, J., Mattu, S. & Kirchner, L. (2016), "Machine Bias – There's software used across the country to predict future criminals. And it's biased

- against blacks", ProPublica. International Journal of Law and Legal Jurisprudence Studies :ISSN:2348-8212:Volume 6 Issue 1 72
4. Buolamwini, J., & Gebru, T Gender shades: Intersectional accuracy disparities in commercial gender classification. Proceedings of Machine Learning Research, 2018. 81, 1-15.
5. Chen, P., Rezai, A. and Semmler, W. Productivity Growth and Unemployment in the Short and Long Run. SCPEA Working Paper 2007-8, Schwartz Center of Economic Policy Analysis, 2007, pg 55-70
6. Frances M. 2007, Intricate Ethics: Rights, Responsibilities, and Permissible Harm. Oxford Ethics Series. New York: Oxford University Press. doi:10.1093/acprof:oso/9780195189698.001.0001, Kamm, 11-16
7. Goodfellow, I. J., Shlens, J., & Szegedy, C. Explaining and harnessing adversarial examples, 2014, pg 19-21
8. Hallevy G (2015) AI v. IP - Criminal Liability for Intellectual Property IP Offenses of Artificial Intelligence AI Entities. <http://dx.doi.org/10.2139/ssrn.2691923>, (accessed on 21 March.

Chapter 45

THE IMPACT OF PERFORMANCE MANAGEMENT ON EMPLOYEE PERFORMANCE

Dr.C.R. Mageshwar

Principal Angappa College of Arts and Science, Coimbatore, Tamil Nadu

Dr. K. Jothimani

Director and Head, Angappa College of Arts and Science, Coimbatore, Tamil Nadu

Abstract:

This paper reviews the literature on the impact of performance management practices on employee performance during the period (2015–2020) in order to discuss the most important findings of those studies in four main axes: the components of the PMS, the impact of PMS on employee performance, and the literature review. Furthermore, the characteristics of an effective PMS and the difficulties encountered during system implementation. The article's conclusion was that employees' performance in companies is significantly impacted

1. INTRODUCTION

The performance of employees is one of the most important factors that lead to the success of any company. Therefore, many managers try to find innovative ways to motivate employees and evaluate their work effectively and efficiently within the framework of the company and the performance management system (PMS). The main purpose of motivating employees is to increase their productivity and increase their connection with the organization they work for. Many modern companies see PMS as an even more important tool to achieve higher performance. Because performance growth can be achieved by directing PMS to increase employee participation through employee participation and managing the participation process according to a specific method that ensures the promotion and management of employee participation for high career achievements (Gruman and Saks, 2011). One of the advanced personnel management techniques is

morally by the performance system. These research offered convincing proof that organizational factors that affect workers' performance in addition to the PMS include working environment, pay, and promotions. Since research indicates that management evaluates employee performance as part of performance monitoring, performance planning has a limited impact on workers' performance while performance appraisal has been the most precise of employee performance.

Keywords: Performance management system (PMS), employee performance, effective system.

performance management. Performance appraisals done right allow employers to tell employees how quickly they are developing their skills, abilities and potential. In order to organize and coordinate the strengths of each person in the company to achieve its strategic goals, companies have an influential performance evaluation instrument (Pelluri and Padmavathy, 2016). PMS are essential to enhance organizational effectiveness and performance. However, 70% of the implemented performance management systems have failed, therefore, companies need to understand these systems' properties in order to produce positive organizational results. The assessment and monitoring of individual and organizational performance with the ultimate purpose of enhancing effectiveness of the organization is known as performance management, which is a subset of talent management. In order to set performance objectives, evaluate performance outcomes, and reward

performance, managers collaborate with their staff (Kaur & Singla, 2019).

Economic decision makers in the Coimbatore region have recognized the value of establishing a human resource development fund and its role in organizing, recruiting and training people. In addition, they are responsible for business continuity, processing direct job applications and following up with new hires on appointment. In addition to cultivating employees and#039; Expectations and satisfaction with material benefits, human resource development fund strongly emphasizes economic incentives that increase the level of national income (Doghan and Albar, 2015). Politicians in Coimbatore district have also started focusing on the private sector to ease pressure on the public sector and boost economic growth by creating new job opportunities for people, with a goal of employing 50 percent of all businesses. This decision had a significant impact on encouraging the private sector to receive state aid, which aims to promote the activities of private companies and help them meet new economic needs. Examining the subject and in the theories explaining their relationship and in contemporary literature, where this subject has been discussed in different places and with different evaluation methods, we investigate the effect of PMS on the work results of employees and their performance at work. the duties attributed to them in this article. To create a proposed view of the impact of performance management on employee performance, the paper uses a deductive method to explain the relationship between performance management and employee performance in the light of previous research.

2. Literature Related to Performance Management and Employee Performance

The link between performance management and employee performance in

firms has been examined in several studies utilizing a variety of research techniques. Here, we analyse the most crucial research that addressed the issue and the most crucial conclusions they came to Kaur and Singla (2019). The goal of the study was to carefully evaluate the features of performance management which significantly influence staff engagement and thereby improve organizational effectiveness. The concept of employee engagement is relatively new in the literature, yet it has become hugely popular in business. Staff engagement and organizational performance are strongly correlated, according to proponents of the concept, both in the workplace and among employees. Strong organizational performance can only be attained when all employees are actively participating. According to the study, employee engagement is most positively impacted by empowerment-contributing recognition and participative decision-making. Because of this, firms will be more able to build PMS that increase employee engagement.

The goal of the Adam Study (2020) was to ascertain how UN-Somalia Habitat's program's staff members performed in relation to PMS. Additionally, the research attempts to investigate the impact of performance standards, performance measurements, quality improvement processes, and progress reporting on UN-Somalia Habitat's Program. The study demonstrated that there is no association between employee performance and performance criteria, performance assessment, or quality improvement techniques. The study did show a strong favourable association between progress reports and employee performance, though. Additionally, regression analysis demonstrated that progress reporting had a very beneficial impact on staff performance. Using a survey of 924 workers of tech service organizations in

India, Mangipudi *et al.*, (2019) performed pilot research on how a PMS influences employee performance. The system of performance management was assessed on 13 different parameters. Using multiple regression analysis, it was discovered that 5 factors had an impact on performance management and that 9 components were responsible for enhancing performance.

The findings revealed that the performance management system greatly raises worker productivity. Gerrish (2016) used 2,188 impacts from 49 researches in an effort to provide a thorough analysis of the impact of performance management on performance in public institutions in three methods. The effects of a "medium" performance management system are first looked at. The second part looks at management's impact and determines if good performance management procedures lessen the overall effect. Thirdly, it looks at how "time" affects performance management. An average minor influence of performance management was discovered through investigation. When best practice indicators are incorporated into high-quality research, the impact is significantly stronger. The effectiveness of PMS is significantly influenced by management practices. Mixed evidence exists on the impact of time. The primary performance management system components—the PMS, the performance reward system, and the performance contract system—were the focus of Subbaiah and Mathew's (2019) investigation into the relationship between PMS and employee performance.

The study used a descriptive methodology to gather information from 100 workers in Bangalore's IT industries. According to the study's findings, PMSs and employee performance are positively correlated. The PMSs and employee performance at the United Nations Regional Centre for Services were the subjects of a research by Busingye (2018).

The goals were to (I) investigate the correlation between staff performance in the United Nations Regional Centre for Services and performance planning; (ii) determine the correlation between staff performance and performance monitoring; and (iii) look into the connection between employee's performance and performance evaluation. Regional Services of the United Nations. 103 workers and 2 key informants' quantitative data were gathered quantitatively utilizing survey questionnaire and interview guide, respectively.

Performance planning and employee performance have a positive, statistically significant association, according to the Pearson Correlation Coefficient values, but it is a weak one. The variable, which is regarded as the second predictor of the employee's performance, had a small influence on the employee's performance but had a strong association with performance monitoring. The employee's performance was significantly impacted by the performance assessment and had a considerable positive association with it. In order to ensure staff productivity, Nikeshbhai (2019) looked at the approach to putting in place a PMS. The study's goal was to assess how satisfied organization employees were with their current PMS. Questionnaires were used to gather the data for this investigation. The study found that organizational elements including pay, benefits, and advancement had an impact on worker productivity. The findings also demonstrate that a large portion of respondents believed that improving efficiency is currently a crucial element of corporate strategy. In order to increase employee performance and competitiveness, the research suggests performing a frequent evaluation of performance. Understanding the PMS and its link to employee performance

determinants is the goal of the Deogaonkar *et al.*, (2020) study.

The research data used in this study came from 416 experts who work for Indian telecom businesses. Three phases were included in the study's recommended model: design, execution, and employee motivation. The findings indicated that individuals are intellectual resources and are more motivated to put a performance management system in place, indicating that the design of the performance management system seems reasonable. Because the design of the PMS is to offer a tool for measuring and recording performance in relation to goals, this is the case. The PMS's implementation has an impact on an employee's performance since it involves manual engagement with supervisors and discussions with them regarding the employee's performance.

(2017) study used 605 distributed questionnaires to investigate the association between performance management (PM) conduct and the performance of laborers working in 6 different organizations in Khartoum. The findings showed a strong correlation between the actions of PM supervisors and labour performance. In general, task performance and organizational citizenship behaviour are positively correlated with all PM behaviours, with the exception of monitoring performance objectives (OCB). However, negative relationships exist between PM practices (such as feedback, coaching, and monitoring performance objectives) and unproductive work behaviour. Building on these findings, business managers have the chance to boost worker performance by putting more of a focus on encouraging supervisors to participate in positive behaviours and by emphasizing coaching and performance awards.

. The purpose of Shrivastava's (2018) study was to assess the PMS's efficacy and investigate the connection

between that effectiveness and employee commitment and satisfaction. The findings indicated that the PMS and satisfaction, as well as the typical link between employee work satisfaction and commitment, are statistically correlated. According to the report, an efficient PMS is just a tool for creating an employee loyalty index, which will keep employees' content and boost their productivity.

