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**PROCEEDINGS OF  
THE CONFERENCE  
ON  
MARKETING IN DIGITAL INDIA:  
TRENDS, OPPORTUNITIES & CHALLENGES**

**THEME: INDIA INTERNET MARKETING**

**19<sup>th</sup> - 20<sup>th</sup> FEBRUARY, 2018**

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**M. J. Ramakrishna  
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# CONFERENCE PROCEEDINGS

NATIONAL LEVEL CONFERENCE

on

MARKETING IN DIGITAL INDIA:  
TRENDS, OPPORTUNITIES & CHALLENGES

19<sup>th</sup> & 20<sup>th</sup> February, 2018



**EMPYREAL PUBLISHING HOUSE**

Guwahati

First Impression: 2018

**Conference Proceedings of National Level Conference on “Marketing In Digital India: Trends, Opportunities & Challenges”**

ISBN : 978-8193-6264-4-3

Rs. 550/-

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Published by:  
Empyreal Publishing House  
Guwahati, Assam  
Mobile No: 9999817591  
Email: info@editedbook.in

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**The Institute of Public Enterprise (IPE)** was established in 1964 for the study of issues and policies relating to public enterprises (PEs). Shri.S.S Khera, ICS, the then Cabinet Secretary, Government of India, had conceived the idea of a research institution that would undertake a systematic and sustained study of issues relevant to the formulation of policies towards public enterprises. In the early sixties, when PEs were designed as the principal instrument to serve the social and economic objectives of development, Shri. Khera felt that there was need for an institute which would collect relevant information and documents on PEs, study specific issues and undertake consultancy and training exclusively for PEs. Dr.V.V. Ramanadham, the then Professor and Head of the Department of Commerce, Osmania University, translated Shri Khera's concept into a reality that is IPE, with the active support and guidance provided by the late Dr. D. S Reddy, then Vice-Chancellor, Osmania University as an autonomous, non-profit society at the initiative of the then Cabinet Secretary to the Government of India, Shri S.S.Khera, ICS, and late Dr.D.S.Reddy, Vice-Chancellor of Osmania University. The Indian Council of Social Science Research (ICSSR), Ministry of Human Resource Development, Government of India, recognized the Institute as a 'Centre of Excellence' in social science research in 1976. The Institute is partly funded by the ICSSR and the Government of Andhra Pradesh.

The Institute is located in a picturesque greenwood area at Hyderabad in Osmania University Campus. Over the last 40 years, the Institute has widened the area of its work. Starting with research, the Institute soon found itself having to undertake consultancy for PEs and responding to the training needs of the executives of PEs and various educational programmes.

The Institute became a pioneer in the field of computerization, assisting the Government of Andhra Pradesh and several other states in formulation of computerization policy, developing software for PEs and public systems, and on the use of computers as a decision support system.

The educational programmes of the Institute have their basic foundation in the various research, training and consultancy activities undertaken by the Institute for public and private organizations/industries over the last four decades. The programmes are the natural extension of the educational activities of the Institute from the short term management education to the long-term one and have lead to vertical integration of the research function. The insights into management education began in 1981 with the commencement of a 3-year part time MBA (PE) programme for practicing managers. In the year 1995, the Institute started a two-year full time Post Graduate Diploma in Business Management (PGDBM), recognized as equivalent to MBA by the Association of Indian Universities (AIU), to provide skilled human resources to meet the requirements of the Industry. Consolidating on the experience and to meet the needs of the industry, the Institute commenced two-year full time Post Graduate Diploma in Management - Retail and Marketing (PGDM-RM) in 2007, Post Graduate Diploma in Management - Banking, Insurance and Financial Services(PGDM-BIF) in 2008 and Post Graduate Diploma in Management - International Business (PGDM-IB).. Institution also started Executive PGDM in 2009. These courses are recognized by AICTE. These insights have led to the creation of a niche for itself in the conduct of the PGDBM course. IPE's long association with the Indian industry has been responsible for its pre-eminent position in the area of management education.

## **ABOUT ICSSR**

**Indian Council of Social Science Research (ICSSR)** was established in the year of 1969 by the Government of India to promote research in social sciences in the country. The Council was meant to:

- Review the progress of social science research and give advice to its users;
- Sponsor social science research programmes and projects and administer grants to institutions and individuals for research in social sciences;
- Institute and administer scholarships and fellowships for research in social sciences;
- Indicate areas in which social science research is to be promoted and adopt special measures for development of research in neglected or new areas;
- Give financial support to institutions, associations, and journals engaged in social science research;
- Arrange for technical training in research methodology and to provide guidance for research;
- Co-ordinate research activities and encourage Programmes for interdisciplinary research;
- Develop and support centers for documentation services and supply of data;
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## **ABOUT IARA**

Indian Academicians and Researchers Association ( IARA ) is an educational and scientific research organization of Academicians, Research Scholars and practitioners responsible for sharing information about research activities, projects, conferences to its members. IARA offers an excellent opportunity for networking with other members and exchange knowledge. It also takes immense pride in its services offerings to undergraduate and graduate students. Students are provided opportunities to develop and clarify their research interests and skills as part of their preparation to become faculty members and researcher.

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**MESSAGES**

## Message from Director



**Dr. RK Mishra**

Director - IPE

At the Commencement of the two day National Conference on ‘Marketing in Digital India: Trends, Opportunities and Challenges’, it gives me great pleasure to send you a very sincere message of support and good wishes. I send you this message as an individual who is a well-wisher of the organizers and many of the participants of this conference. But I send it also as the Director of the Institute of Public Enterprise and part of the advisory Committee of the Conference.

In my view, nothing is more important in the present world than the striving for the common good which finds expression in the honest collaboration among individuals, peoples and nations. Such collaboration, in turn, requires the cultivation of reliable partnerships between like-minded organizations and movements. Through this collaboration a lot of solutions can be found to unknown problems that come up all of a sudden and this a great platform to educate, discuss and compliment on all the trends, opportunities and challenges that are on the road ahead.

In this respect, I welcome and applaud your chosen conference theme ‘India Internet Marketing’. A great theme to go forward with the number of online users in India increasing every day. Marketers should be looking forward to the online platform and make internet their core source to reach customers. I wish the faculty at Institute of Public Enterprise to join me in sending you this message of support.

Wishing you all a very fruitful and rewarding conference!



## Message from Dean



**Dr. S Sreenivasa Murthy**

Dean & Chairman – Placement - IPE

The two Day National Conference on Marketing in Digital India: Trends, Opportunities & Challenges, has provided an opportunity for researchers, academicians and professionals to meet, interact and exchange ideas on this contemporary subject. It discussed at length the challenges for India at the dawn of digital age and super digital economy by 2020, embracing of digital technologies by consumers various problems for Marketing, dynamics of 4Ps, CRM Challenges etc. The conference conveners Prof. M J Ramakrishna and Prof. A Rakesh Phanindra need to be complemented for this excellent initiative.



**Dr V Srikanth**

Head - Research & Marketing School – IPE

India is on the fast track to become Digital India. The seeds for Digital India have been sown in early 90's with the development and strengthening of the Information Technology industry. Companies like TCS, Infosys, etc., have spawned a generation of tech-savvy workforce. Around the same time, the advent of internet in the world in general and in India in particular gave a fillip to this process.

The diffusion of internet has been an urban phenomenon in the beginning. Nonetheless, it has provided a platform for a new class of entrepreneurs, who started online based businesses. This process got accelerated in the first decade of this century. Even traditional businesses were impacted with the digitalization process ushered in by the internet and Information Technology industry.

The Digital India got a strong push from the Government of India in the recent years. Various state governments have also brought digitalization in the administration through the adoption of e-governance. The public sector and the private sectors have also taken a lead in providing their services through digital platforms. As a result of the diffusion of internet through advanced telecommunication technologies, digitalization has gone beyond the urban areas of India and penetrated into the rural areas of Bharat.

All these developments have thrown opportunities and challenges to the companies in the way they carry out their operations. Marketing is no exception to this phenomenon. The two-day National Conference on ***Marketing in Digital India: Trends, Opportunities & Challenges*** provides an excellent opportunity for the academicians, practitioners, researchers and students to deliberate on the impact of Digitalization on Indian Economy, India's preparedness, Digital Platforms, Impact on Marketing Mix, Other aspects of Marketing and the Competition. I congratulate the Conference Convenors, Mr. M.J. Rama Krishna and Mr. A. Rakesh Phanindra for taking up this socially and economically relevant area as the theme of the National Conference and wish them all the best for the success of the Conference.

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## MARKETING OF SPORTS BRANDS VIA SOCIAL MEDIA TO THE YOUNG INDIAN CONSUMER

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### ABSTRACT

*In sports we find our society, in sports we witness collectivism, it is in sportspersons that we find our heroes. Consumers wear T-shirts of their favorite teams, follow them, and post their pictures on Social Media walls. Certain sports have an emotional connection with its consumers and therefore, people desire to have an easy access to all sports related content. With rapid economic development and commercialization especially in the emerging market economies sports have gradually become an industry to reckon with (Galen & Yu, 2011). Thus, Sports Marketing plays an important role for companies and gaining a better understanding of today's sports consumer can help companies better fulfill their business goals. In order to set an effective and relevant marketing strategy for the sports industry, it is important to understand the relation between the consumers, the sports product(s) and the information distribution aspects. Sports consumers are spectators, athletes and at large the businesses who look at monetary growth, brand visibility and consumer reach for their products. The product(s) are events such as FIFA World Cup and the local IPL, sporting goods for those who engage in sports and packaged products like personal training.*

*Social Media has become a way of life for the young Indian consumer today. An average Indian teenager, spends about 40 to 45 hours on one or the other online platform and a large part of his/her opinion building and decision-making about products and brands is effected by the Social Media activities of brands and marketers. In the study, The relationship Marketing Process: Communication, Interaction, Dialogue, Value the author determines communication and interaction as two pillars that social media provides. "Social media applications allow consumers to interact on several levels and permits interactions from consumers to consumers and consumers to the organization. These interactions develop into what becomes the consumer's experience." (Grönroos 2004) which then drive purchase behaviour. Social Media is the platform of new age marketing for all categories of products and industries in one way or another. For sports marketing, it is no more limited to fan interaction but is slowly expanding its horizon towards ticketing, budgeting, sale of merchandises and a great benefit to the fan is fulfillment of more personalized experiences with their most favorite athletes/clubs.*

*The research examines the opinions of young sports consumers on the effect that the social media activities of sports brands have on their perception about the brand and intention to purchase the product. A survey is conducted by taking responses from young Indian consumers aged between 18 to 28 years. Results would indicate whether a sport brand's social media activities have an effect on the consumer's attitude and intention to purchase. By engaging fans via social media, sports brands can open new communication channels, at the same time, benefit from increased brand affinity, purchase and loyalty.*

*Keywords: Sports Marketing, Brands, Social Media, India, Marketing, Internet*

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### INTRODUCTION

In sports we find our society, in sports we witness collectivism, it is in sportspersons that we find our heroes. Consumers wear T-shirts of their favorite teams, follow them, and post their pictures on Social Media walls. Certain sports have an emotional connection with its consumers and therefore, people desire to have an easy access to all sports related content. With rapid economic development and commercialization especially in the emerging market economies sports have gradually become an industry to reckon with (Yu, 2011). Thus, Sports Marketing plays an important role for companies and gaining a better understanding of today's sports consumer can help companies better fulfill their business goals. From this perspective, the distribution channel of sports related products and services have some key elements. These are the consumers, the products and the producers and intermediaries.

**Consumers** are those who see the various sporting events either in person or online. These are followed by athletes who practice various sports or the fans who participate in unorganized sporting sectors via Gym, play various sports at local level and finally the highly important consumers in the sport industry are the “corporate or businesses” who invest in such events to gain monetarily, to enhance their consumer reach and increase their brand visibility.