3. DISCUSSION

These studies all agreed on the significance of performance management as a component of contemporary public administration when examining the literature that addressed the problem of the PMS and its influence on the performance of employees. Recognizing the traits of the most efficient systems is important since PMS are thought to be vital to improve corporate performance. In order to increase the institutional effectiveness of the performance management, performance measurement was defined as the process of monitoring and managing employee and organizational performance (Kaur and Singla, 2019). We discuss the most significant research results in the following axes:

3.1 Performance Management and Employee Performance

The effect of performance management on employee performance has been a topic of discussion in previous studies, as the effect has generally been found to be both significant and positive. According to these studies, PMS is a tool for evaluating and recording performance against objectives. The literature has proposed different methods for creating a PMS, some of which used the balanced scorecard and some of which used management by objectives. However, both agree that an effective PMS requires three steps: employee motivation, planning and implementation. This study found that work environment, wages and promotion—in addition to PMS—are

organizational elements that influence employees and #039; presentation Research shows that performance planning has limited impact on employees and #039; presentation; thus, management combines performance monitoring and evaluation. Management should spend more resources on evaluating the productivity of their employees. This is because, according to the study, performance reviews were the most accurate employee and performance metrics.

3.2 Elements of a Performance Management System

Performance management is a set of interrelated and integrated activities designed to ensure that people achieve desired performance while contributing to overall business goals. Performance planning, performance control, performance diagnosis, performance development and performance improvement are included in the performance management process. Managing the efficiency of personnel leads to the management of all other resources used in operations. This is how performance management works. To ensure the best use of these auxiliary resources, an employee who performs a specific task for which he needs material, technical, financial, informational and other resources must follow the procedures and instructions given in the action plan.

3.3 Characteristics of an Effective Performance Management System For a system to fulfill its objectives, there must be a set of requirements that can be summarized as follows: Clarity of the standards used to define the desired performance. Ensure that the proposed performance criteria are communicated to employees. Ensure that employees participate in the discussion of desired performance levels. Clarity of procedures to identify and correct the causes of poor performance. The clarity of the processes

used in the management system implements and justifies the time spent on the measures Creating the organizational basis of the system, emphasizing its dependence on efficient information systems and creating a flexible reference framework for process transformation and performance development. Have a strategic planning framework that supports performance goals across multiple industries. An effective performance-based incentive system is the cornerstone of good strategic HR management.

3.4 Difficulties Implementing the Performance System

The most important challenges in the implementation of PMS are: The challenge of the management is to find a clear solution that is accepted by the employees and the management, because the first challenge in the implementation of the performance management system is related to the human factor and the possibility of disagreements. in the attitudes, desires and perceptions of superiors and inferiors. Another challenge is the need to coordinate and balance the system and its core elements, including its standards, processes and goals. This problem occurs when management focuses on only one goal and ignores others. In addition, for the correct implementation of the principle of performance management, it is important to maintain consistency between objectives and performance evaluation criteria. The third problem of PMS is the inherent conflict between what is required of the job and what is required of the employee doing the job. In business requirements, the main considerations are often quantity, speed, the level of quality required and the competence of the implementation in relation to the applied technology. Typically, the focus is on meeting the needs of the employee with adequate time for satisfactory performance, the need for

more breaks and less pressure from superiors, and overcoming mistakes.

4. CONCLUSION

This article aimed to find out how does PMS affect employee performance through reviewing literature of this topic and theories that explain performance and discussing them in four main axes, they are the effect of PMS on employee performance, the elements of the PMS, the characteristics of the effective performance system, and the difficulties encountered in implementing the PMS. This report concluded that there is a positive significant effect of the PMS on the employee's performance in the companies. The literature agreed that a PMS is a means for measuring and verifying performance against goals, and that any successful PMS must include three steps: design, implementation, and employee motivation. These studies confirmed that the organizational factors that influence the performance of staffs in addition to the PMS are working conditions, wages and promotion. According to the literature, performance planning has a weak effect on employees' performance, so performance monitoring is performed alongside performance evaluation by management. The management must invest more resources in assessing the performance of its staffs. This is because performance appraisal remained the most specific to an employee's performance according to the literature.

5. SUGGESTIONS

In light of the literature discussion in this report, we can suggest the following:

- HRM policy makers must apply all aspects of a PMS from performance, planning, implementation and measurement to quality improvement processes, in order to enhance employee performance.
- Use progress reports as a decision-making tool to improve employee performance. Which should include detailed

explanations to the employees about what they have done.

- The management must invest more efforts in evaluating the performance of its staffs. This is because performance appraisal was the most specific to an employee's performance according to the literature.
- This report suggests using the Balance Scorecard as a multifaceted approach to measure performance and as a strategic management system (SMS) to improve staffs performance.

REFERENCES

- Adam, A. (2020). Effect of Performance Management System on Employee Performance: A Case Study of Un-Habitat-Somalia Programme (Doctoral dissertation, United States International University-Africa).
- Al Dohan, M., & Albar, S. (2015). A Study on Influence of Motivation Factors on Employees Performance in Private Schools in Coimbatore District. *Journal of Human Resource and Sustainability Studies*, 03(04), 179–187. doi: 10.4236/jhrss.2015.34024.
- Almohtaseb, A. A., Almahameed, M. A., DUA'A, S. T., & Shaheen, H. K. (2017). The impact of performance management system on employee performance. *International Review of Management and Business Research*, 6(2), 681-691.
- Busingye, J. A. (2018). Performance Management Systems And Employee Performance At United Nations Regional Service Center-Entebbe (Doctoral dissertation, Uganda Management Institute).
- Deogaonkar, A., Zaveri, B., & Vichoray, C. (2020). Employee performance motivation and performance management system-exploring the pertinence. *International Journal of Management*, 11(3), 8–15. doi: 10.34218/IJM.11.3.2020.002.
- Erdem, S., Küçükaltan, E., & Mohammed, B. (2017). The Impact of Performance Management Behaviors on Employee

- Performance. *Journal of Economic Sciences*, 18(2).
- Gerrish, E. (2016). The Impact of Performance Management on Performance in Public Organizations: A Meta-Analysis. *Public Administration Review*, 76(1), 48–66. doi: 10.1111/puar.12433.
 - Gruman, J. A., & Saks, A. M. (2011). Performance management and employee engagement. *Human Resource Management Review*. Elsevier Inc., 21(2), 123–136. doi: 10.1016/j.hrmr.2010.09.004.
 - Kaur, R., & Singla, D. (2019). Interdependence of Performance Management System And Employee Engagement. *Pimt*, 96.
 - Mangipudi, M. R., Prasad, K., & Vaidya, R. (2019). Employee Performance as Function of Performance Management System: An Empirical Study Information Technology Enabled Services Companies around Hyderabad. *European Journal of Business and Management Research*, 4(4). doi: 10.24018/ejbmr.2019.4.4.87.
 - Shrivastava, P. (2018). Impact of effectiveness of performance management system on employee satisfaction and commitment. *International Journal of Management Research and Reviews*, 8(4), 1-8.
 - Subbaiah, D. M., & Mathew, P. M. (2019). The Relationship between Performance Management Systems and Employee Performance in the IT Sector. 10(3), 426–430.
 - Van Waeyenberg, T., Decramer, A., & Vanderstraeten, A. (2017). The Impact of Performance Management Systems on Employee Wellbeing and Performance. In *Academy of Management Proceedings*, 2017(1), 15776.
 - Mulwa, M. N., & Weru, J. M. (2017). The influence of performance management system on employee performance in commercial banks in Kitui town, Kitui County, Kenya.
 - Nikeshbhai, M., & Uka, I. T. (2019). A Study on Performance Management System on Employee Productivity At Maruti Suzuki Comrt Motors, ISSN : 2278-6236', 8(4), 52–57.
 - Nwachukwu, C. (2016). The Impact of Performance Management and Employee Empowerment on Organisational Culture of Selected Banks in Nigeria. *Ekonomika a management : vědecký časopis Fakulty podnikohospodářské Vysoké školy ekonomické v Praze*, (1802), 1–9.
 - Pelluri, V., & Padmavathy, G. (2016). Performance Management System-A Strategic tool for enhancing Employee Performance. *International Journal of Research*, 6(11), 387–402.

Chapter 46

THE AUTHENTICITY PARADOX: BALANCING TRANSPARENCY AND BRAND IDENTITY ON SOCIAL MEDIA

S. Mohanarithanya

II B.Com (CA), KPR College of Arts Science and Research, Coimbatore, Tamil Nadu

J. Sherlin Niktha

II B.Com (CA), KPR College of Arts Science and Research, Coimbatore, Tamil Nadu

Abstract:

This paper delves into the Authenticity Paradox, exploring the challenge of balancing transparency and brand identity on social media. It examines the allure of authenticity, potential pitfalls, and provides practical strategies through case studies and future trend analysis with the goal of guiding organizations in effectively managing authenticity in their online presence. Recognizing the significance of authenticity in connecting with today's socially savvy audience, this comprehensive exploration aims to equip businesses with the insights and tools needed to navigate the complex dynamics of maintaining a genuine yet strategically aligned online identity. Keywords: Authenticity Paradox, social media Dynamics, Strategic Communication, Transparency, Brand Identity.

Introduction:

In the rapidly evolving landscape of social media, the Authenticity Paradox has emerged as a central concern for organizations striving to forge genuine connections with their audience. This paradox hinges on delicately balancing transparency with maintaining a cohesive brand identity in the digital realm. As consumers increasingly clamor for authentic communication, brands encounter the challenge of meeting these expectations without compromising their strategic messaging. This introduction not only defines the Authenticity Paradox but also underscores its significance in the context of social media dynamics. It emphasizes the profound impact of authentic communication on brand perception and consumer engagement, setting the stage for a comprehensive discussion on the allure of

authenticity and the potential pitfalls associated with its overemphasis. In navigating the complexities of being authentic online, understanding and effectively managing this paradox becomes paramount for organizations seeking to connect successfully with today's socially savvy audience.