Sports **products** are the various events such as FIFA world cup, Tennis grand slams, World Cup Cricket, NBA, NFL and other local events like IPL etc. Sporting goods for the participants/individuals who engage in these sports also come in this category and finally we there are service products such as personal training centers or activities that help individuals learn these sports.

**Producers** of sports products are club owners such as FC Barcelona, FC Real Madrid, Chennai Super Kings, Sanctioning bodies such as FIFA, ICC, BCCI etc, Sponsors, Media such as broadcast, TV, Online, Agents and then equipment manufacturers such as Nike, Adidas, Puma and Kookabura.

Sports’ marketing takes a centre stage in order to bring a cohesive tandem between these channels. For example, Nike banks on sports marketing to market its products, one of the features of sportsmanship that they bank on is tenacity that is featured in its communications. Nike brings about the emotions of challenging oneself, getting in the zone and working hard. It encourages individuals to follow their passion relentlessly. The result is whether one is a college student in America or tribal in Africa, it resonates the same feeling and ultimately ends up with Nike successfully positioning its products.

Sports Marketing takes place through marketing of sports properties, marketing of major events or sporting leagues, direct selling of sports products at various sporting events. Marketing also happens “through” sports ie. Sports is used to market other products such as Kellogg’s using Olympic athlete to promote their cereals, Gatorade using sports to market its energy drink or Red Bull sponsoring an inter-company cricket match.

Sports products are marketed through sponsorship, TV advertising, Out of Home communication and through association with major sports leagues such as IPL and others.

Like most of the developing countries of the world, India is witnessing heavy growth of digital media on every front and the Internet has seen a significant rise in the Indian market. Digital media saw a eccentric growth of 44.5% in 2014.[KPMG Report].India has become the second largest country in terms of Internet users and was expected to surpass the United States with 402 million Internet users by 2016 (IAMAI 2015). As an increased number of users are online for more than 18 hours a day, many advertisers see this as a great opportunity. Consequently, several firms have taken on to the digital platform for their marketing campaigns and brand communications today, in comparison to the traditional mediums that were used widely until recently.

From a sports marketing perspective, the main advantage of internet and social media marketing is the possibility of a mutual dialogue rather than a one way communication from the traditional mediums. The athlete/clubs have themselves become a media platform and have a footprint of their own. People follow their favorite clubs on twitter, like their Facebook pages, comment, engage in dialogues with fellow fans sitting in different parts of the world. With possibilities for gamifying, App base streaming, social broadcasting on YouTu<sup>3</sup>/<sub>4</sub> and the most recent augmented reality, the possibilities for increased brand reach and fan following are immense.

This paper aims to explore the use of social media by 03 sports brands and perception and use of the young consumers for following sports, sports celebrities and sporting brands.

The following questions have guided the primary research journey.

- Are relationship marketing efforts important for consumers when it comes to sports brands?
- How convinced are consumers with the social media efforts made by 03 prominent sports brands at India?
- Do celebrity endorsements of sports brands (via social media) have an effect on consumer perceptions of the brand?

## LITERATURE REVIEW

Social media has disrupted the traditional ways of marketing across majority of the industries. As people move toward NetFlix and other online platforms traditional mediums such as television and newspapers are losing their essence, when considered as their original and isolated selves. The millennials have technology savvy and have a different preference when it comes to staying connected with brands, companies and the world outside. The new generation prefers a two-way communication as compared to the traditional method where consumers were just passive recipients of the marketing message. (Meadows-Klue 2008). Content co-creation is looked forward to by today's consumers rather than mere content receiving. Moving away from a mere monetary and need based connect with a brand, consumers today want an emotional and psychological connect with their brand. The sweeping change in consumer attitude and behavior has outmoded the traditional marketing strategies. Marketers have to look at new ways to connect with the new generation of consumers and using social media is one of the best platforms to attain this goal. (Tuten & Solomon, 2014). A Facebook fan page is used by firms to establish interactive communication with their existing and prospective customers. Twitter posts are used by media enterprises to spread short informational messages in real time. Firms with visualised messages make extensive use of their YouTube channel to promote their products or services through video advertisements (Tsimonis and Dimitriadis, 2014).

Direct and interactive marketing is possible through new and powerful tools such as new media in the digital economy. As per the interruption logic (Godin, 1999) the consumer is compelled to pay brief attention to a mostly one way stimuli. Where as, the fast emerging digital possibilities have given dialogue a chance in place of the earlier monologue communication.

Firms all over the world have already started to engage with the consumers through social media. Marketers are using Facebook and YouTube and are learning new social media platforms such as Snapchat for reaching out to the millennials. Marketers have become receptive to the idea of live video streaming through online platforms such as Periscope and Facebook Live.

There is hence a need and an understanding towards including social media in the integrated marketing communications (IMC) strategy of a brand. Also, the IMC strategies used for services firms are different from FMCG, industrial or durable marketers. (Valos et. al., 2015).

Technological and social developments have led marketers to seek new advertising formats to effectively deliver their messages. Marketers are continuously looking at novel, unique yet approachable formats for effective and targeted communication with their customers. With changing technological possibilities, marketers are looking for interactive ways to connect with the potential buyers than the mere linear or two way communication possibilities.

Media environments are different when it comes to television and the online video advertising. Online media can be controlled more closely than offline media (Moe, 2006); (Sundar & Sriram Kalyanaraman, 2004) and demands more audience attention. (Lousia & McCann, 2008). Marketers and advertisers have gradually increased their spending on online video advertising as users world over are watching more web based video ads. Compared with consumers viewing offline media, those surfing the Internet tend to be more goal-oriented at the time of viewing and they may be actively searching for information (Cho and Cheon 2004; Ha and McCann 2008).

Internet being the fastest-growing medium of all time provides a lot of opportunity to almost every industry in the 21<sup>st</sup> century. As consumers move online, so do advertisers. (Punyatoya, 2011). Individualised marketing campaigns are moving towards creating advertising that is location based and that can be linked to personal data, and movement of consumers on various social networks. The five factors that are significant predictors towards internet advertising are entertainment, information, credibility, economy and value (Azeem & Haq, 2012).

From the sports industry perspective, when one thinks about whether the social media platforms are only for entertainment and information or are they also for consumer consumption and business marketing, there is relevant literature that points to the emergence of multi-platform social media. In one of the most celebrated paper on this topic Hoon Lim, Waldburger and Witkemper's research *Social Media & Sports Marketing:*

*Examining the Motivations and Constraint of Twitter Users* showed that social media had many constraints and very limited motivations on the users. However these studies were conducted in 2012 when social media was still in its nascent stage. In a more recent study, *The relationship Marketing Process: Communication, Interaction, Dialogue, Value* the author determines communication and interaction as two pillars that social media definitely provides. The author further states “Social media applications allow consumers to interact on several levels. It permits interactions from consumers to consumers and consumers to the organization. These interactions develop into what becomes the consumer's experience.” (Grönroos 2004)

Purchase behaviour is largely driven by exposure and motivated by the consumers positive experiences. Social Media platforms make easy the exposure to celebrities, their performances and the products they use and endorse. This exposure results in fans generating opinions about the teams and their products that they use. Fans then adhere to the team's merchandise, they want to buy the same jersey as their favorite team or the same skateboard as their favorite athletes, gears used by Olympians become the gear of choice. But whether or not we are able to quantify these behaviors with social media interaction, all sports media have actively taken up this consumer online pattern and shifted to multi-platform strategy. For example, ESPN is one of major sports channel across the globe, quickly adapted to the change and shifted itself on a parallel platform of apps based promotion. In the wake of growing popularity they acquired an Indian based company Cricinfo under their banner whose sole purpose was to show cricket scores (later they added a comment based commentary) as well. Major football clubs have their Facebook pages and twitter handles. Such is the reach of social media in today's world that athletes are leaving no stones unturned to mark their presence and they are actively being followed. Organizations feel that social media is not a stand-alone medium to communicate with the audience and the marketing strategy should be formed by creating synergy between traditional medium of communication and social media.(Butler & Sagas, 2008; Schoenstedt and Reau, 2010). Organisations believe that social media must be used as a tool to promote the sports or create relationship with the fans rather than promote sponsorship and brand promotions.(Eagleman 2013; Waters et al. 2011; Williams and Chinn 2010).

## **METHODOLOGY**

The paper is exploratory in nature as it attempts to gain an understanding of consumer's connect with sports and sports related marketing activities on social media. The platforms considered are YouTube, Facebook and Twitter. The brands taken into consideration for asking the questions are Nike, Adidas and Bata. The premise behind selection of these three brands is that these are the most commonly known brands with the young population at India. In particular, Bata has recently planned a makeover to specifically target the youth. The research questions given earlier in the paper aim to explore the connections between relationship marketing, social media, consumer opinions and sports brands.

### **Sampling procedures and data collection**

Secondary data is collected through prior literature in both academic journals and industry publications on sports and sports related marketing. Primary data collection is done through structured questions where the participants were asked questions and the written responses were recorded. Convenience sampling was used where a total of 100 responses were collected 96 of which were usable. The respondents were asked the following simple questions. Responses were taken from young Indian consumers aged between 18 to 28 years.

- Which brand (of the 03) do you recall seeing the communication online?
- Was there a celebrity who talked about the brand?
- What are the chances of you purchasing a sports related product based on its connection with you online?

## **PRIMARY SURVEY FINDINGS**

The primary findings indicated the most recalled brand through social media as Nike, followed by Bata. When it came to celebrity and their related connect to the brand, the most common names that emerged were Michael Jordan for Nike and Virat Kohli for Adidas (although Virat Kohli is no longer the brand ambassador for Adidas since early 2017). When asked whether sports brands should have an online presence, the answer was universally in the affirmative. One possible reason for this could be that since the respondents are young



and moderate to highly active on social media platforms. Traditional mediums did not have as much an effect on consumer opinion as did the interactive online mediums when it came to sports marketing. Consumers certainly recalled the online activities of sports brands in comparison to the traditional communication platforms that the brands had used.

## CONCLUSION AND OBSERVATIONS

This initial research points to the following conclusions and observations in relation to sports marketing to young consumers at India. Sports marketing through social media **connects consumers and brands** and provides an easy medium of marketing which is just not based on needs and consumption but also has an emotional connect. Sports marketing is a **win-win situation** for all the parties in the value chain. Social Media is the platform of new age sports marketing. It is just not limited to fan interaction but is slowly expanding its horizon towards ticketing, budgeting, sale of merchandises. An important benefit to sports consumer is **fulfilment of more personalized experiences** with their preferred brands and the celebrities connected with them. From a sports marketer's perspective, social media marketing and relationship management with its target segment via the online platforms should be an **important and integral part of the Integrated Marketing Communication decisions**.

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## DEVELOPING AN INTEGRATED FRAMEWORK FOR INCLUSIVE DIGITAL INDIA

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### ABSTRACT

*India is emerging as one of the strong and fast growing economies in the world. The second most populous country and one of the largest democracies in the world, it is poised to become the 3rd largest economy by 2030 (Hindustan Times, 28.Apr.2017) surpassing Japan and Germany. Unlike other developing countries, India's needs are highly diverse. They span across immediate requirement of world class infrastructure to social justice, rural development, robust defense force, providing employment, tackling large percentage of illiteracy, sustaining the rich cultural diversity and heritage, countering terrorism etc. Sweeping reforms have already been implemented by the successive governments and many are in implementation currently. One such unprecedented initiative of the present government is 'making India digital'. Despite its achievement in many fields, India still has a wide gap between its urban and rural development. There is a strong need to fill this gap for any ambitious programme to be successful and yield results to all segments of the population of the country. Similar will be the challenge for making India digital. The success of making India digital, would surely depend upon 'how inclusive' would be the efforts of government in its implementation and how the management perspectives would be taken into account. This paper discusses the needs for such inclusive approach for the successful implementation of inclusive Digital India programme and proposes an integrated framework from a managerial perspective, as a way forward. The study uses nine pillar structure of Digital India Programme proposed by Government of India as a base to develop the integrated framework.*

*Keywords: Digital India, Digital Divide, Framework, Rural urban gap, nine pillars of Digital India*

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### INTRODUCTION

The Digital India programme of Government of India, focuses on three key areas, namely, i) infrastructure as a utility to every citizen, ii) governance and services on demand, and iii) digital empowerment of citizens. This initiative is expected to contribute to 20 to 30 % increase in India's GDP by 2025 (Deloitte-Assocham report, 2016). There has already been significant achievements and progress in this programme supported by the other unprecedented decisions like demonetization and linking of Aadhar with Bank accounts, Aadhar enabled income tax filing and linking of Aadhar for availing all the other services.