Objectives:

1. Define and explore the Authenticity Paradox in the context of social media.
2. Examine the rise of authenticity as a social media trend and its impact on brand perception.
3. Identify and analyse the pitfalls associated with over-authenticity in online communication.
4. Provide practical strategies for organizations to balance transparency and brand identity on social media.
5. Anticipate future trends that will shape the landscape of authentic communication on social media.

The rise of authenticity as a social media trend:

The increasing popularity of authenticity on social media change in customer expectations and preferences is reflected in the emergence of authenticity as a social media trend. Numerous elements have a role in this phenomenon:

1. Digital Saturation: Users are growing more discriminating as a result of the overabundance of content on social media platforms. In a sea of well-chosen and polished information, authenticity sticks out, drawing viewers in and encouraging sincere interactions.

2. Erosion of Trust: The credibility of conventional marketing has been damaged by cases of false information, fake news, and staged material. In reaction to

this scepticism, authenticity arises, providing companies with a more open and reliable channel of communication.

3. **User-Generated material Influence:** Authenticity has been greatly aided by the widespread usage of user-generated material. Customers are drawn to material produced by their peers or real stories shared by individuals, which fuels the demand for stories that are honest and unvarnished.

4. **The Emergence of Influencer Marketing:** People who are real in their experiences and viewpoints have become more well-known. Genuine influencers are more appealing to audiences, and companies are realizing the value of authenticity in influencer marketing.

5. **Social Movements and Advocacy:** The need for genuine involvement has been heightened by the ubiquity of social concerns and movements. Authenticity is becoming more and more popular on social media as a result of consumers expecting corporations to take sincere positions on pertinent social and environmental concerns.

6. **Human Connection in a computerized World:** Human connection is becoming more and more important in a world that is becoming more and more automated and computerized. By establishing a personal and emotional connection with viewers, businesses may humanize their image via authenticity.

7. **Transparency and Behind-the-Scenes Content:** Viewers value candid information and behind-the-scenes looks at a company's activities. Honest, unscripted material that highlights the actual people and procedures behind the company helps to build authenticity.

8. **Shift in Consumer Values:** Authenticity is now valued more highly by modern customers than conventional success indicators. In this transition in culture, brands that tell honest stories, are genuinely committed to social responsibility, and fit with customer values will resonate more successfully.

The pitfalls of over authenticity:

Here are some of the key drawbacks:

1. **Oversharing and TMI (Too Much Information):** Excessive sharing of private or internal business information may result from over-authenticity. If there are specific facts that are best kept confidential, this might overwhelm the audience, blur boundaries, and damage the brand's reputation.

2. **Danger of alienating Specific Audiences:** Authenticity may connect with some audiences, but if specific values or viewpoints are overemphasized, it might turn off audience members who don't have the same opinions. It's critical to strike a balance that appeals to a wide range of people.

3. **Perceived Inauthenticity:** It's ironic that authenticity may be interpreted as fake when it seems forced or artificial. The audience may become sceptical and lose faith in a brand if they feel that it is trying too hard to be genuine.

4. **Professionalism vs. Authenticity Conflict:** In some situations, preserving a professional image may conflict with placing too much emphasis on authenticity, particularly in fields where formality is required. It's critical to strike a balance between professionalism and genuineness.

5. **Misalignment with Brand Values:** Authenticity may cause confusion and inconsistency if it is not in line with the brand's identity and fundamental values. A discrepancy between the desired image of the brand and the audience's perception of it might arise from this mismatch.

6. **Susceptibility to Reaction and Criticism:** Posting genuine content may need opinions on social or contentious matters. Although this has the potential to be effective, it also exposes the company to possible criticism and reaction, particularly if the selected stance is inconsistent with the brand's historical actions or values.

7. **Having Trouble Staying Consistent:** When authenticity is overemphasized, it can be difficult to keep

a consistent brand image. Striking a balance between authenticity and maintaining a consistent brand identity across several communication platforms may be challenging for brands.

8. Lack of purposeful Guidance: Choosing to be authentic should be purposeful, not random. Over-authenticity can lead to a lack of direction in the absence of a defined plan, which makes it difficult for the brand to accomplish its communication objectives.

It is critical for companies to be aware of these traps while navigating the Authenticity Paradox and to carefully analyse how they strike a balance between transparency and upholding a robust and consistent brand identity on social media.

Strategies for balancing transparency and brand identity:

Balancing transparency and brand identity on social media requires a strategic and thoughtful approach to navigate the Authenticity Paradox effectively. Rather than adopting authenticity as a one-size-fits-all approach, it should be treated as a deliberate and strategic choice. Establishing clear guidelines for authentic communication is crucial to avoid oversharing while maintaining transparency. Leveraging the power of storytelling with purpose allows brands to share narratives that align with their values and resonate with their audience. These stories contribute to a cohesive brand narrative, reinforcing key messages and humanizing the brand without deviating from its overarching identity. Selective transparency is key, choosing moments that align with strategic objectives and enhance the audience's understanding of the brand. Employee advocacy programs can harness the authenticity of the team, encouraging them to share their experiences and perspectives. Utilizing interactive and engaging content formats, such as Q&A sessions and live streams, provides an authentic platform for direct communication with the audience. Consistency in tone and language ensures

that authenticity complements the brand's identity rather than causing confusion. Embracing strategic vulnerability involves acknowledging challenges and lessons learned within the context of growth and improvement. Actively seeking and incorporating feedback from the audience fosters inclusivity and provides valuable insights into the aspects of authenticity that resonate most effectively. Overall, these strategies emphasize the nuanced and intentional integration of authenticity into a well-defined communication strategy, fostering trust and connection on social media.

Tools and metrics for assessment:

By using certain tools and metrics, it is possible to gauge how well brand identity and transparency are balanced on social media. Monitoring the effects of authenticity calls for a complex strategy. Tools for social media analytics, such as Sprout Social, Google Analytics, and Hootsuite, can offer numerical insights into audience reach, engagement metrics, and post-performance. Click-through rates, likes, shares, comments, and other metrics provide a quantifiable evaluation of how viewers are interacting with real material. Furthermore, sentiment analysis methods may assess the general level of optimism or negativity in audience responses, offering qualitative perceptions of brands. One may deliberately use surveys and feedback systems to get audience feedback directly on how authentic the brand is perceived. By combining quantitative data from analytics tools with qualitative feedback, brands can develop a comprehensive understanding of the impact of their authenticity efforts on social media and make informed adjustments to their communication strategies.

Future trends:

Remaining ahead of the curve in the ever-evolving digital ecosystem requires anticipating future trends in the context of striking a balance between brand identity and openness on social media. Future authentic communication is expected to be

shaped by a number of major themes, including:

1. Virtual reality (VR) and augmented reality (AR): Combining these two technologies has the potential to completely transform social media interactions. By using these immersive technologies, brands can provide interactive and real content that gives viewers a more tailored and interesting experience.

2. Rise of Voice and Audio-Activated Content: Voice-activated gadgets and audio-centric platforms are becoming more and more popular, indicating a move toward conversational and genuine content. In order to establish a more natural connection with consumers, brands may consider producing real audio content, such as voice-activated advertisements or podcasts.

3. Sustainability and Ethical Branding: As customers' knowledge of social and environmental issues grows, they are likely to place more value on companies that really adhere to sustainability and ethical branding. Genuine dialogue about a company's environmental and social responsibility efforts will probably take centre stage.

4. User-Generated Content (UGC) Will Continue to Be Important: It is anticipated that UGC will continue to have an impact on how consumers perceive brands. It is probable that brands will persist in supporting and amplifying genuine content generated by their consumers, cultivating a feeling of community and confidence.

5. Real-Time interaction and Live material: It is anticipated that the allure of real-time interaction via interactive material and live videos will increase. These formats may be used by brands more often to engage people in real time by answering their queries, comments, and trends.

6. Transparency and Data Privacy: In order for organizations' interactions to be sincere, they must be clear about how they handle user data as concerns about data

privacy intensify. Consumers are more likely to believe in businesses that actively handle privacy concerns and are transparent about their data usage.

7. Personalization and Customization: In order to meet consumers' need for distinctive content experiences, brands will likely need to adopt more specialized and sincere methods. Effective communication will depend on the delivery of content that uses data to speak to each person's preferences and needs.

8. Including transient content: Stories on Instagram and Snapchat, for example, are likely to be popular for a long time. Using this style, brands may give behind-the-scenes photographs and information with a time constraint, which might imply authenticity and urgency.

9. Social Media Platform Innovations: How companies communicate honestly will be impacted by new platform emergence and the evolution of features and functions on current platforms. Keeping up with these advances will be essential to modifying communication tactics.

10. Artificial Intelligence (AI) in Content Creation: As AI-driven solutions for content curation and creation advance, advertisers will be able to create content more quickly and effectively while yet keeping a human touch.

Conclusion:

Navigating the Authenticity Paradox on social media requires a delicate balance between transparency and maintaining a cohesive brand identity. The rise of authenticity as a trend reflects evolving consumer preferences, emphasizing the need for genuine connections. However, the pitfalls of over-authenticity, such as alienating audiences and inconsistency, highlight the importance of strategic and intentional communication. Strategies for balance include selective transparency, storytelling with purpose, and leveraging employee advocacy. Tools and metrics like social media analytics and sentiment analysis aid in evaluating the impact of authenticity efforts. Anticipating

future trends, such as augmented reality, sustainable branding, and AI in content creation, is crucial for staying ahead in the dynamic digital landscape.