The aim of digital India initiative is to transform the country into an emerging and robust digital economy with the contribution and participation of all the citizens of the country. Building a participative, responsive and transparent system is the major objective of this programme. It also aims to make all kinds of services and information available to the citizens at all times through the usage of digital technology like cloud computing, mobile usage, internet technology, and cashless transactions by promoting digital literacy (Rahul Kumar, 2015). This needs conversion of the existing physical-document-driven system into a highly secure digital-document-driven system. It also needs integrating and streamlining of all the existing databases with the government and linking them to the user through a unique identification. A highly systematic, structured and professional approach by including all segments of the society is a pre-requisite to fulfill the aim of this programme. It calls for development and implementation of strategies by carefully considering and analyzing multidimensional management perspectives. Though the initiative appears to be progressing well, it still has a long way to go facing many challenges and issues in its journey of implementation. The current scenario of digital India programme suffers from what is termed as 'Digital Divide' by many authors (Tharayil and Rajeev

2005; Charu Malhotra, 2014; McKinsey Report, 2014; Deloitte-Assocham Report, 2016). Poor physical as well as digital infrastructure, illiteracy, lack of awareness and low or no initiatives towards creating this awareness, rural-urban divide, lack of affordability and wide diversity were mentioned to be some of the major reasons for the existing situation by these authors and in the reports by leading consultancies.

Therefore, there appears to be a great need to adopt quickly a management strategy, which would fasten the development of this immensely significant programme of the government. This paper aims to fulfill this need by contributing an integrated and inclusive framework through literature review for the implementation of digital India programme. This framework considers different management perspectives at various stages of implementation of this programme and identifies the enablers and strategies to achieve the outcome of digital India. This framework would contribute further to the existing body of knowledge and would add immense value to the highly ambitious programme of Government of India.

## **LITERATURE REVIEW**

To develop the framework, a comprehensive literature review is carried out to identify the concepts of digitalization, study its impact on the growth and development of a country, study digital divide in India and analyze the reasons for it, evaluate the existing the models and frameworks, study the

current initiatives of Government of India towards making India digital and identification of gaps in it. The following sections provide the details of the literature review focusing on the mentioned aspects above.

### **Influence of Digitalization**

Many authors opined that digitalization would significantly influence a country's growth and development in all aspects. Any digitalization programme requires adequate digital infrastructure, which comes under the Information and Communication Technology (ICT) sector. Telecom, broadband, internet and software are the major components of this infrastructure (Deloitte- Assocham report, 2016). ICT increases the information sharing and communication, develops digital literacy, expands the scope of opportunities for citizens, provides livelihood for weaker sections of the society. It also plays a key role in bridging the gap between different sections of the society in India.

Research studies have pointed towards increased efficiency in public administration, decreased costs, significant improvements in reduction of service delivery times and ease of transactions (Bellamy and Taylor, 1998; Fors and Moreno, 2002; Kuttayan and Rao, 2003). ICT is also found to catalyse the economic growth and bring socioeconomic transformation. Therefore, the high investment of Government of India in this ambitious programme is highly justified (Bist, 2007) to realize the outcomes of it. Due to the initiatives taken by the government, it is found that costs of various services reduced and transparency increased in some of the rural areas in India (Ghosh, 2011).

### **Digital Divide**

While there is no denial of positive outcomes of digitalization, there are many challenges and gaps in its implementation process in India and many authors termed this gap as 'Digital Divide'. The following sections provide an overview of literature review related to digital divide in general and in India in particular. The term digital divide was defined as disparities in access to telephones, personal computers and the internet across certain demographic groups (National Telecommunications and Information Administration Report, 1998, in Compaine, 2001). It mentions the divide in accessing the digital facilities between the 'have' and 'have-nots'. Digital divide happens to be one of the many challenges brought by the growth of ICT in India (Tharayil and Rajeev, 2005).

Charu Malholtra (2014) highlighted that factors like illiteracy, lack of skills and infrastructure in rural areas are the main obstacles and they should be tackled if India heads to lessen the gap of digital divide. The development of ICT is not uniform across the states in India. This heterogeneity in digitalization makes it difficult to promote digital India on a uniform platform throughout the country and it contributes to digital divide in India (Singh, 2010). Instances of taking the ICT benefits to the rural population through an initiative named 'Vandoot', a tele-center cum eGovernance programme in Dhar district of Madhya Pradesh state of India is notable among many (Rajora, 2002). Issues and challenges like gap in the urban-rural IT development, low internet usage, lack of bandwidths, political instability, and lack of policies were found to be some of the reasons contributing towards digital divide. The term digital divide was also termed as the divide between the 'have' and the 'have-nots' leading to a wide gap between 'technology-empowered' and 'technology-excluded' segments of the Indian society (Rao, 2005).

India's challenges include low productivity and inadequate access to basic services like healthcare, financial services, agriculture and food, education & skill development, infrastructure & energy and government services (McKinsey, 2014), delay in development of infrastructure, lack of integrated digital ecosystem, lack of mobile connectivity in rural India, lack of clarity in policy framework towards digital India, delay in the completion of contracting projects assigned to Public Sector Units (PSUs), poor digital awareness and literacy and poor data security etc. (Deloitte- Assocham report, 2016).

### MODELS AND FRAMEWORKS OF DIGITAL INDIA

Many authors proposed the thrust areas for effective implementation of digital India programme. Notable among them are the works of Singh (2010). The author opined that at the government front, it should put thrust towards connectivity provision, content creation, capacity augmentation, creation of core technologies, cost reduction through technology innovation, competence building, community participation and commitment to the deprived and disadvantaged. In another significant work by Charu Malhotra (2014), the digital divide, the gap between urban and rural India in terms of digitalization was divided into seven categories, i.e., i) technological divide, ii) internet access divide, iii) mobile access divide, iv) human resources divide, v) education divide, vi) linguistic divide, and vii) gender divide. Strategies to deal with these categories were also highlighted by the author.

Several other authors also proposed models, frameworks and strategies to bridge the digital divide in India. One of the major contribution was by Charu Malhotra (2014). The author recommended four strategies as a way forward for digital India. They are, i) encouraging innovations, ii) improved policy design, iii) enhancing inter-governmental coordination, and iv) re-defining relationships. The digital divide was assessed through different perspectives, i.e., technological divide by comparing with other developed countries and the initiatives lacking in India (Chopra,

2006). The author concluded that by increasing the stakeholders' coordination, establishing internet kiosks in rural areas the digital divide can decrease and digital dissemination could occur. The study also focused on low-cost technological options for infrastructure accessibility as well as for hardware and software applications in rural India.

A framework for bridging the digital divide in India was proposed by Mistry, Jamshed J (2005) as shown in Fig-1 below. The present study considers this model as one of the bases for developing the proposed inclusive integrated framework.

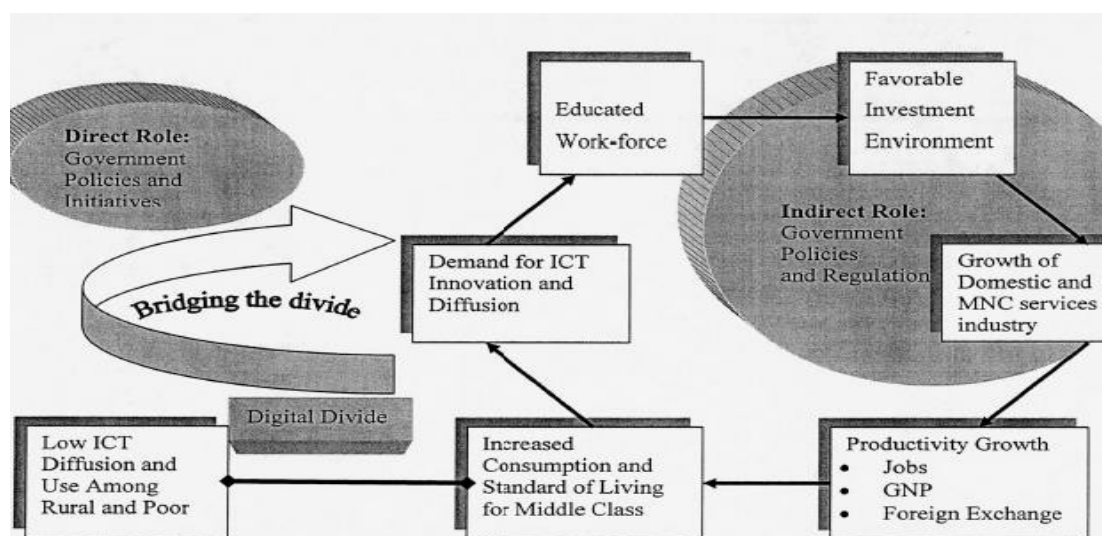


Fig-1: Conceptual Model to bridge the Digital Divide (Source: Mistry, Jamshed, J, 2005)

### STRUCTURE OF DIGITAL INDIA

Government of India developed a structure for implementation of Digital India. It is mentioned in the report made by Deloitte-Assocham (2016) and in the digital India website of government ([www.digitalindia.gov.in](http://www.digitalindia.gov.in)) of India as shown in Fig-2.

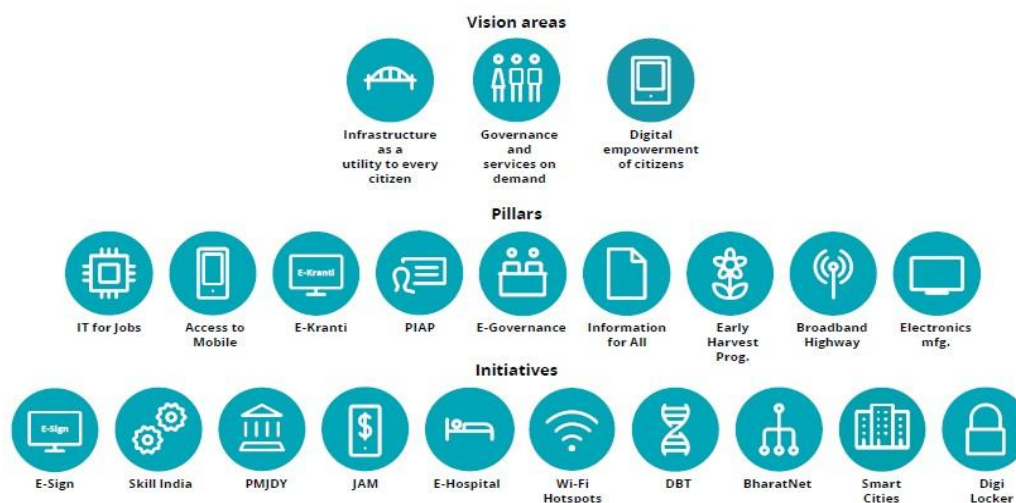


Fig-2: Structure of Digital India (Source: Deloitte-Assocham Report, 2016)

Similarly, McKinsey (2014) identified mobile internet, cloud technologies artificial intelligence, intelligent transformation and distribution, automation of knowledge work, digital payments, verifiable digital identify, Internet of Things (IoT), Geographic Information Systems (GIS), next generation genomics, renewable energy, and advanced energy storage as twelve major technologies which would enable smooth implementation of digital India.