Reference:

1. <https://dl.acm.org/doi/abs/10.1145/3479567#:~:text=Though%20most%20stated%20that%20they,negative%20experiences%20on%20social%20media%2C>
2. <https://www.linkedin.com/pulse/impact-social-media-influencers-brand-perception-nnani>
3. <https://www.frontiersin.org/articles/10.3389/fdata.2019.00013>
4. <https://sproutsocial.com/insights/social-media-branding/>
5. <https://blog.hootsuite.com/social-media-trends/>

Chapter 47

THE POWER OF SOCIAL MEDIA PLATFORMS IN MODERN BUSINESS STRATEGIES

Dr.C.Nithya

Assistant Professor, Department of Commerce (Accounting & Finance), Dr.MGR Janaki College of Arts & Science for Women, Chennai, Tamil Nadu

Abstract:

The emergence of social media has birthed a new generation of entrepreneurs who are utilizing the platforms to build thriving businesses, invest in promising ventures and create new opportunities for themselves and others. These individuals are at the forefront of the digital revolution and are transforming the way we perceive success in the modern business world. One trend that is driving the rise of social media entrepreneurs is the growing influence of social media influencers. These individuals have amassed large followings on various platforms and are able to use their influence to promote products and services to their followers. Many successful influencers have been able to monetize their social media presence through sponsorships, partnerships and other opportunities, and some have even gone on to launch their own businesses or invest in others. For example, social media personality Logan Paul launched Prime Hydration in 2022, and it is already valued between \$150 and \$200 million. This showcases the power of strong branding, marketing and the ability to identify and meet consumer demand.

Another driving trend is the increasing significance of digital marketing. With more and more consumers turning to the internet for products and services, businesses are seeking out social media as a means to reach their target audiences and drive sales. This has created a demand for innovative and effective social media marketing strategies, and those who are able to deliver on this demand are likely to see significant financial success. This is a Descriptive

research which outlines the benefits of social media, to explore the risks associated with business through the use of social media and to identify organizations that use social media in their business

Keywords: Social Media, Digital Market, Business

Introduction:

In the digital age, the impact of social media platforms on businesses is nothing short of revolutionary. The pervasive influence of platforms like Facebook, Instagram, Twitter, LinkedIn, and others has not only reshaped the way companies interact with their audiences but has also redefined the entire landscape of marketing and business strategies. This article delves into the profound impact of social media on businesses, exploring how these platforms have become indispensable tools for enhancing visibility, fostering customer relationships, and driving overall growth.

History and Evolution of Social Media in Business

Emergence of the Internet (1980s-1990s): The internet became accessible to the public in the 1980s and 1990s, laying the foundation for digital communication. Email and basic online forums were among the earliest forms of online interaction.

Birth of Social Networking (early 2000s): The early 2000s saw the emergence of social networking sites. Friendster (2002) and MySpace (2003) were among the first platforms that allowed users to connect with friends and share content.

Rise of Facebook (mid-2000s): Facebook, founded in 2004, quickly became a dominant player in the social media

landscape. It started as a platform for college students and expanded to a global audience. Businesses soon recognized the potential of reaching large, engaged audiences on the platform.

Microblogging and Twitter (2006): Twitter, launched in 2006, introduced microblogging, allowing users to share short messages (tweets). This platform became a powerful tool for real-time communication and marketing.

Visual Content on Instagram (2010): Instagram, founded in 2010, focused on photo and video sharing. It gained popularity for its visual appeal and simplicity. Businesses started using Instagram for marketing and brand promotion.

Professional Networking on LinkedIn (2003): LinkedIn, launched in 2003, focused on professional networking. It became a valuable platform for businesses to connect with professionals, recruit talent, and establish industry presence.

Video Content on YouTube (2005): YouTube, acquired by Google in 2006, became a major platform for sharing and discovering video content. Businesses started using YouTube for marketing, tutorials, and brand storytelling.

Snapchat and Ephemeral Content (2011): Snapchat introduced the concept of disappearing, ephemeral content. This trend influenced other platforms, and businesses began to incorporate temporary content into their marketing strategies.

Live Streaming and Periscope (2015): Periscope, launched in 2015, popularized live streaming. Facebook and Instagram later integrated live streaming features, providing businesses with new ways to engage their audiences in real time.

Influencer Marketing (2010s): The rise of social media influencers transformed marketing strategies. Brands started collaborating with influencers to reach

specific target audiences and promote products or services.

E-commerce Integration: Social media platforms introduced features that enable e-commerce, allowing businesses to sell products directly through their social media profiles. This integration streamlined the customer journey from discovery to purchase.

Privacy Concerns and Regulations: Concerns about data privacy and the misuse of personal information led to increased scrutiny and the implementation of regulations such as GDPR (General Data Protection Regulation) in the European Union.

The evolution of social media in business is marked by a shift from mere presence to strategic engagement, with platforms continually adapting to user behaviors and technological advancements. Businesses that effectively leverage social media can enhance their brand presence, connect with their audience, and drive business objectives.

Review of Literature

Akash Kumar Agarwal (2018) in his paper “The Impact of Social Media on Business growth and Performance in India” reports benefits, impacts, and importance of social media on business performance and growth.

Andreas Kaplan and Michael Haenlein (2010) in their study titled “Users of World Unite – The Challenges and Opportunities of Social Media” say that the concept of social media is top agenda for many business executives today.

Venkateshwaran et al (2019) in their paper titled “Impact of Social Media application in Business Organizations” have discussed the impact of social media in business organization by highlighting the competitive advantage on organizations engagement in social media.

Amerah and Abdulrazzaq (2019) in their paper titled “The Impact of Social Media on

the Work Performance of Women Engaged in Associations at the Kingdom of Bahrain” have investigated how social media impacted the work performance of the members of the Bahraini women’s associations.

Mohammedhussen Mama Irbo et al (2020) in their paper titled “Social media, business capabilities and performance: A review of literature” have explored and to analyzed to what extent social media have an impact on organizational capabilities and business performance using the review of related literature as a method of their research.

Objectives of the Study

1. To outline the benefits of Social Media for business.
2. To explore the risks associated with business through the use of social media.
3. To Identify organizations that use social media in their business

Benefits of Social Media for Business

1. Enhanced Visibility and Brand Awareness:

The first and foremost impact of social media on businesses is the unparalleled opportunity to enhance visibility and build brand awareness. Social media provides a global stage where businesses, regardless of their size or industry, can showcase their products and services to a vast audience. Through strategic content creation and targeted campaigns, companies can establish a strong online presence, making their brand more recognizable and memorable. This visibility goes beyond traditional marketing methods, allowing businesses to connect with consumers on a personal level.

2. Direct Communication with Customers:

Social media platforms facilitate direct communication between businesses and their customers, marking a paradigm shift in how companies engage with their audience. Through comments, direct messages, and interactive content, businesses can gain

valuable insights into customer preferences, concerns, and feedback. This direct line of communication not only humanizes the brand but also enables companies to address issues promptly and build lasting relationships. The ability to connect with customers on a personal level fosters brand loyalty and trust.

3. Targeted Marketing and Advertising:

Social media platforms offer robust advertising tools that empower businesses to create highly targeted campaigns. Through demographic targeting, businesses can reach specific audiences based on factors such as age, location, interests, and online behavior. This precision in advertising ensures that promotional efforts are directed towards those most likely to convert into customers. The result is a more efficient use of resources and a higher return on investment for marketing endeavors.

4. Real-time Market Analysis:

Another significant impact of social media on businesses is the access to real-time data and analytics. Monitoring trends, tracking engagement metrics, and analyzing customer behavior provide companies with valuable insights into market dynamics. This data-driven approach allows for agile decision-making, enabling businesses to adapt marketing strategies to capitalize on emerging opportunities swiftly. The ability to stay informed about market trends in real-time gives companies a competitive edge, ensuring they remain responsive to the ever-changing needs and preferences of their audience.

5. Building a Community and Brand Advocacy:

Social media platforms enable businesses to go beyond transactional relationships with customers; they can build a community around their brand. By fostering engagement, sharing user-generated content, and creating a sense of belonging, companies can turn customers into brand

advocates. These advocates, in turn, become a powerful marketing force, amplifying the brand's reach by sharing their positive experiences within their social networks. Building a community not only strengthens brand loyalty but also creates a network effect that extends the brand's influence organically.

6. Global Reach and Market Expansion:

Social media platforms break down geographical barriers, providing businesses with a global reach that was once unimaginable. Even small enterprises can now connect with international audiences, facilitating market expansion. This global accessibility opens up new opportunities for growth and diversification, allowing businesses to explore untapped markets. The democratization of access to a global audience levels the playing field, enabling businesses of all sizes to compete on an international scale.

7. Adaptation to Trends and Emerging Platforms:

Social media is a dynamic landscape, with new platforms and trends emerging regularly. Businesses that stay abreast of these changes can adapt their strategies to leverage the latest trends and explore emerging platforms. This adaptability is crucial for remaining relevant and competitive in a rapidly changing digital landscape. Whether it's embracing new features on existing platforms or venturing into innovative spaces, staying ahead of the curve ensures that businesses continue to capture the attention of their target audience.

Risks associated with business through the use of social media:

While social media can offer numerous benefits for businesses, it also comes with various risks. It's essential for organizations to be aware of these potential pitfalls and implement strategies to mitigate them. Here are some common risks associated with business through the use of social media:

Reputation Damage:

Negative comments, customer complaints, or controversial content can quickly spread on social media, potentially harming a company's reputation. It's crucial for businesses to actively monitor and manage their online presence to address issues promptly.

Data Privacy Concerns:

Social media platforms often require access to user data. Businesses must be cautious about collecting and storing customer information, ensuring compliance with data protection regulations. Mishandling of customer data can lead to legal and reputational consequences.

Security Threats:

Social media accounts can be vulnerable to hacking and unauthorized access. A security breach may result in the misuse of sensitive information, unauthorized posts, or even identity theft. Companies need robust security measures to protect their social media accounts.

Employee Conduct:

Employees' personal use of social media can impact the company's image. Inappropriate posts or comments by employees can reflect poorly on the organization. Establishing clear social media policies and providing training can help mitigate this risk.

Intellectual Property Issues:

Sharing content on social media may lead to unintentional infringement of intellectual property rights. Businesses should be cautious about using copyrighted material without proper authorization and should have policies in place to avoid legal complications.

Cyberbullying and Trolling:

Negative interactions, cyberbullying, and trolling can occur on social media platforms. Companies may find themselves in the midst of online conflicts, and dealing with such situations requires careful management to

avoid escalation and protect the brand's image.

Regulatory Compliance:

Social media activities are subject to various laws and regulations, including advertising standards, consumer protection laws, and data protection regulations. Non-compliance can result in legal consequences, fines, and damage to the company's reputation.

Dependency on Third-Party Platforms:

Relying heavily on third-party social media platforms means businesses are subject to changes in algorithms, policies, and features. Sudden shifts can affect visibility, engagement, and the effectiveness of marketing efforts.

Miscommunication and Misinterpretation:

Messages conveyed on social media can be easily misinterpreted. Miscommunication may lead to confusion, backlash, or unintended consequences. Clear communication strategies and monitoring are essential to avoid misunderstandings.

Overreliance on Metrics:

While social media metrics are valuable, overreliance on vanity metrics (such as likes or followers) without considering the quality of engagement can mislead businesses. Focusing solely on metrics may result in misguided strategies.

To mitigate these risks, businesses should develop comprehensive social media policies, provide training to employees, monitor online activities, and stay informed about changes in regulations and platform policies. Regular risk assessments can help organizations proactively identify and address potential issues.

Organizations that use social media in their business:

Numerous organizations across different industries have successfully leveraged social media in their business strategies. Here are a few examples:

Nike:

Nike is known for its effective use of social media in marketing campaigns. The company utilizes platforms like Instagram, Twitter, and Facebook to engage with its audience through visually appealing content, athlete endorsements, and interactive campaigns.

Starbucks:

Starbucks has a strong presence on social media, using platforms such as Instagram and Twitter to connect with its customers. The company encourages user-generated content and engages in real-time interactions, enhancing the overall customer experience.

Airbnb:

Airbnb uses social media to showcase unique and diverse listings, leveraging platforms like Instagram and Facebook. The company also encourages users to share their travel experiences, creating a sense of community and trust.

Tesla:

Tesla and its CEO, Elon Musk, are known for their active presence on Twitter. Musk often shares updates, responds to customer inquiries, and uses social media to generate buzz around product launches. This direct communication has contributed to the company's strong online presence.

Wendy's:

Wendy's, a fast-food chain, gained attention for its witty and humorous Twitter presence. The company engages with followers through clever responses, memes, and playful banter. This approach has helped Wendy's build a distinct brand personality and connect with a younger demographic.

Oreo:

Oreo is recognized for its real-time marketing during events. For example, during the 2013 Super Bowl blackout, Oreo quickly tweeted a clever ad saying "You can still dunk in the dark." This demonstrated the brand's agility and ability to capitalize on current events.

Red Bull:

Red Bull uses social media to promote its extreme sports and adventure-themed content. The brand's YouTube channel, Instagram, and other platforms feature visually stunning and adrenaline-pumping content, aligning with its "Red Bull gives you wings" slogan.

Dollar Shave Club:

Dollar Shave Club gained attention through its humorous and relatable social media content. The company uses platforms like YouTube and Twitter to create engaging videos, memes, and customer testimonials, contributing to its success in the online subscription-based razor industry.

These examples illustrate how organizations with diverse products and services can leverage social media to connect with their audience, build brand awareness, and drive business objectives. The key is to understand the target audience, choose the right platforms, and create content that resonates with users.

Conclusion:

In conclusion, the impact of social media platforms on businesses goes far beyond mere marketing; it is a fundamental shift in how companies operate and connect with their audience. From enhancing visibility and building brand awareness to fostering direct communication with customers and enabling global reach, social media has become an integral part of modern business strategies. As these platforms continue to evolve, businesses must not only embrace the current trends but also be prepared to adapt to the ever-changing digital landscape. The businesses that effectively leverage the power of social media are not only surviving but thriving in an era where digital connectivity is at the forefront of consumer behavior and market dynamics.

References

1. Amara H. Abdulrazzaq (2019) The Impact of Social Media on the Work

- Performance of Women Engaged in Associations at the Kingdom of Bahrain, International Journal of Management and Applied Science, ISSN: 2394-7926 Volume-5, Issue-2, Feb.-2019
2. Gladwell M. Globalization effects. New York Times; 2014. 9.
3. Roberts W. Will Social Media help build your business? *Foodservice & Hospitality Journal*. 45 (3); 2006. p. 29-30.
4. <https://profiletree.com/impact-of-social-media-on-business/>
5. <https://www.sprinklr.com/blog/social-media-business-marketing/#:~:text=Social%20media%20marketing%20provides%20an,revenues%20and%20overall%20business%20performance.>

Chapter 48
A STUDY ON ECO-FRIENDLY WOMEN ENTREPRENEURSHIP IN RURAL AREAS

Dr. V. Nirmala Devi

Associate Professor & Head, PG& Research Department of Commerce, Sri Ramakrishna College of Arts & Science, Coimbatore, Tamil Nadu

Dr Sangeetha. A

Assistant Professor PG & Research Department of Commerce
Sri Ramakrishna College of Arts & Science, Coimbatore, Tamil Nadu

Abstract

Today, the discourse of entrepreneurship seems to have changed with the inception of eco-friendly women entrepreneurship in rural areas which proved as a panacea for societal development. In a patriarchal society, a man still remains doubtful about women's ability to be a good entrepreneur in spite of the fact that women appear to be more psychologically flexible and have a diplomatic administrative way of working. Village women are often equipped with artisan skills, albeit they struggle to become economically self-reliant. Multitasking is another virtue of women as they can execute various tasks at the same time; thus, women seem to be more productive than men. This paper is intended to provide an understanding of the paradigm shift in rural areas of the country in terms of theoretical amalgamation of the conventionally accepted capitalist, corporate or business-oriented entrepreneurship and eco-friendly women entrepreneurship where women entrepreneurs leave indelible marks for societal development in agrarian sectors and so forth. Entrepreneurship is a key element through which rural economic development can be achieved. The paper tried to reveal the impact of eco-friendly women entrepreneurship on rural areas for the alleviation of penury of the villagers, especially in agriculture sectors and domestic affairs, with the attempt to address the issues related to farmers, workers, daily wagers, etc.

Keywords: *Eco-friendly Entrepreneurship, Rural Development, Women Entrepreneurs, Sustainability*

Introduction

Entrepreneur is an inordinately appreciated word in the developed countries. It arouses the meaning of active, spirited, and steadfast men and women consummating broad and comprehensive tasks. Entrepreneur means any individual or group who start a business, company or firm. Entrepreneurship has been familiarised in the country during 1980s as soon as management commenced to be treated with professionalism throughout the year 1970s. Entrepreneurs discharge a prominent role in financial development of the country. They have been considered as liaison officers and reconnoitre required to 'muster capital, to explore natural resources, to manoeuvre market-driven merchandising' and so forth

Women entrepreneurs need equal importance to engage in prospective entrepreneurship. Women entrepreneurs have been controlling and managing multiple enterprises these days. They have successfully surpassed the hurdles and obstacles to proceed for achieving sustainable development goals through women entrepreneurship and are reconnoitring new ventures for profit-making. In a nutshell, those women who take initiative to create, manufacture, develop or adopt a business activity may deem fit to be called women entrepreneurs. Women entrepreneur can be defined as an enterprise owned and controlled by a woman having a minimum financial interest of 51 percent of the capital and at least 51 percent of the employment generated in the enterprise to women. "Women entrepreneurship" means a

manoeuvre of business proprietorship and business inception that empowers women and financially expands their productivity or remuneration as well as position in society. Women entrepreneurs have been making a significant influence in almost all the segments of the economy in the country.

Objectives of the study

To study the role of women entrepreneurs for rural development

To examine the economic empowerment of rural women through building capacity to entrepreneurship skills in order to enable them to produce and market their green products across the country

To inspect prevailing challenges and opportunities of the eco-friendly women entrepreneurship in rural areas

To identify the eco-friendly enterprises led by women entrepreneurship for societal uplift of the country

Research methodology

The focal point of the study is primarily based upon women entrepreneurship in rural areas and to conduct the study, the secondary data assembled from different books, journals, census surveys, newspapers, and publications from multiple websites. The researcher also examined a couple of comprehensive studies concentrating on women's role in entrepreneurship and pioneering the development of green products market through the creation of cooperative enterprises. This paper is based on the qualitative study of the available literature of all relevant materials including research studies, articles, case studies, surveys, and reports published by the newspapers, journals, international organizations and academia related to gender, women's entrepreneurship, cooperatives, and organic agriculture

Further, SWOT Analysis technique (Singh, 2014) was also adopted to identify the strengths, weaknesses, opportunities, and threats pertaining to business competition and performance of women entrepreneurs in the rural development of the country.

Strengths: Women entrepreneur can be categorized as a self-confident, self-reliant, optimistic, assertive, experimental, poised and creative women competent of achieving self-economic sovereignty independently or in collaboration, generate employment opportunities for others through beginning, establishing, and running the enterprise by keeping pace with her personal, family, and social life. Women prefer to work from their own residence and complications in gaining befitting and lucrative jobs and aspirations for social identification encourage them to embrace self-employment.

Weaknesses: Absence of proper support, cooperation, and back-up for women by their own family members and the outside world people force them to drop the idea of excelling in the enterprise field. Women's family commitment also prohibits them from becoming successful entrepreneurs in both developed and developing nations. The greatest disincentive and discouragement to women entrepreneurs is that they are women.

Opportunities: Having value-loaded inputs inside them, women instil entrepreneurial values in their fellow companions and essentially involve in business merchandising. Business opportunities that are redundant to be exploited for women entrepreneurs are eco-friendly technology, bio-technology, IT enabled enterprises, event management, tourist industry, telecommunication, plastic materials, mineral water, herbal and health care, food, fruits and vegetables processing. Women entrepreneurs avail new opportunities in the rural areas, for example, ice cream, papads and pickles and readymade garments.