### DIGITAL PERSPECTIVES FROM DEVELOPED COUNTRIES

This section of literature review focuses on how digital technologies and ICT are being implemented in USA and Singapore, the most advanced digitally enabled places in the world. From a developed country's perspective like, the United States, digitization of India OR any country for that matter can be measured across six key attributes. They are, i) ubiquity, ii) affordability, iii) reliability, iv) speed, v) usability and vi) skill. To reach the advanced stage of digitization and realize the wide-ranging benefits it offers, developing countries need support from the highest levels of the government. (World Economic Form Report, 2012 and by Booz & Company in 2012).

Five key imperatives which most of the emerging / developing countries should implement in order to be successful in elevating digitization of services to the next level of maturity in the growth cycle are, i) elevation of digitization on the national agenda, ii) evolve sector governance, iii) adopt an ecosystem philosophy, iv) enable sustainable competition, and v) stimulate demand (World Economic Forum, 2012, and by Booz & Company in 2012).

Similarly, the Singapore government implemented digitalization in association with Siemens company and developed a Digitalization Hub in Singapore. To help achieve the objectives of digitalization, Singapore set up one of the largest fully integrated Digitalization Hub. Experts from all industry businesses collaborate to leverage the industry know-how and optimize energy management, modernize infrastructure and transform industries. As part of the Digitalization Hub, Siemens will cooperate with customers, partners and universities to develop new digital applications. MindSphere provides an optimal platform for ensuring connectivity across all infrastructures and different industries. Apps and digital services that help analyze huge data volumes can be developed and managed on the operating system in order to gain new insights for optimizing complex systems ([www.siemens.com](http://www.siemens.com)).

### INITIATIVES TAKEN BY THE GOVERNMENT FOR DIGITAL INDIA PROGRAMME

The Digital India, an ambitious initiative to use technology in e-governance, is aimed at taking government services to the needy in urban as well as rural areas. In the whole process, technology

plays the key role of providing quality services, such as healthcare, education and financial services, making sure they reach the target beneficiary.

Under this programme, the government initiated digital literacy mission. With an initial outlay of Rs 1.13-lakh crore, covers nine programs that include broadband highways, 100% mobile density, electronic manufacturing and e-Kranti or electronic delivery of services by 2018. The national level e-Governance programme called National e-Governance Plan was initiated in 2006. There were 31 Mission Mode Projects under National e-Governance Plan covering a wide range of domains, viz. agriculture, land records, health, education, passports, police, courts, municipalities, commercial taxes, treasuries etc. 24 Mission Mode Projects have been implemented and started delivering either full or partial range of envisaged services. The portfolio of Mission Mode Projects has increased from 31 to 44 MMPs. Many new social sector projects namely Women and Child Development, Social Benefits, Financial Inclusion, Urban Governance, eBhasha etc. have been added as new MMPs under e-Kranti.

The other major ICT initiatives of the Government included, inter alia, some major projects such as railway computerization, land record computerization, etc. which focused mainly on the development of information systems. Later on, many states started ambitious individual e- governance projects aimed at providing electronic services to citizens ([www.digitalindia.gov.in](http://www.digitalindia.gov.in)).

### PILLARS OF DIGITAL INDIA

Digital India aims to provide the much needed thrust to the nine pillars (Fig-3) of growth areas, namely, i) Broadband Highways, ii) Universal Access to Mobile Connectivity, iii) Public Internet Access Programme, iv) e-Governance: Reforming Government through Technology, v) e-Kranti - Electronic Delivery of Services, vi) Information for All, vii) Electronics Manufacturing, viii) IT for Jobs and ix) Early Harvest Programmes. Each of these areas is a complex programme in itself and cuts across multiple Ministries and Departments.



Fig – 3: Nine Pillars of Digital India (Source: <http://digitalindia.gov.in/content/programme-pillars>)

Government of India has also developed an institutional hierarchy Mechanism (Fig – 4) at National Level for the implementation of Digital India Programme.

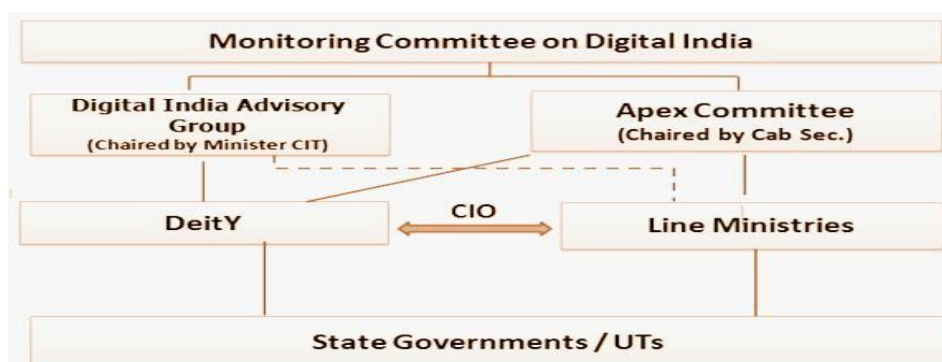


Fig-4: Institutional Hierarchy for the Implementation of Digital India Programme  
Source: <http://digitalindia.gov.in/content/management-structure>



## **RESEARCH GAPS**

The literature review indicates that there exists a huge gap in the implementation of digital India initiatives inspite of the frameworks and plans proposed by the government of India. Some of them are lack of long-term plan, lack of coordination and systematic approach, no clarity on the development of ICT infrastructure and poor implementation of digital literacy programme (Rajora R., 2002; Tharayil, Abdul Jaleed and Rajeev, K. R. 2003; Jamshed J, 2005, Rao, S. S., 2005; Chopra, H. S., 2006; Bist, Singh Rajinder, 2007; Singh., (2010); Ghosh, A., 2011; McKinsey Report, 2014; Mistry, Rahul Kumar 2015; Deloitte-Assocham Report, 2016).

Therefore, this study will be a huge contribution to the existing body of knowledge related to digital India initiatives and its implementation. The proposed framework to be developed will focus on 'inclusiveness', 'urban-rural divide' which leads to decrease the gap in 'digital divide'.

## **OBJECTIVES OF THE STUDY**

The following are the objectives of the present study.

- To perform a comprehensive literature review of digital initiatives
- To identify the gaps in the implementation process
- To analyze the current scenario of implementation of digitalization in India
- To develop an inclusive and integrated framework to bridge the digital divide for a successful implementation of Digital India programme by including management perspectives

## **METHODOLOGY**

The study is based on a thorough analysis of literature from various reputed international and national journals and published reports of Government of India and other leading global and local consultancy firms.

## **DEVELOPMENT OF AN INTEGRATED FRAMEWORK**

The proposed integrated framework for inclusive digital India considers all stakeholders and clearly mentions the linkages among the stakeholders. In addition to this, the framework also integrates the management perspectives and strategies at all levels of implementation of Digital India programme. It focuses broadly on, i) Stakeholders, ii) Enablers, iii) Management Strategies, and iv) Pillars of Digital India and the inter-linkages among these.

## **IMPLICATIONS OF THE STUDY**

The outcome of this study would enable the Government of India to design and initiate its digital India implementation process in an effective and structured manner. It fills the existing gap in the body of knowledge related to digital India and would add immense value for its smooth implementation process. It views the implementation process from a management perspective.

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## A STUDY ON -ROLE OF CONSUMER COURTS IN INDIA

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### ABSTRACT

*The Consumer Protection Act, 1986 led to the setup of CONSUMER COURTS in order to enforce the act. These judiciaries are set up by the government to protect the consumer rights. These courts provide privileges to the consumer and help in maintaining fair trade practices by the sellers. Since their establishment, these courts are playing crucial role in protection of consumer rights. They are broadly divided into 3 types, both on the geographical basis and value of the goods. Any consumer in India can file their complaints and grievances with nominal fee associated with proper document evidences.*

*Keywords: Consumer Protection Act {COPRA}, Consumer Courts: Structure, Functions Awareness, and Analysis of case studies.*

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**Objectives:** The main objectives of our study are as followed:

- To examine the structure, functioning of consumer courts in India.
- To know the process of filing case in such courts.
- To examine few case studies that help in understanding consumer rights.
- To know the awareness about such courts in public, and how they are able to use such courts for protection of their rights.

**Need for study:** The need for study of this research is as followed:

- To know how far consumers are being able to protect themselves from exploitation of fake and spurious goods that are being sold in market.
- To understand broad summary of consumer protection act.
- To know the need for such courts in society.

**Research Methodology:** The research methodology used in our research is as followed:

**Primary Data:** Case studies which include various verdicts given by consumer courts. Survey taken from students in random to understand the awareness about consumer courts in the youth of India.

**Secondary Data:** Government websites, Law books, Newspapers, Other legal supplements.

**Statistical Methodology:** Sampling methodology is used to sample various students pursuing different courses across the country to calculate the awareness they have regarding these legal bodies.

**Limitations:** Limitations of our research are as followed:

- Being a legal topic, the research may not cover the huge vast consumer protection act.
- Few errors may creep in even after taking due care in presenting legal sections due to amendments and other issues.
- Consumer courts primary role is to protect consumers from seller's malpractices and fraudulent activities. So the research may have a biased theme towards consumers.

### I. INTRODUCTION

From the moment a person starts his/her day in the morning, one needs many goods and services to live their life. In this process consumers use various goods and services that are manufactured and sold by various sellers. The chance for exploitation of consumers is very high due to various reasons. To begin with the exploitation of consumers, such exploitation was first noted in Kautilya's Arthashastra. It also contained the systems that protected the consumers of those days from such unfair trade practices by the trading class. Even after that the protection of consumer rights has taken many forms but not in a systematic and

standardised format. In the 20<sup>th</sup> century post-independence there was a flood of goods and services in the Indian economy. Due to the evolvement and up growth of technology, advertising methodologies, marketing techniques consumers got access to a lot of goods and services. Lack of proper legal institutions and authorities resulted in sellers dumping fake, defective and spurious goods into the market. Illiteracy, poverty, economical inequalities exploited consumers at a large scale. A country like India with huge population had to see tough time to protect the rural remote consumers from spurious and fake goods. So all these events emphasised the need for framing an act that protects the right and interests of consumers. The Consumer Protection Act 1986 was enacted to provide an easy and quick access to redressal of consumer grievances. The implementation of this act involved formation of three level court format on the basis of relief claiming amount. This act was a substitute for many acts that were already prevalent in Indian legal system. Few of these include The Indian Contract Act, The sale of Goods Act, The dangerous drug act, The prevention of food adulteration act, The Indian standards and identification (certification marks) act etc. These involved consumer initiating a civil suit against the sellers. The legal process in such cases was time consuming and expensive. So these consumer redressal system was framed as a best alternative for consumer grievances and protection of their rights on a fast mode. The speciality of these courts were they have minimal court fee and they do not require engaging any lawyer for presenting a case.

**1. CONSUMER RIGHTS:** - In general, the consumer rights in India are listed below:

- The right to be protected from all kind of hazardous goods and services
- The right to be fully informed about the performance and quality of all goods and services
- The right to free choice of goods and services
- The right to be heard in all decision-making processes related to consumer interests
- The right to seek redressal, whenever consumer rights have been infringed
- The right to complete consumer education.

So, in this research we will study the performance of such redressal systems i.e. consumer courts since their establishment, the awareness the population of young India is having about such system. The case studies that help us in understand the actions and orders that are ordered by such courts for the mental agony and loss that consumers undergo when they were cheated and harassed by sellers.

## **II. LITERATURE REVIEW**

Mr. Kanchi in his study explained the significance of legal awareness among consumers in order to protect their rights. He suggests that there is still need of agencies functioning at state and national level to dispose of the pending cases as early as possible.

Gurjeet Singh, in his study suggested that the significance of social litigation in regard to the consumer protection that has to be visualized, appreciated and encouraged. Only then the dream of consumer protection will become a reality for the ordinary Indian consumer. Gurjeet Singh in his article stresses that media can play a vital role in moulding public opinion and so it can be used as a potent tool for consumer education.

Gurjeet Singh's book, "The Law of Consumer Protection in India: Justice within Reach" covers all aspects of consumer protection and it is bound to be of great assistance, value and utility to consumer organizations, individual consumers as well as the legal profession.

Dr. B.K. Das and S.S. Rao have authored a book on consumer protection This book, "A Commentary on Consumer Protection Act, 1986" covers the relevant Central and State Protection rules for knocking the doors of consumers redressal agencies. This book shows that the consumers very often suffer due to the poor, inefficient and negligent services which the public utility services are rendering.

### III. REDRESSAL SYSTEMS COMPOSITIONS- MECHANISMS [SECTION 2 AND RULE 3]



**1. Central Council:** The Consumer Protection Act 1986 states that the central government has to make the rules for the composition of members in central council. Accordingly central government will provide members for this council not exceeding 150 members. The key members of this council are as followed:

- Chairman: Minister in charge for consumer affairs in central government will be the chairman for this commission.
- Vice Chairman: Minister of state for consumer affairs in central government will be the vice chairman for the commission.
- Secretary: The secretary of consumer affairs ministry in central government will act as the secretary for the central commission.
- Eight members are selected from parliament
- Twenty members from various central government bodies and autonomous organizations who are concerned about consumer interests.
- The secretary for national commission for representing schedule castes and tribes.
- Ten women members are selected to represent women in the commission.
- Twenty people are selected comprising of farmers, traders and industries related people.
- Other people are selected from various non-government organizations who are capable of representing consumer's views on a broad view.

**2. National Consumer Disputes Redressal Commission:** After consultation of chief justice of India, the person who has been or who is a Supreme Court judge is appointed as president. Four members are selected who had already been serving for state commissions and district forums. So, any dispute must be disposed of by at least three of them.

**3. State Commission:** The president of a state commission is a person who is or who had been a judge of a state high court. Two other members who had been or who worked for district forums are selected. Any proceeding should consist of the president and at least one of the member.

Either the petitioner or defendant can appeal to the national commission within 30 days against the order given by the state commission. There must be some special circumstances where the national commission will accept an appeal after 30 days of the state commissions order.

**4. District Forum:** The person who is or who had been a district judge can be appointed as the president of district forum. Two other members are also appointed who have immense knowledge in the fields of accountancy, economics, law, public affairs and administration, commerce, trade and industry oriented activities. There should be at least one woman in the two member panel. Any proceeding should at least have one member along with the president. The aggrieved party can appeal to the state commission against an order given by district forum within 30 days such order.

#### Powers and Enforcement of Redressal Commissions Orders [Section 13(4), 14(1), rule 10]

The consumer redressal commissions have been given many key powers equal to those given to civil courts in India. Few of such powers are as followed:

- Ordering for producing an evidence in the form of a document or any other material format for processing a case.
- Receiving such evidences on affidavit.
- Summoning and enforcement of witnesses and examining such witnesses.
- Ordering or reordering for test of analysis or report by laboratories of the concerned councils.
- They are the issuing commissions for examination of any witnesses.

#### **IV. PROCEDURE OF ADMISSION OF COMPLAINT**

**1. Section 12** This sections lists people and organizations who can file cases against defective, fake and spurious goods or services. In general such people and organizations include:

- the consumer
- any recognised consumer association
- a group of consumers having the same interest, with the permission of the commission
- the central or state government

**2. Section 13** when a complaint is filed, the following procedure is followed by District forum, State commission with some modifications and National commission with some additional procedures as required by law respectively.

##### **(1) If the complaint relates to any goods.**

- (a) The forum dispatches the copy of the admitted complaint, within 21 days to the defendant party asking them to give their version of the case within 30 days and can be extended up to 15 days further more.
- (b) If the defendant party on receipt of the case reference denies or disputes the allegations in the complaint or omits or fails to take any action to represent his case with in the time, the district forum shall proceed to settle the dispute in the manner specified.
- (c) If the complaint alleges damage/defect in the goods which needs proper testing to determine , the forum obtains a sample of the goods from the complainant, seal it and refer the sample to the appropriate laboratory directing it to test it and report its findings in concern with the case within 45 days
- (d) The district forum may ask the complainant to deposit fees specified before the sample of goods referred to any laboratory in order to pay the laboratory for carrying out necessary analysis.
- (e) On receipt of the report from the appropriate laboratory, the district forum forwards a copy along with remarks to the defendant party.
- (f) If any of the parties disputes the correctness of the findings or the methods of analysis or test adopted, the forum may require the party to submit in writing the obligations.
- (g) The district forum gives an opportunity of hearing the objecting party.

##### **(2) If the complaint relates to goods where the procedure in clause (1) cannot be followed**

- (a) The forum refers a copy of the complaint to the defendant party directing him to give the version within 30 days extending to 45 days
- (b) The defendant party may oppose or deny or dispute the allegations or omits to take action to represent within the time, the district forum may settle the dispute
  - On the basis of evidence that is brought to its notice by the complainant or the defendant party
  - Ex parte on the basis of evidence brought to its notice where the opposite party fails to take any action

**3. Section 22** There are certain powers and procedure applicable exclusively to the National Commission.

Without any prior notification to its legal subsidiaries, The National commission has the power to review any order made by it, when there is an error apparent on the face of the record.

S. 22-A POWER TO SET ASIDE EX PARTE ORDERS- When an order is passed by ex parte, the aggrieved party may apply to set aside the said order in the interest of justice

S. 22-B TRANSFER OF CASES- On the application of the complainant or of its own motion, the national commission may transfer any case at any stage of the proceeding from one district or state commission to the other

S. 22-C CIRCUIT BENCHES- The national commission shall ordinarily function at New Delhi and perform its function at such other place as the central government may, notify in the official gazette, from time to time.

S. 22-D VACANCY IN THE OFFICE OF THE PRESIDENT- When the office of the president of any of the commissions is vacant or a person occupying such office is, absent or unable to perform the duties, these shall be performed by the senior most member of the commission.

#### 4. RULE 9[A]: Fee for making complaints before redressal commission

4.1. Every complaint filed shall be accompanied by a fee as specified in the table given below in the form of crossed demand draft drawn on a nationalized bank or through a crossed Indian Postal Order in favour of the President of the District Forum, Registrar of the State Commission, or the Registrar of the National Commission as the case may be, and payable at the respective place where the commission is situated.

4.2. The concerned authority referred in sub-rule (1) shall credit the amount of fee received by it into the Consumer Welfare Fund of the respective state and in the case of national commission, to the Consumer Welfare Fund of the Central Government.

4.3. The complaints who are under the Below Poverty Line shall be entitled for the exemption of payment of fee only on production of an attested copy of the Antyodaya Anna Yojana Cards.

Sl. No.	Total Value of goods or services and the compensation claimed	Amount of fee payable
	<b>District Forum</b>	
(1)	Up to one lakh rupees – For complainants who are under the Below Poverty Line holding Antyodaya Anna Yojana Cards	Nil
(2)	Up to one lakh rupees – For complainants other than Antyodaya Anna Yojana card holders.	Rs.100
(3)	Above one lakh and up to five lakh rupees	Rs.200
(4)	Above five lakh and up to ten lakh rupees	Rs.400
(5)	Above ten lakh and up to twenty lakh rupees	Rs.500
	<b>State Commission</b>	
(6)	Above twenty lakh and up to fifty lakh rupees	Rs.2000
(7)	Above fifty lakh and up to one crore rupees	Rs.4000
	<b>National Commission</b>	
(8)	Above one crore rupees	Rs.5000

#### 5. POWERS OF THE REDRESSAL AGENCIES

The consumer forums are vested with certain powers of Civil Court for the purpose of adjudicating a consumer dispute. Apart from these powers, the central government has provided some additional powers under Rule 10 of the Consumer Protection Rules, 1987.

- **Powers akin to those of civil court (section 13(4))**

The Forums are vested with the Civil Court powers with respect to the following:

1. Summoning and enforcing attendance of any defendant or witness and examining the witness or oath
2. Discovery and production of any document or other material object producible as evidence
3. Reception of evidence on affidavits
4. Requisitioning of the report of the concerned analysis or test from the appropriate laboratory or from any other relevant source
5. Issuing of any commission for the examination of any witness
6. Any other matter which may be prescribed

- **Additional powers of the redressal agencies [Rule 10]**

(1) All the redressal agencies shall have power to

(a) Requiring production of any books, accounts, documents, or commodities from any person, examining and retaining them.

(b) Obtaining information required for the purpose of the proceedings from any person.

(2) An officer appointed by a redressal agency can

(a) Enter and search any premises and seize from such premises books, papers, documents, commodities required for the purpose of proceedings under the Act.

(b) Order the retention thereof or may return it to the party concerned

- **Powers to issue order (section 14)**

(1) If, after the proceeding conducted under section 13, the commission is satisfied that the goods complained against suffer from any of the defects mentioned in the complaint or allegation about the service proved, it shall issue an order to the opposite party directing him to do one or more of the following things, namely –

(a) (e) To remove the defect pointed out by the laboratory To replace the goods with new goods

(b) To return the price to the complainant along with the charges paid by the complainant

(c) To pay compensation to the complainant in case of any loss or injury suffered by the consumer due to the negligence of the opposite party

(d) To discontinue the unfair trade practice or not to repeat it

(e) To remove the deficiencies in the services in question

(f) To discontinue the unfair trade practice or not to repeat it

(g) Not to offer the hazardous goods for sale

(h) To withdraw the hazardous goods from being offered to sale

- to cease the manufacture

- to pay such sum if large number of consumers who are not identifiable, not less than 5% of the value of defective goods sold if the amount can be credited to such person.

- To issue corrective advertisement to neutralize the effect of misleading advertisement

(i) To provide the adequate costs to parties

(2) Every proceeding shall be conducted by the president of the district forum and at least one member

(a) Every order must be signed by the president and the associated member or by other members who conducted the proceeding.

## V. CASE STUDIES

### 1. Balbir Singh Vs Maruthi Suzuki India Pvt Ltd.

Balbir Singh bought a new maruthi vehicle from a dealer in New Delhi. After few months of purchase, one day Mr. Singh was driving through Narela area in New Delhi which had heavy water logging due to the rain. All of a sudden vehicle stopped on the road. With great difficulty he towed the vehicle and took it to the dealer. The dealer told that the engine suffered a hydrostatic lock. The dealer gave huge amount as an estimate for repair. Despite being in warranty the dealer rejected to repair the vehicle under warranty. With the help of a lawyer, Mr. Singh filed a case in district forum. During the legal proceedings, Maruthi Suzuki told the court that, "During our inspection of the vehicle, we observed entry of water inside the engine made it cause hydrostatic lock which was caused due to negligence, careless and improper use of the vehicle".

#### Courts Verdict

The forum observed that, in terms and conditions the manufacturer did not mention that the vehicle should not be drove through waterlogged areas. Also, the forum opined, "In case of sudden excessive rain and consequential waterlogging, one cannot leave his/her vehicle on the road and cannot swim back. It is the responsibility of the manufacturer to protect and safeguard the interests of the consumer during such conditions. Accordingly, we are of the opinion that the respondent should have repaired the vehicle free of charges," the court said. The consumer court held the manufacturer and its authorized dealer guilty of deficiency in service and ordered to repair the vehicle free of charge within a month and awarded compensation of Rs 50,000 for harassment and mental agony suffered and also asked it to pay Rs 10,000 as the litigation cost.