Threats: Disquietude of growth and lack of access to technology fills threat in the minds of women entrepreneurs to trample the field of enterprise. Lack of self-confidence, will power, strong mental attitude and optimistic behaviour amongst women creates a fear from committing mistakes while doing their piece of work.

Gender discrimination and non-cooperation of male colleagues also instil fear in women to initiate such tasks. Moreover, Insecure and poor infrastructure and dealing with male labourers is also one of the impediments women possess while working in these grey areas. Lastly, Indian women give emphasis to family ties and relationships rather than working and collaborating with their male counterparts in the outside world

Economic empowerment of rural women through developing eco-friendly entrepreneurship:

The promotion of women's entrepreneurship in green or organic cooperatives is a proportionately new abstraction and still developing in practices, if mingling with marketing and skill development training, it has potential for fostering women's entrepreneurship, women's income generation and women's empowerment as well as assisting them to assuage chilling penury in rural areas. There are convincing opportunities that exist for women's entrepreneurship in the green or organic food industry. Organic food sales are increasing considerably in developed countries. As organic farming still comprises only a minor part of global farming, there are shortages in developed countries with the rapid increase of consumers' demand. Farmers in developing countries are additionally well positioned to reap the benefits of growing demand for organic products since farms in developed countries are inclined to use more chemicals than those in poorer countries

Challenges and opportunities of the eco-friendly women entrepreneurship in rural area

Encouraging micro and small-scale industries in rural areas viz. Khadi and cottage industries, are growingly witnessed as a means of generating sustainable employment opportunities, particularly for those at the edge of the economy such as women, the poor, and people with disabilities. Micro, small, and medium sized enterprises have been recognized as a

pivotal way to promote women's economic empowerment while battling poverty and gender injustice. They have been identified as a propeller of progress by many governments and their promotion has been adopted as development strategy by many institutional and regional players to create new jobs for developing countries and to drive innovation and economic dynamism. SMB (small and mediumsized businesses) offer strong benefits for alleviating poverty in rural areas and for rural development. Ecofriendly women entrepreneurship contributes to the economic empowerment of poor people living in rural areas. By consolidating secluded and dispersed manoeuvres, marginalized farmers can be helped to acquire opportunities for entrepreneurship and to strengthen capacity for self-help

Eco-friendly enterprises led by women entrepreneurs for economic empowerment and societal uplift of the country:

The most significant contribution of women in rural development lies in its pioneering role of women entrepreneurs between consumers' and producer's cooperatives. Meeting improved and intensified demand for green consumption, this linkage generates amplifying capacity for women-led producers' cooperatives to shepherd women's empowerment in rural areas. At present, however, organic items engross a greater portion, meeting the increased demand for goods that are produced without using pesticides demand for green consumption, this linkage generates amplifying capacity for women-led producers' cooperatives to shepherd women's empowerment in rural areas.

Findings

1. Women are more likely to be aware of the potentials for sustainable economic and societal development in the country compared to men.
2. The ownership status (owner) is male-dominated and an entrepreneur's potentiality regarding eco-friendly

practices in their business (employees) are mostly covered by women.

3. Women's constraints: Women all over the world face considerable traditional constraints on their role in agriculture as well as from rural feminization poverty in the country. Studies have shown on women's role in agriculture that women are not given equal opportunities for empowerment, despite their immense contribution in eco-friendly rural entrepreneurship, specialised knowledge, and highly-skilled labour in areas of agricultural and rural development.

The inequality comes from the conservative formation of gender that severely constraints women's productivity by the fragmentation of their time, their dual and triple responsibilities. Also, despite their stiff labour, their perforation with men is steadily widening. The percentage of rural women among the absolutely poor and destitute has been growing.

Women's constraints emerges from the actuality that women are more likely to do unremunerated work, work in low-wage jobs, earn less than men for the same work, gain smaller share of household income and prefer discharging responsibilities for the family's basic needs and requirements.

Conclusion

There is no denying of the fact that India is a developing country and have ambivalent economy, male dominated society and women are assumed to be financially as well as socially dependent on male members. Women entrepreneurs are having basic indigenous knowledge, skill, potential, and resources to establish and manage enterprise, but simultaneously women entrepreneurs face numerous problems like deprivation of education, social obstructions, legal formalities, high cost of production, male dominated society, little managerial capability, lack of self-confidence, harassment or intimidation on work place, and not fulfilment of rules and regulations, etc. Various factors like positive reinforcement and negative augmentation

influence women entrepreneurs. Women have the potential and determination to setup, endorse, sustain, and administer their own enterprise in a very systematic manner. Appropriate support and encouragement from the society, family, government can make these women entrepreneurs a part of mainstream national economy and they can contribute to the economic development, especially in farming sector and rural areas of the country

Suggestions

This paper is not without any limitations. First, this study only focused on intentions for adoptions of sustainable women entrepreneurship practices for rural uplift. Thus, further research is needed on the actual sustainable entrepreneurship and the specific sustainable practices taken by the eco-friendly women entrepreneurs. Moreover, future researchers are recommended to examine the impact of social norms or peer groupings. The findings are specific in that quantitative data did not take into consideration to distinguish a specific geographic area of India for conducting the role of eco-friendly women entrepreneurs for rural development. Lastly, further research is needed on specific motives, including economic ones, that can encourage a women entrepreneur in adopting the principals of sustainability in their business strategies. For this purpose, a national sustainable women entrepreneur development framework may be chalked out

References

- Gurnani, P. S. (2011). Women entrepreneurship. New Delhi, India: Edu creation Publishing.
- Singh, A. (2014). Role of women entrepreneurs in India: A SWOT analysis. *International Journal of Management and International Business Studies*, 4(2), 231-238.
- Sanyang, S. E., & Huang, Wen-Chi. (2008). Green cooperatives: A strategic approach developing women's entrepreneurship in the Asian and Pacific region. *World Journal of Agricultural Sciences*, 4(6), 674-683.
- Kesavan, P. C., & Swaminathan M. S. (2007). Strategies and models for agricultural sustainability in developing Asian countries. *Philosophical Transactions of the Royal Society*, 877-891. doi:10.1098/rstb.2007.218

Chapter 49

A STUDY ON THE ROLE OF DISINFORMATION IN ARTIFICIAL INTELLIGENCE

A.Prathiba

Assistant Professor, Dr. MGR Janaki College of Arts and Science for Women, Chennai,
Tamil Nadu

ABSTRACT

The framework of information operations, this article examines the potential and problems brought about by advancements in artificial intelligence (AI). The first section of the paper looks at how AI can be used to combat internet misinformation. Then it plunges examine some of the drawbacks of AI solutions as well as the dangers posed by AI methods, such as deep fakes, micro-targeting, and user profiling. The study concludes by reviewing many approaches that might be used to stop the spread of misinformation fueled by AI and enhance the online environment. The text acknowledges that there is no one-size-fits-all solution to combat disinformation. The resilience of society must come first when dealing with the next wave of disinformation.

Keywords: Disinformation - Artificial intelligence - deep fakes - micro targeting - Social media

INTRODUCTION

The ability of machines to mimic or improve human intellect, such as reasoning and experience-based learning, is known as artificial intelligence (AI). Although artificial intelligence has long been included into computer programs, it is currently utilized in a wide range of other goods and services. For instance, certain digital cameras use artificial intelligence software to identify the objects in a picture. Experts also anticipate a plethora of other cutting-edge applications for AI in the future, such as intelligent electrical grids.

AI solves real-world issues by utilizing methods from economics, algorithm design, and probability theory. The fields of

computer science, mathematics, psychology, and linguistics are also incorporated into the study of AI. Mathematics supplies methods for modeling and solving the ensuing optimization problem, whereas computer science provides tools for creating and developing algorithms.

Misinformation is the unintentional dissemination of false information, whereas disinformation is deliberate dissemination of false information with the intent to cause great harm. State actors as well as non-state actors can disseminate misinformation. It can compromise public policy responses, escalate tensions during emergencies or armed conflicts, and have an impact on a wide spectrum of human rights.

Disinformation lacks a commonly agreed-upon definition. Given the various and diverse situations in which concerns over disinformation may develop, especially with regard to subjects as diverse as the political process, public health, armed conflicts, or climate change, no single definition may be sufficient on its own.

REVIEW OF LITERATURE

One of the main issues these days is the proliferation of bogus news on social media. Fake news has an impact on people's daily lives, disrupts social order, and may even be harmful. (Murat Goksu 2019). Artificial intelligence (AI) methods, like machine learning and deep learning, are used to trick people by producing and sharing bogus content. (Sabrine Amri 2023). One method is to detect fake news by combining human input with automated tools, like artificial intelligence (AI) algorithms (J Paschen 2020).

In the "post-truth" era, misinformation and disinformation are rife, frequently manifested as false news spread via social media. This has significant ramifications for public and policy discourse, political accountability and integrity, elections, and governance (Micheal Landon-Murray 2018) the extensive distribution of information through digital media platforms, it is critical that people and societies be able to assess its reliability (Dlyan de Beer 2020). Recently, the highly-reproduced, realistic, and manipulated videos have come to be known as Deepfake. Since then, a number of strategies have been detailed in the literature to address the issues brought up by Deep fake (Beddhu Murali 2020).

OBJECTIVES

To study the impact of disinformation in artificial intelligence.

To analysis the conception of disinformation in social media

To identify the termination of disinformation given by Artificial Intelligence.

METHODOLOGY OF THE STUDY

The study is descriptive in nature

AI TECHNIQUES FACILITATE THE CREATION OF FAKE CONTENT

When AI techniques are used to create fake content, the product is called a deep fake. False media has existed for as long as there have been media to falsify, as illustrated in a report on technology-enabled disinformation. For example, forgers have faked documents or art work teenagers have faked driver's licenses, etc. The issue has grown since the introduction of digital media since programs like Photoshop make it simple for actors who aren't very skilled to make intricate edits to images. The ability to manipulate texts, images, audio files, and videos has increased recently due to advancements in artificial intelligence (AI), with the latter two forms of content becoming more realistic.