### 2. Consumer case CC/144/2011

#### Tapan Kar and Anr. Vs. THE SUPERINTENDENT, ZENITH SUPER SPECIALIST HOSPITAL and Anr

Complainant Mr. T kar filed a consumer complaint in District Forum, Barasat District, North Chattisgarh alleging that his wife during her pregnancy was under the continuing treatment and medical care of Dr. S. Sen (Opposite no1). On 14<sup>th</sup> December 2010, opposite party No.1 told Mrs. Gopa Kar that child was in good condition and it would be better if she undergoes caesarean section for early delivery of child. Thus, on the advice of doctor, the complainant admitted his wife at Zenith Super Specialty hospital. The hospital offered a package of treatment for Rs. 13,000/-. The amount was deposited in the office of hospital. It id alleged that on 15<sup>th</sup> December 2010, at around 8.30am caesarean section surgery was done and a male child was born to Mrs. Gopa Kar. It is the case of the complainant that Dr. S. D. Gupta, Anesthetist, before surgery administered anesthesia in the spinal cord of the patient. The wife of the patient on regarding consciousness after delivery complained that her lower limbs were paralyzed and there was no sensation before or at the time of passing urine and stool. The doctors on being informed about the aforesaid complaint had a conference with their team of doctors and they decided that patient should undergo through MRI. On receiving MRI reports, they shifted the patient to Bangur Institute of Neurosciences, where she undergone a surgery for the blood clot. After the surgery, the complainant was told that it was not possible to predict how much his wife would recover from her situation. Later, complainant approached Dr. Pankaj Bajpai for physiotherapy at monthly expense of Rs.6000/-. According to the complainant the doctors were negligent during the treatment. Hence the complaint was filed.

All the doctors mentioned as opposite parties submitted a written copy denying all the allegations of medical negligence.

#### Verdict

The district forum on consideration of pleadings and the evidence found the opposite parties to be guilty of medical negligence. The complainant was accordingly allowed and opposite parties including the petitioners were directed as under:

"Ordered that the complaint be and the same is allowed on contest with cost of Rs.10000/- against the opposite parties. Opposite parties are hereby directed to pay a sum of Rs.12 lakhs as compensation to the wife of complainant i.e. Gopa Kar aged about +24 years for causing her permanent disability and loss of sensation on the both lower limbs from waist to toe and causing her permanent mental pain and agony till her



death and said amount may be paid by each OPs to the extent of Rs.4 lakhs also but liability to the OPs is joint and severally in respect of total compensation”. The opposite parties appealed at the State Commission and also at the Apex forum (National Consumer Disputes Redressal Commission) but the appeals were dismissed.

### 3. SONY ERICSSON INDIA LTD. V/S ASHISH AGGARWAL

A mobile handset of Sony Ericsson was purchased by the complainant for Rs.38700 which carried one year warranty. It started giving troubles as a result of which the battery and charger was replaced by the petitioners. Again, it started giving problem in keypad as a result of which the handset was replaced by a new one on 21.09.2005. The new handset was not working properly as a result of which this complaint was made.

#### Verdict

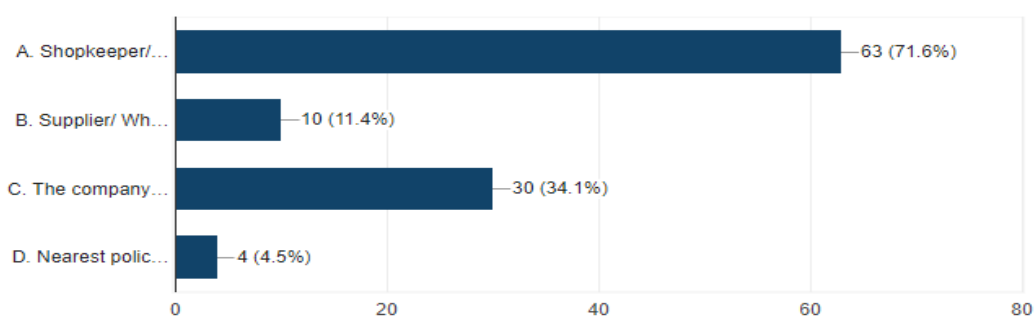
The State Commission also recorded that the said handset was withdrawn from the. The petitioner pleaded that they are willing to give the latest ‘mobile phone’ of the choice of the complainant, but according to them the complaint has been filed for refund of money for the simple reason that with the passage of time, the prices of the sets are coming down and the complainant wants to earn profit from the situation. This contention was not accepted by the Hon’ble Commission taking into account the Deficiency in Service on part of the petitioner. Battery and charger of the handset were replaced by the petitioners on 03.01.2005. Next time the handset was again taken with a problem in keypad, as a result of which the handset itself was replaced by a new one. The new handset was also found to be faulty. In these circumstances, the State Commission has awarded refund of the amount which was the consideration paid by the complainant for purchase of handset, we cannot find any illegality or lack of jurisdiction on the part of the State Commission to call for any interference by us. It ought to be noted that the petitioners were given 30 days to pay this amount without interest. Be that as it may, since the other party is not in revision, we are not taking any view of the question of rate of interest

### VI. METHODOLOGY

A survey has been conducted with the help of structured questionnaire, circulated to a target population of 200 out of which 128 responses were received. We used sampling methodology to pick these target population. The respondents include students from various educational institutions, employees and others. The questionnaire is based on understanding how far consumers are aware of their rights, how they are able to deal against any defective, fake and spurious goods and services. Data analysis has been done using MS EXCEL.

#### 1. Data analysis and Findings from survey

- As a consumer, 83.6% people are aware of their rights. On the other hand, 16.4% do not know their rights.
- 61.7% people are aware of the term consumer redressal forum whereas 38.3% people do not know what a consumer redressal forum means.
- 64.8% have the habit complaining about defective goods on the other hand, 35.2% people do not have the habit of complaining.
- Out of the people who complain, the following graph helps us to understand to which source consumers complain.



**From the above graph we can find the following things**

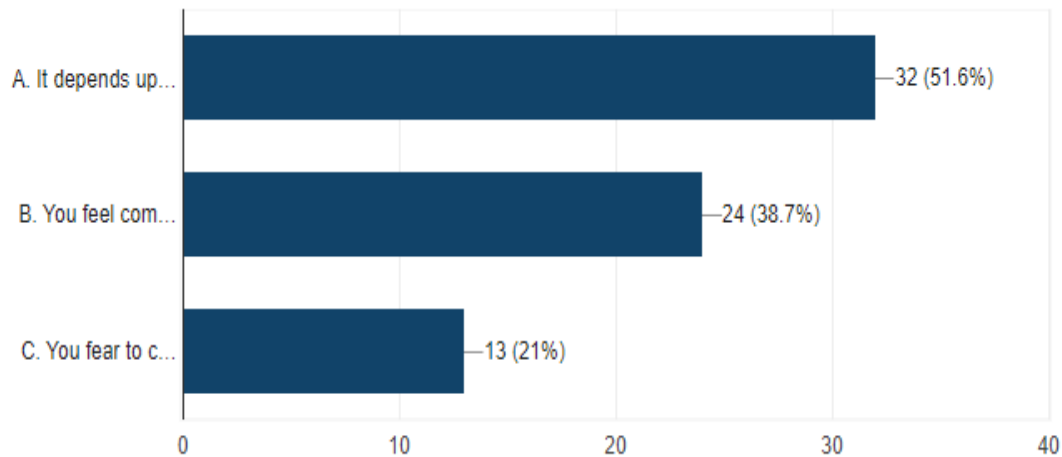
A. People who complain to Shopkeepers are 71.6%.

B. 11.4% complain to the supplier.

C. 34.1% complain to company.

D. 4.5% complain to nearest police station.

- People do not complain due to the following reasons can be understood using the graph below.



From this graph we can infer the following things to know why people do not prefer to complain. They are:

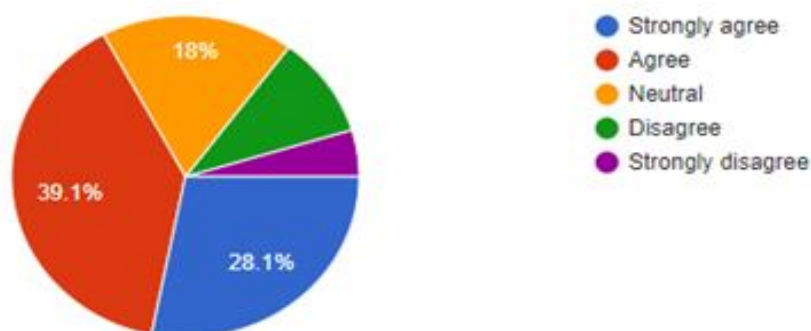
A. It depends upon the money they pay – 51.6%

B. They are not ready for arguments – 38.7%

C. They feel complaining to government official's needs bribing and other issues – 21%

- Most of them are receiving defective goods and service through ecommerce sites. Few people received spoiled, wrongly labelled fast moving consumer goods. People are trying to solve them within the basic seller level itself. Most of them are satisfied at basic seller level only.
- On the other hand, if they receive any defective electronic item they are getting them replaced, repaired within the purview of the supplier.
- Being an entrepreneur, 43% people felt the minimum time to complain against defective goods should be reduced. Whereas, 57% people feel such time should not be decreased.
- Being a consumer, 68.8% people feel that the time to complain against such injustice should be increased. Whereas 31.3% people feel such time need not be increased.
- 71.9% people consider the warranty, terms and conditions of a particular good or service before they purchase them. While, 24.2% may or may not check these terms. 3.9% people are least bothered about such warranties.
- As a consumer, people who felt the sellers should restrict others from selling fake or spurious goods on their brand name were 93.8% while 4.7% were neutral. However 1.6% people disagreed for this.
- If any supplier threatens a consumers mentally, 81.3% of such consumers feel they can claim penalty even for such mental agony they have undergone. Whereas 18.8% do not feel they can claim penalty for such mental agony.
- We made an effort to know how far the consumers are confident enough to complain against corporate brands. This helps us to understand the interest and readiness of people to approach legal institutions when some injustice is done to them. We got the following responses for such an enquiry.

They say "A common man can never challenge a big corporate brand for the injustice that has been done to him and the loss such person faced". With availability of proper evidence and legal institutions it is so easy to challenge. Do you agree with above statement?



From the above pie chart we can find that,

- People who strongly agree are 28.1%
- People who agree to the above statement are 39.1%
- People neutral to the statement are 18%
- People who do not agree and strongly disagree to the statement are 14.8%.
- On receiving a defective mobile from an ecommerce site, having proper evidence, consumers who feel they can claim the money they paid for such mobile in addition to which they can also claim penalty were 51.8%. However, 22.7 % felt they can replace such mobile. 13.3% people felt they can only recover the money they paid.
- 68.8% people are aware of the tagline, "Jago grahak jago" that is used for protecting consumer rights and interests. However 31.2% people are not aware about such tagline.
- On the whole, 60.2% people feel that consumer courts are not successful in protecting the consumer interests and rights.

#### Total Number of Consumer Complaints Filed / Disposed since inception under Consumer Protection Law

Sl. No.	Name of Agency	Cases filed since inception	Cases disposed of since inception	Cases Pending	% of total Disposal	No. of commission(s)
1	National Commission	113117	97571	15546 (13.74%)	86.26%	1
2	State Commissions	760786	651797	108989 (14.33%)	85.67%	35
3	District Forums	3995088	3692798	302290 (7.57%)	92.43%	484
	<b>TOTAL</b>	<b>4868991</b>	<b>4442166</b>	<b>426825 (8.77%)</b>	<b>91.23%</b>	520

## VII. CONCLUSION

Although the working of the consumer dispute redressal agencies under the Consumer Protection Act of 1986 has served the purpose of the legislation to a considerable extent, the disposal of cases has not been fast due to various constraints. Several shortcomings have been noticed while administering the various provisions of the said Act. As per our study, petitioners are approaching the council only if the cost of the object in question is high (luxury items). They do not mind getting redressed for low priced goods (daily consumables). Hence, it becomes necessary to make the consumer aware to think beyond the cost considerations.

The emergence of global supply chains, rise in international trade and the rapid development of e-commerce have led to new delivery systems for goods and services, and have provided new options and opportunities for consumer. Misleading advertisements, tele-marketing, multi-level marketing, direct selling and e-commerce pose new challenges to consumer protection. Government is planning to amend the consumer protection act 1986 and establish Central Consumer Protection Authority. If this bill is finally approved by the president, it marks the beginning of a new era for consumer redressal agencies.

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## CONSUMER RESPONSE TOWARDS ONLINE ADS IN SOCIAL MEDIA NETWORKS WITH SPECIAL REFERENCE TO SELECTED CONSUMERS IN WEST GODAVARI DISTRICT, ANDHRA PRADESH

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### ABSTRACT

*Internet became a new landscape for people to shop and to compare the deals available. The marketers are trying to market their products and services outrageously to the mob of online consumers using various digital platforms like SEO, SEM, SMM, E-Mail Marketing etc., But, the question is like how many customers are responding and going for final purchase based on the ads run on online media. I have been undertaken this basic research to understand the response of consumers towards online ads displayed particularly in Social Media domains like Youtube, Facebook, LinkedIn etc., Besides, I tried to look into various digital marketing tools, explored the prospects and constraints of using those tools by the marketers in brief. The data which is collected is primary and the analysis was done based on the first hand information received. Also, few secondary sources were used to describe the concepts in detail.*

*Keywords: Social Media, Consumer Response, Digital Marketing tools, online ads*

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### INTRODUCTION

The advent of Internet opened up doors to the consumers worldwide to gather information related to any product or service they would like to aspire for. The booming prevalence of digital India campaign in recent times has changed the perspective of customers and marketers towards digital media and its importance. Of all the marketing tools available today the best tool to reach maximum number of customers is through Social Media. According to a survey by statista, by 2019 there will be 2.77 billion social media users which is almost 71% of total Internet users. The most popular social network site worldwide is Facebook with more than 2.06 billion monthly active users. Social networking usage has also become increasingly mobile - in January 2017, mobile social media had a 58 percent usage rate in the United States, and 53 percent reach in Mexico.

The leading social networking sites are available in multiple languages and enable users to connect with friends, colleagues, relatives and people across various facets of life. Hence, the usage of social media became a part of daily routine to so many people. By identifying a lot of flavours and fervours in this media format, marketers are investing billions of dollars in social media ad campaigns to reach billions of customers at one stretch. According to Magna global the spending on social media ads reached 30.99 billion U.S. dollars in 2016. In the United States alone, the spending amounted to 14.82 billion U.S. dollars, whereas in China it reaches to 3.68 billion.

### THEORITICAL FRAMEWORK

#### What is Social Media?

“Social media are web-based communication tools that enable people to interact with each other by both sharing and consuming information.”

**The "social" part:** refers to interacting with other people by sharing information with them and receiving information from them.

**The "media" part:** refers to an instrument of communication, like the internet (while TV, radio, and newspapers are examples of more traditional forms of media).

#### What's the Difference Between Social Media and Social Networking?

As mentioned earlier, a lot of people use the terms social media and social networking interchangeably as if they mean the exact same thing. Although the difference is subtle, they're not the same. Social networking is really a subcategory of social media.

The easiest way to understand the difference between social media and social networking is by thinking about the terms "media" and "networking" separately. Media refers to the information you're actually sharing—whether it's a link to an article, a video, an animated GIF, a PDF document, a simple status update or anything else.

Networking, on the other hand, has to do with who your audience is and the relationships you have with them. Your network can include people like friends, relatives, colleagues, anyone from your past, current customers, mentors and even complete strangers.

They certainly overlap, which is why it gets confusing. For example, you can share media with your social network to gather likes and comments—a form of social networking. But you can also just upvote a link on Reddit, which is a social media platform, to help out the community and give your say in the matter without any intention of building relationships with other users.

So, Social network sites are defined as, “web based services that allow individuals to construct a public or semi-public profile within a bounded system, articulate a list of other users with whom they share a connection, and view and traverse their list of connections and those made by others within the system” (Boyd and Ellison, 2007).

Online social networks (Facebook, MySpace, Twitter, YouTube, virtual communities, etc.), where individuals as members, construct public profiles to share their knowledge and their experiences, to post information about themselves and have contact with others who exchange and share similar interests (Cheung & Lee, 2010). Some of the most popular social networking sites are:

- **Facebook** is a popular free social networking website that allows registered users to create profiles, upload photos and video, send messages and keep in touch with friends, family and colleagues. According to statistics from the Nielsen Group, Internet users within the United States spend more time on Facebook than any other website.
- **Twitter** is a free microblogging service that allows registered members to broadcast short posts called tweets. Twitter members can broadcast tweets and follow other users' tweets by using multiple platforms and devices.
- **Google+** (pronounced *Google plus*) is Google's social networking project, designed to replicate the way people interact offline more closely than is the case in other social networking services. The project's slogan is “Real-life sharing rethought for the web.”
- **LinkedIn** is a social networking site designed specifically for the business community. The goal of the site is to allow registered members to establish and document networks of people they know and trust professionally.
- **Pinterest** is a social curation website for sharing and categorizing images found online. Pinterest requires brief descriptions but the main focus of the site is visual. Clicking on an image will take you to the original source, so, for example, if you click on a picture of a pair of shoes, you might be taken to a site where you can purchase them. An image of blueberry pancakes might take you to the recipe; a picture of a whimsical birdhouse might take you to the instructions.
- **YouTube** allows users to upload, view, rate, share, add to favorites, report, comment on videos, and subscribe to other users. It offers a wide variety of user-generated and corporate media videos. Available content includes video clips, TV show clips, music videos, shortand documentary films, audio recordings, movie trailers, live streams, and other content such as video blogging, short original videos, and educational videos. Most of the content on YouTube is uploaded by individuals, but media corporations including CBS, the BBC, Vevo, and Hulu offer some of their material via YouTube as part of the YouTube partnership program.

## **DIGITAL MARKETING TOOLS**

Today the marketers are using various tools of digital marketing to reach customers swiftly. Few digital marketing tools that are so popular in the present digital marketing scenario are as follows:

- a) Search Engine Optimization: SEO is the process of optimizing your web site for the purpose of getting *free* traffic from search engines.
- b) Search Engine Marketing: SEM is the marketing process with a goal of getting more visibility in search engines either by getting more free traffic (SEO) or paid traffic.
- c) Social Media Optimization: Social media optimization (SMO) is the use of a number of outlets and communities to generate publicity to increase the awareness of a product, service brand or event.
- d) Social Media Marketing: Social media marketing is the use of social media platforms and websites to promote a product or service

## LITERATURE REVIEW

Chi (2011, 46) defines social media marketing as a “connection between brands and consumers, [while] offering a personal channel and currency for user centred networking and social interaction”. Kaplan and Haenlein (2010, 61) define social media as “a group of Internet based applications that build on the ideological and technological foundations of Web 2.0, and allow the creation and exchange of user generated content.” According to Kaplan and Haenlein (2010) web 2.0 is a platform where content is continuously altered by all operators in a sharing and collaborative way.

Olfat *et al.*, (2011) in a study investigated the effective factors on e-shopping and their prioritization. The results of the study showed that purchase risk index is the most important factor in e-shopping and consumers consider e-shopping useful and they trust it. As per Angella and Eunju (2012), in their study investigated on “Do social media marketing activities enhance customer equity? An empirical study of luxury fashion brands. The results of the study showed that five constructs of perceived SMM activities like entertainment, interaction, trendiness, customization, and word of mouth had a significant positive impact on value equity, relationship equity, and brand equity. Consumers’ Sentiment toward Marketing (CSM) is a factor consider by researchers to measure how well consumers will perceive social media marketing. CSM is defined as a concept which refers to the general feelings that consumers have for marketing and the marketplace (Lawson et al. 2001 as cited by Mady 2011). An individual’s perception of the overall marketplace plays a major role in whether or not they are motivated to partake in consumption activities (Mady 2011). Based on the research model, Pookulangara and Koesler (2011) conclude that culture does in fact influence how individuals act and perceive an event on technology based applications, such as social media. This means that an individual’s cultural or ethnic background will influence how they will interpret social media and its content. “Social networking has allowed the evolution of new culture where it is no longer shaped by just individual values and ideologies, but also by new rituals and communication tools in the social space of Web 2.0” (Pookulangara and Koesler 2011, 352). The more people perceive shopping services on social networking sites as useful and easy to use, the more likely they are willing to shop for items on social networks (Cha 2009). Providing shopping services on social networks can provide business growth for retailers due to the diversity of consumers who use social media sites. The wide range of consumers utilizing social networks means that most target markets can be reached (Cha 2009).

## OBJECTIVE OF THE STUDY

To study the response of consumers towards ads displayed in Social Media Sites.

## STUDY DESIGN

### A) SAMPLE

To collect data related to the topic concerned, a questionnaire was set out to the people in various professions in and around west Godavari district, Andhra Pradesh, India. To ensure that the proper audience were met, only people who are using social media networks in their daily activities are taken as a prerequisite. The questionnaire was formulated by using the data available in various research articles and focuses mainly on AIDAS. The questionnaire consists of 15 questions and it was sent to the sample through Google docs and distributed personally to the people available in and around. The method of sampling used is Simple Random and 125 questionnaires were distributed through the aforementioned sources.

Out of 125 questionnaires distributed 84 people responded and the data was analysed using Chi-Square test.

## B) INSTRUMENT PARTITION

The questionnaire comprises of 15 questions in which 1-4 questions are asked about demographic details of the respondents. Questions from 5-8 are about the usage of social networking sites and the time spent on it. The remaining questions from 9-13 deals with the AIDA process of consumers in selecting or purchasing products using ads displayed in social media.

### AIDA PRINCIPLE

**AIDA principle** (*Attention, Interest, Desire, Action*) is an acronym for a principle coined by the American sales and advertisement legend Elias St. Elmo Lewis in the late 1880s. The principle consists of four key stages in the advertising process: obtaining the attention of a potential customer, evoking interest in a product or a service, developing the desire in the customer to have what is offered and inducing action which might lead towards the purchase. Nowadays the AIDA principle is not used as an exclusive marketing approach but it is still an important part of advertising.

#### Attention

An advertisement must grab the attention of a potential customer. This is best done by incorporating advertisement as a disruption. The disruption can be achieved through placing advertisement in unexpected places or situations – the so called guerrilla marketing. Moreover, a personalized approach tends to attract more attention from people. For example, the Coca-Cola Zero original campaign consisted of posters on bus stations and billboards with no notion that it was an advertisement (for anything). The posters were black and had peculiar red questions written on them. The campaign successfully attracted attention of massive amounts of people before they even knew what it was about.

#### Interest

It is essential to keep the potential customers interested in the advertisement. This means large amounts of dull text just are not going to cut it. An original, entertaining, brief, witty and informative approach should result in a positive reaction and building of the interest. Once again, personalizing the approach can do wonders in your quest. The above stated campaign formed the questions always incorporating the symbol or the word ‘zero’. When people started noticing that this was the only consistent thing (in addition to appearance) in the posters, they became interested to know what it represented.

#### Desire

Building up the desire to have or use a product/service in potential customers consist mostly of accumulation of positive arguments. In addition to the basic information provided to this point, now it time to bring forth numerous benefits of a product/service which have not been mentioned so far. The Coca Cola Zero campaign introduced the beverage and focused on advertising the fact that although it does not contain sugars (hence the zero in title) it tastes the same as the original beverage. This stimulated customers to give it a try!

#### Action

Closing the deal is the last step of the AIDA principle. A percentage of customers has fallen off as each stage progressed. The people who arrive to the action stage are the ones which acquired a positive impression of the product/service which was advertised and the only thing which can now be done is offering them a sale. This is a stage where you win some and you lose some. However, if the work in the previous stages was done well, a solid ground is made for potential future transactions. Longevity of a business is always dependent on positive relations upheld with existing as well as potential customers.

## DATA ANALYSIS AND INTERPRETATION USING SPSS

The respondent details and their preferred social media is shown in the below table. Almost all the respondents considered are the users of social media. The ratio in between is shown here.