Deep fakes are defined as follows, which makes sense: Deep fakes, a combination of fake and deep learning, are the result of two AI algorithms cooperating within an artificial intelligence system known as a Generative Adversarial Network (GAN). The best way to characterize GANs is as a method for creating new kinds of data from preexisting datasets algorithmically. A GAN could, for instance, examine thousands of photos of Donald Trump and produce a new image that is comparable to the examined ones but not a perfect replica of any of them. Text, sound, moving images, and images of various kinds of content can all be produced with this technology. Deepfake content is mostly referred to as audio and video content.

MICRO TARGETING IN AI

Micro-targeting is particularly useful for ensuring that misinformation reaches the greatest number of people who are chosen. Because the web's economic model depends on advertising, information and communication platforms have developed tracking methods that use artificial intelligence (AI) technologies to target advertisements to specific consumers in an efficient manner.

Third-party tracking, also known as traditional browser cookie-based tracking, is the process by which businesses insert content into first-party websites that users visit directly, such as social media widgets, advertising networks, and website analytics scripts. The third party can create a browsing history and re-identify users across various websites thanks to this embedding relationship.

DISINFORMATION IN SOCIAL MEDIA

In reaction to the alarming consequences of disinformation online, social media platforms and search engines are increasingly requested to respond to the phenomenon, especially now in the context

of the “infodemic.”²³ Consequently, various technological methods are being developed. In this regard, AI techniques are explored both to detect false, inaccurate or misleading content, and to regulate such content online. An important point to consider from the outset is the inability, or inappropriateness, of AI systems to differentiate misinformation from disinformation, which is particularly problematic regarding freedom of expression and information, as we explain infra.

AI TECHNIQUES ARE DEVELOPED TO DETECT DISINFORMATION ONLINE

The mentioned technical report on technology-enabled disinformation presents and analyzes four methods for identifying articles that contain false information, which are not necessarily deep fakes. To begin with, machine learning makes it feasible to train end-to-end models with labeled data—that is, articles with accurate and false information.

But in addition to requiring a substantial amount of labeled data, which can be difficult to obtain, for such a model to be operational, its output would not be explainable and would be impacted by biases in the datasets. Secondly, there might be greater efficacy in identifying factual errors.

ETHICAL IMPLICATIONS

Even if the intended purpose behind the development of AI techniques in response to the ambient disinformation may be legitimate, their use does not escape from multiple ethical concerns either. Taking them into account is of paramount importance before deploying such techniques in the digital ecosystem.

CONCLUSION

With the amount of content on the internet constantly increasing, automated fact-checking has a lot of potential to supplement or even completely replace human oversight

in terms of speed and cost-effectiveness by identifying and eliminating misleading content before it is posted online. AI may need an additional five to ten years to be able to distinguish between subtle differences and proactively recognize harmful content that is inserted into political, cultural, and linguistic contexts with little to no assistance from humans.

Human monitoring is still essential as long as AI is unable to understand context and gray areas. To match email spam filters in terms of efficiency, detection algorithms still require further development in terms of accuracy. The world needs to put more effort into figuring out how to recognize and handle content created by artificial intelligence. The next wave of misinformation should already be the focus of policies intended to counteract harmful and false content. Which promises to proliferate more quickly, become more sophisticated, and be more difficult to detect thanks to developments in artificial intelligence and decentralized computing.

This study looked at several deserving strategies that can lessen the difficulties presented by AI systems in the context of disinformation campaigns, some of which are already in place and others of which have not yet surfaced. Numerous of the suggested solutions present their own set of difficulties. There is no one solution to defeat misinformation. The ability of society to withstand misinformation is crucial in light of the upcoming wave. It is crucial to invest in digital and media literacy in an effort to raise critical media consumption and societal awareness.

Governments, the media, and the private sector must collaborate to exchange best practices and create instruments that will offer long-lasting and sustainable solutions in the future if democratic values and social stability are to be preserved.

REFERENCE

1. Noémi Bontridder and Yves Poulet (2021) Disinformation on artificial intelligence, 10.1017/dap.2021.20, <https://www.cambridge.org/>
 2. Katarina Kertysova (2018) How AI Changes the Way Disinformation is Produced, Disseminated, and Can Be Countered, https://brill.com/view/journals/shrs/29/1-4/article-p55_55.xml
 3. Flores Vivar, Jesús Miguel (2019) Artificial intelligence and journalism: diluting the impact of disinformation and fake news through bots, <https://web.s.ebscohost.com/>
 4. Seo, Hyunjin Fari & Robert (2021) Special Section on Comparative Approaches to Mis /Disinformation, International Journal of Communication, <https://kuscholarworks.ku.edu/handle/1808/31688>.
-
5. Denis Zhuk, Arsenii Tretiakov, Andrey Gordeichuk & Antonina Puchkovskaia (2018) Methods to Identify Fake News in Social Media Using Artificial Intelligence Technologies, https://link.springer.com/chapter/10.1007/978-3-030-02843-5_36.
 6. Katarina Kertysova (2018) Artificial Intelligence and Disinformation, https://brill.com/view/journals/shrs/29/1-4/article-p55_55.xml
 7. ERGA (2020) ERGA Report on disinformation: Assessment of the implementation of the Code of Practice (2020). Available at <https://erga-online.eu/wp-content/uploads/2020/05/ERGA-2019-report-published-2020-LQ.pdf> (accessed 01 March 2021)
 8. European Commission (2020a) Assessment of the Code of Practice on Disinformation — Achievements and areas for further improvement. Commission Staff working document SWD(2020) 180 final

Chapter 50

A STUDY OF THE EFFECTS OF DISINFORMATION ON SOCIAL MEDIA

D.Aishwarya

Assistant Professor, Dr. MGR Janaki College of Arts and Science for Women, Chennai, Tamil Nadu

ABSTRACT

The introduction of social media has increased instantaneous communication and information exchange. Due to its low entry barrier, social media attracts more users and holds their attention longer. However, it also attracts unscrupulous individuals who exploit false information to alter data and sway attitudes. Fake news, conspiracy theories, and other disinformation are being employed more and more as tools to divide society and have detrimental effects. In light of the tension between the needs for information and security and protection against disinformation, it is crucial that we understand misinformation and systematically investigate methods to fortify our defenses against it. We examine the theories, methods, and most recent advancements in the subject of computational misinformation detection in this overview.

Keywords: Disinformation, fake news, misinformation, social media.

INTRODUCTION

Social networking is now the most popular medium for personal communication. Due to its ability to quickly and widely disseminate information, social media is especially well-liked for news broadcasting, information sharing, and event participation. This enormous potential can help spread misinformation widely while simultaneously fostering social trust and improving social connectivity. By bringing together geographically dispersed individuals, social networks can reduce political and economic obstacles and dissolve physical barriers. Since they are now the go-to method for keeping up with news and current affairs, their growth has altered the norm for the creation and consumption of

information.

Social media platforms create a space that is ideal for group sense-making and the production of narratives meant to provide information.

OBJECTIVES OF THE STUDY

1. To study the effects of disinformation in social media
2. To analyse the disinformation conceptualization in social media
3. To identify the misrepresentation in various form on social media.

A BRIEF HISTORY OF SOCIAL MEDIA

Disinformation and false news are not new concepts (Taylor, 2016); in fact, the term "fake news" has been around since the 1950s (Manning, Manning, & Romerstein, 2004). In an attempt to change people's political allegiance, individuals, organisations, and governments have been attempting for a number of decades to sully public opinion by exposing the public to fabricated, false material.

Political forces have long employed deceit and disinformation to get the upper hand over rivals and adversaries. Operation Bodyguard, which was organised and carried out by the Allies during World War II, is one of the most well-known examples of deception that was successful in achieving its goals.

In order to deceive people, counterfeit or faked material, covert radio stations, and newspaper pieces were frequently used in the years following World War II, including the Cold War era.

DISINFORMATION

CONCEPTUALIZATION

There are numerous terminologies used to describe information whose truthfulness is uncertain or untrue. Buzzwords such as disinformation, hoax, rumour, and fake news are used superficially and

interchangeably.

Although disinformation is typically linked to military or governmental actions, it can also come from private citizens and institutions like news agencies. Disinformation agents use blogs, websites, message boards, forums, mainstream social media, and online communities. They take advantage of the fundamental flaws in the news media ecosystem to make their views more visible and, consequently, reach a larger audience. Disinformation is strongly associated with fake news, which is a term used to describe fabricated news reports that are disseminated under false pretences. However, after accumulating a lot of evidence in recent years, fake news turned into a twisted political expression that was opposing and ambiguous. Therefore, the phrase "fake news" gained traction after any article that contradicted an ideology could be called such.

DISINFORMATION DYNAMICS: FROM NEWS ARTICLES TO SOCIAL MEDIA

Rumour spreading and disinformation are carried out using comparable techniques. Propaganda is typically cyclical, starting with media spies fabricating a compelling narrative about a purported incident or event. Memes, fake discourses, false images, fraudulent films, and misleading information are some of the various shapes in which the tale may appear. News stories and social media are two sources of misinformation.

Due to staffing shortages, budgetary constraints, or other factors, misinformation and rumours may be picked up by small or local news outlets during the sharing stage of their dissemination without first being fact-checked. Then, a vicious loop starts: while some news websites that are reposting the article choose to use headlines that emphasise its veracity in an effort to garner clicks and share the content, others only use words like "reportedly." This lends credence to the claim and encourages

national and mid-sized news sources to run with it, citing earlier spreaders to find the original source among a plethora of connected news pieces. Then, since the narrative appears in numerous places, readers' beliefs are scarcely affected. The transition from a single social media post to a widely disseminated news article can happen in a matter of minutes or hours following the publication of a claim. But finally, after a delay, the mainstream media reports on the crowdsourced tales that were shared on social media.

MISREPRESENTATION IN VARIOUS FORMATS

- **Fake pictures produced by GAN**

The meaning of an image can be completely altered by fabricating it or altering it to create morphing representations; these doctored photographs are frequently shared on social media. These visuals can be produced by machines, such as Generative Adversarial Networks, or by human agents. When computer-generated images are sufficiently realistic, it can be exceedingly challenging for an observer to tell the difference between the real thing and these artificially created images. It has been demonstrated that identifying false images produced by GANs is more difficult than identifying photos that have been manually altered by human agents.

Because GANs produce a single image as a whole, traditional methods for determining whether or not an image has been hand-edited—such as examining the image's metadata, examining changes made to the frequency domain, identifying differences in the JPEG quality of various areas of the same image, and so forth—do not work on images produced by GANs. A number of interesting approaches to the detection of GAN generated images are presented below.

There is a significant amount of current work in this area.

- **Deepfakes and bogus videos**

These days, generative adversarial networks can train to substitute faces in

videos with those of other people thanks to advances in computer vision. The result is realistic-looking videos that can easily trick unsuspecting viewers into believing they are real. Also known as Deepfake, this technology has primarily been utilised for nefarious ends, such as fabricating films of politicians to manipulate public opinion and influence electoral processes, or exploiting the faces of celebrities in pornographic content. Equally active research is being done on how to and finally providing some background information. After the rumour spreads widely, it is hard identify these artificially created videos, in addition to the advancements in deepfake video generation.

- **content in several modes**

The majority of online fake news posts and articles are made up of several different kinds of data put together, such as an image that has been altered and text that goes along with it. Usually, this is done to give the reader of the narrative or article more reason to believe it.

Additionally, some people may have mentioned in comments on the post that they believe the article is phoney or fraudulent, which could lead other users to check the reliability of the source.

Since fake news items are multimodal, it might be difficult to detect them using deep

learning-based techniques. Neural network architectures must be properly created to utilise all available data and the relationship between them.

- **False information**

Misinformation is a macro-concept that can take many forms and refers to information that is false or misleading. Misinformation is related to the spread of misleading or erroneous narratives, which can happen, for example, as a result of ignorance, misinterpretation of a message, or even distortion of information for comedic effect. It is not always coupled with the aim to deceive.

- **Misinformation is multimodal**

It can spread by text, voice, video, picture, or even by fusing various modalities together. Social and technological attacks are the two categories of misinformation-dissemination mechanisms listed by Saez-Trumper. Social attacks are methods that take advantage of holes in information systems by using agents, either single or in groups, as human resources. Conversely, technological attacks—like the development of social bots or deepfake methods—rely on computational resources.

- **Rumours**

Rumours start when uncommon information becomes available, when circumstances are ambiguous or confused, or when they originate from unreliable sources of information.

Unverified stories are likely to be produced by noteworthy events, particularly during times of crisis when the public has limited access to reliable sources of information. This fact is related to how rumours help individuals make sense of their surroundings collectively, as they discuss them and come to a common view of the situation. Furthermore, the public tries to fill in the information gaps with rumours when they do not promptly obtain responses from official sources. As a result, rumours have a dangerous effect on how people perceive and understand events. They can spread fear, hate, or ecstasy, spark protests, cause property damage, offend public figures and brands, and have other unintended consequences. Two types of rumours are distinguished by their temporal features: (1) unseen rumours that surface during breaking news stories and need to be promptly refuted to prevent viewers from acting rashly; and (2) long-standing rumours that generate a lot of interest and persist for a considerable amount of time before their veracity is discovered.

REASONS FOR THE SPREAD OF MISTAKEN INFORMATION

- **Publishers and sources**

A number of alternative media outlets have recently arisen, frequently disseminating erroneous and extremely partial claims, due to the low cost of producing and disseminating material online and the broad reach of social media platforms. Even if a sizable portion of the mainstream media is also politically inclined towards either extreme of the political spectrum, these outlets do not intentionally disseminate misinformation and false claims because they have been reliable sources of information for a long time. Conversely, there has been a surge in the popularity of "alternative media," which frequently disseminates inaccurate information, opinions passed off as truth, and even publications pertaining to extremely speculative hypotheses.

These alternative media outlets release politically charged stories that frequently openly contradict the mainstream media's themes.

- **Uncertainty**

Emotions like displeasure, annoyance, and anxiety can lead to emotional strain, which can be a significant factor in the propagation of false information. People who are anxious may disseminate unsubstantiated allegations more readily and communicate facts less accurately.

Fake news can serve as a rationalisation mechanism to ease emotional tension in high-anxiety situations. In stressful circumstances, fake news can be a way for people to vent their feelings and get informal feedback, which helps them make sense of the situation and solve problems.

- **Absence of command**

Fake news is a symbol of coping mechanisms for unpredictable and uncontrollable circumstances. People turn to secondary control strategies—emotional reactions like projecting the worst to prevent disappointment and attributing occurrences to chance—when they lack primary control over their circumstances (action-focused coping responses). Future event prediction and the interpretation of

past occurrences are two secondary control topics.

- **Conviction**

People are more likely to accept information that aligns with their preexisting ideas than information that contradicts them, and they prefer information that validates their preexisting attitudes. Humans also need to establish and maintain social relationships, therefore in order to protect their reputation as reliable information sources, people often spread the word about the facts they find reliable. There is a substantial correlation between belief and rumour spread.

When it comes to political matters, people are more likely to justify their beliefs than to look for the truth. Thus, they convince themselves to hold beliefs that are consistent with their past experienced. This insight goes so far as to suggest that adding corrections to false claims could make matters worse; those who have already come to believe the falsehood may attempt to find grounds for disputing the additions, which could lead them to believe the falsehood even more than before.

CONCLUSION

People are using social media more and more to get news instead of traditional news sources as a result of social media's growing popularity. Social media has made it possible for misinformation to be widely disseminated, nevertheless. defines disinformation and enumerates some of its manifestations, including rumours and fake news. We also discussed the history of

misinformation and how social media and the Internet impact its dissemination and subsequent consumption. After talking about the difficulties in identifying false news, we move on to explore the various types of bogus information that can be found on social media, including text, images, videos, and so forth. Real facts and misinformation typically elicit distinct reactions in people. As we have discussed, there is still room for improvement when it

comes to the early detection of bogus news on social media platform.

REFERENCE:

- 1.Perrin A. Social media usage,Pew Res. Cent., 125 (2015), pp. 52-68
- 2.Al-Rawi A.Viral news on social media,Digit. J., 7 (1) (2019), pp. 63-79
- 3.Shearer E., Mitchell A. News Use Across Social Media Platforms in 2020,Pew Research Center (2020)
- 4.Shu K., Liu H.Detecting fake news on social media,Synth. Lect. Data Min. Knowl. Discov., 11 (3) (2019), pp. 1-129
- 5.Allcott H., Gentzkow M.Social Media and Fake News in the 2016 Election: Tech. Rep. National Bureau of Economic Research (2017)
- 6.Guess A., Nagler J., Tucker J.Less than you think: Prevalence and predictors of fake news dissemination on facebook Sci. Adv., 5 (1) (2019), p. eaau4586
- 7.Shu K.Understanding Disinformation: Learning with Weak Social Supervision (Ph.D.thesis)

About the Editors

Dr.A.Anitha M.B.A., M.Phil. PGPMIR, Ph.D.



Dr.A.Anitha is presently working as an Assistant Professor of BBA in Mangayarkarasi College of Arts & Science for Women, Madurai. She has 15 years of teaching experience. She has published many articles in the National and International Journals and edited books. She has acted as Convener, Co-ordinator and Organising Committee Member in various Workshops, Conferences/Seminars. She was the recipient of Best Young Faculty Award from Grabs Educational Charitable Trust, Chennai, Rural Women Achievers Award from Young Indian & CII. She has conducted various Extension Activities in schools and Orphanages to train the students socially responsible. She is the ED Cell Coordinator and nodal officer of EDII.

Mrs.R.C.Shantha Kumari M.Com., M.Phil., B.Ed.,CGT



Mrs.R.C.Shantha Kumari, Head and Assistant Professor of BBA, Mangayarkarasi College of Arts and Science for Women, Paravai, Madurai. She has 26 years of teaching experience. She has organised more than 25 Seminars, 25 Industrial Visits, 3 National and 3 International Level Workshops and Faculty Development Programmes. She has acted as an Entrepreneurship Development Cell Co-Ordinator for more than 10 years and organised Entrepreneurship Awareness Programmes, Skill Training Programmes in association with Centre for Entrepreneurship Development [CED], Tamil Nadu and Small Industries Product Promotion Organisation [SIPPO]. She has served as an IQAC Co-Ordinator, N.S.S., Programme Officer for 6 years and nominated as an Advisory Member in the N.S.S., Advisory Committee, Madurai Kamaraj University, Madurai. She has published a Book and presented many papers in the National / International Level Conferences.

Dr.S.Selvanathan M.Com., M.Phil., MBA., PGDCA., Ph.D.,



Dr.S.Selvanathan is presently working as Head & Assistant Professor of Commerce (SF) in V.H.N.Senthikumara Nadar College (Autonomous), Virudhunagar. He has 13 years of teaching experience. He has published 2 edited books, 59 research articles in the National and International Journals and edited books. He has presented 82 papers in various International, National and State Level Conferences and Seminars and also won accolades for 2 best paper presentations in the same. He has also acted as a Convener, Co-ordinator and Organising Committee Member in various Workshops, Conferences and Seminars. He has delivered 38 Lecturers in Seminar/Conferences, Workshops and Guest Lecture Programmes. He was the recipient of Best Teacher Award, Dr.Sarvepalli Radhakrishnan National Award, Best Guide Teacher Award & Best Human Resource Award.

ISBN 978-81-967593-9-1



9 788196 759391