What is your Gender * Do you use SNS Crosstabulation				
		Do you use SNS		Total
		Yes	No	
What is your Gender	Male	109	4	113
	Female	37	0	37
Total		146	4	150



**What is your Gender \* Which social Networking site do you prefer to use-Crosstabulation**

		Which social Networking site do you prefer to use				Total
		Facebook	Twitter	Linkedin	Youtube	
What is your Gender	Male	68	4	13	28	113
	Female	20	2	14	1	37
Total		88	6	27	29	150

Maximum of the respondents are using Facebook as the major Social networking site followed by Youtube. Out of 150 respondents 68(48.33%) people are using Facebook and 28 (18.66%) people are using Youtube followed by Linkedin and Twitter.

When we see the usage of social media sites according to the educational qualifications

Almost 43.33% of graduates are using Facebook and Youtube. But, more number of Post Graduates are using Linkedin.

Educational Qualification * Which social Networking site do you prefer to use Crosstabulation						
		Which social Networking site do you prefer to use				Total
		Facebook	Twitter	Linkedin	Youtube	
Educational Qualification	Graduates	65	4	2	28	99
	Post Graduates	19	2	24	1	46
	Doctorates	4	0	1	0	5
Total		88	6	27	29	150

What is your Occupation * Which social Networking site do you prefer to use Crosstabulation						
		Which social Networking site do you prefer to use				Total
		Facebook	Twitter	Linkedin	Youtube	
What is your Occupation	Business	11	0	0	4	15
	Employee	31	4	13	2	50
	Professional	2	0	14	1	17
	Student	44	2	0	22	68
Total		88	6	27	29	150

The high users of Facebook are Employees and Students and Linkedin is mostly preferred by Professionals.

From the above analysis it can be seen that more number of users are using Facebook as their most preferred social networking platform.

**H1: There is no significant difference between Gender and AIDA towards social media ads.**

Crosstab						
		Which ads are drawing your attention in SNS				Total
		banner	Video	Pop up	Full screen ads	
What is your Gender	Male	32	47	22	12	113
	Female	28	4	4	1	37
Total		60	51	26	13	150

Chi-Square Tests			
	Value	df	Asymp. Sig. (2-sided)
<b>Pearson Chi-Square</b>	26.617 <sup>a</sup>	3	.000
<b>Likelihood Ratio</b>	27.265	3	.000
<b>N of Valid Cases</b>	150		

Crosstab						
		What are the products u are interested to see in SNS				Total
		C Electronics	FMCG	B&I	Online shopping sites	
What is your Gender	Male	47	22	12	32	113
	Female	25	12	0	0	37
Total		72	34	12	32	150

Chi-Square Tests			
	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	20.391 <sup>a</sup>	3	.000
Likelihood Ratio	30.462	3	.000
N of Valid Cases	150		

1 cells (12.5%) have expected count less than 5. The minimum expected count is 2.96.

Crosstab								
		Which content in SNS ads creating desire to do shopping						Total
		Celebrities	Visuals	Graphics	Appeals	Offers	Music	
What is your Gender	Male	50	17	10	8	22	6	113
	Female	21	8	2	0	2	4	37
Total		71	25	12	8	24	10	150

#### Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	9.389 <sup>a</sup>	5	.095
Likelihood Ratio	11.979	5	.035
N of Valid Cases	150		

a. 3 cells (25.0%) have expected count less than 5. The minimum expected count is 1.97.

Crosstab				
		Are u going for final purchase based on SNS ads		Total
		Yes	No	
What is your Gender	Male	54	59	113
	Female	15	22	37
Total		69	81	150

#### Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)	Exact Sig. (2-sided)	Exact Sig. (1-sided)
Pearson Chi-Square	.589 <sup>a</sup>	1	.443		
Continuity Correction <sup>b</sup>	.334	1	.563		
Likelihood Ratio	.593	1	.441		
Fisher's Exact Test				.455	.283
N of Valid Cases <sup>b</sup>	150				

- a. 0 cells (.0%) have expected count less than 5. The minimum expected count is 17.02.  
b. Computed only for a 2x2 table

From the above analysis it can be seen that, there is no significant difference between Gender and Attention towards SNS ads. Similar is the case with the difference between Gender and interest towards watching ads related to products and services. But, there is a significant difference between Gender and the desire towards purchasing a product based on SNS ads. From the above table it can be observed that, celebrities in the ads and the offers offered by the marketer are the most important variables to consider while purchasing based on SNS ads.

Finally there is a significant difference between Gender and the process of making final purchase based on SNS ads.

Hence, ads in SNS's are drawing the attention and interest towards final purchase. But, they are failed to satisfy the customer in making final purchase.

**H2: There is no significant difference between Educational Qualification and AIDA towards social media ads.**

Crosstab						
		Which ads are drawing your attention in SNS				Total
		banner	Video	Pop up	Full screen ads	
Educational Qualification	Graduates	25	48	14	12	99
	Post Graduates	31	2	12	1	46
	Doctorates	4	1	0	0	5
Total		60	51	26	13	150

Chi-Square Tests			
	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	41.820 <sup>a</sup>	6	.000
Likelihood Ratio	49.069	6	.000
N of Valid Cases	150		

a. 5 cells (41.7%) have expected count less than 5. The minimum expected count is .43.

Crosstab						
		What are the products u are interested to see in SNS				Total
		C Electronics	FMCG	B&I	Online shopping sites	
Educational Qualification	Graduates	41	18	8	32	99
	Post Graduates	30	12	4	0	46
	Doctorates	1	4	0	0	5
Total		72	34	12	32	150

Chi-Square Tests			
	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	29.832 <sup>a</sup>	6	.000
Likelihood Ratio	37.485	6	.000
N of Valid Cases	150		

a. 5 cells (41.7%) have expected count less than 5. The minimum expected count is .40.

Crosstab								
Count								
		Which content in SNS ads creating desire to do shopping						Total
		Celebrities	Visuals	Graphics	Appeals	Offers	Music	
Educational Qualification	Graduates	41	12	8	8	22	8	99
	Post Graduates	26	12	4	0	2	2	46
	Doctorates	4	1	0	0	0	0	5
Total		71	25	12	8	24	10	150

Chi-Square Tests			
	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	19.041 <sup>a</sup>	10	.040
Likelihood Ratio	24.030	10	.008
N of Valid Cases	150		

a. 9 cells (50.0%) have expected count less than 5. The minimum expected count is .27.

Crosstab				
		Are u going for final purchase based on SNS ads		Total
		Yes	No	
Educational Qualification	Graduates	38	61	99
	Post Graduates	29	17	46
	Doctorates	2	3	5
Total		69	81	150

Chi-Square Tests			
	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	7.764 <sup>a</sup>	2	.021
Likelihood Ratio	7.800	2	.020
N of Valid Cases	150		

a. 2 cells (33.3%) have expected count less than 5. The minimum expected count is 2.30.

Here, the null hypothesis (H2) is rejected in every case, which implies there is no significant difference between Educational Qualification and AIDA.

**H3: There is no significant difference between Occupation and AIDA towards social media ads.**

Crosstab						
Count						
		Which ads are drawing your attention in SNS				Total
		banner	Video	Pop up	Full screen ads	
What is your Occupation	Business	11	4	0	0	15
	Employee	35	9	6	0	50
	Professional	10	0	6	1	17
	Student	4	38	14	12	68
Total		60	51	26	13	150

Chi-Square Tests			
	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	75.183 <sup>a</sup>	9	.000
Likelihood Ratio	94.488	9	.000
N of Valid Cases	150		
a. 5 cells (31.3%) have expected count less than 5. The minimum expected count is 1.30.			

Crosstab						
Count						
		What are the products u are interested to see in SNS				
		C Electronics	FMCG	B&I	Online shopping sites	Total
What is your Occupation	Business	7	6	2	0	15
	Employee	36	12	2	0	50
	Professional	9	4	4	0	17
	Student	20	12	4	32	68
Total		72	34	12	32	150

Chi-Square Tests			
	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	59.403 <sup>a</sup>	9	.000
Likelihood Ratio	69.523	9	.000
N of Valid Cases	150		
a. 7 cells (43.8%) have expected count less than 5. The minimum expected count is 1.20.			

Crosstab								
Count								
		Which content in SNS ads creating desire to do shopping						
		Celebrities	Visuals	Graphics	Appeals	Offers	Music	Total
What is your Occupation	Business	11	0	0	0	0	4	15
	Employee	29	11	4	0	2	4	50
	Professional	13	2	2	0	0	0	17
	Student	18	12	6	8	22	2	68
Total		71	25	12	8	24	10	150

Chi-Square Tests			
	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	60.157 <sup>a</sup>	15	.000
Likelihood Ratio	69.143	15	.000
N of Valid Cases	150		
a. 15 cells (62.5%) have expected count less than 5. The minimum expected count is .80.			

Crosstab				
Count				
		Are u going for final purchase based on SNS ads		
		Yes	No	Total
What is your Occupation	Business	8	7	15
	Employee	22	28	50
	Professional	13	4	17
	Student	26	42	68
Total		69	81	150

Chi-Square Tests			
	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	8.410 <sup>a</sup>	3	.038
Likelihood Ratio	8.644	3	.034
N of Valid Cases	150		
a. 0 cells (.0%) have expected count less than 5. The minimum expected count is 6.90.			

From the above analysis it can be seen that H3 is rejected, which implies there is no significant difference between occupation and AIDA.

### KEY FINDINGS OF THE STUDY

More number of Social networking site users are preferring to use Facebook as their social platform to share their news and to connect with friends. More number of net browsers are interested to see ads related to consumer electronics irrespective of their demographics. The ads with celebrities are more attractive when compared to any other variable in the ads displayed in SN sites. There is no gender difference in the preferences in SNS ads ranging from type of ads to the content displayed in those ads. Almost similar is the case with educational qualification. People with graduation and the people who are still in their academic study are dominating the scene. These consumers are using Facebook and are preferred to see banner and video ads with celebrities in them. In the case of occupation students used to see ads related to online shopping sites whereas employees are much interested to see ads related to consumer electronics. And the elements drawing attention are celebrities and offers given by sellers in online ads. Almost in every case considered for study, the major elements which are attracting consumers are celebrities, offers, banner ads, consumer electronics and the preferred site in most of the cases is Facebook.

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## SOCIAL MEDIA MARKETING – A THEORETICAL STUDY ON FACEBOOK CONTENT MARKETING

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### ABSTRACT

Social media marketing is a form of Internet marketing that utilizes social networking websites as a marketing tool. The goal of Social media marketing is to help producing content that users will share with their social networks to help any business to increase exposure and broaden up the customer reach. Sites like Facebook and twitter have come a long way from simply encouraging users to keep their friends and families updated on every detail of their lives. Now, they are some of the most effective tools for reaching new audiences, interacting with current and potential customers and generating leads. This paper will further highlight the importance of social media in the field of marketing. Massive target audience on social media and a large amount of time is spent on social media (Social networking accounts for 28% of all media time spent online). Also, it is incredibly powerful precise in targeting. The key social channels that encourage and enhance marketing are Facebook, Twitter, WhatsApp and Instagram.

### Objectives of the study

- Why should marketers care about social media?
- How to approach content marketing on Facebook?
- Facebook newsfeed and key algorithm parameters

**Research Methodology:** The study is based on secondary data and analysis from the available published statistical data from various certified sources and publications.

**Keywords:** Social Media, Marketing Strategies, Customer Reach, Lead Generation, targeting, Facebook

### INTRODUCTION

Social media marketing is a form of Internet marketing that utilizes social networking websites as a marketing tool. The goal of Social media marketing is to help producing content that users will share with their social networks to help any business to increase exposure and broaden up the customer reach.

Marketers should keep in mind that Social Media Marketing has a wide reach to a wider audience. Indeed, SMM nowadays is the largest marketing platform for any kind of company, service or an individual for that matter. Targeting is the main strategy in Social Media Marketing.

### WHY SHOULD MARKETERS CARE ABOUT SOCIAL MEDIA?

Social media marketing is a platform for massive audience and has the maximum reach. A recent study shows that a large amount of time is spent by the public on social media platforms like Facebook, Instagram and Twitter. Below is a statistical study on the monthly users of various social media platforms:

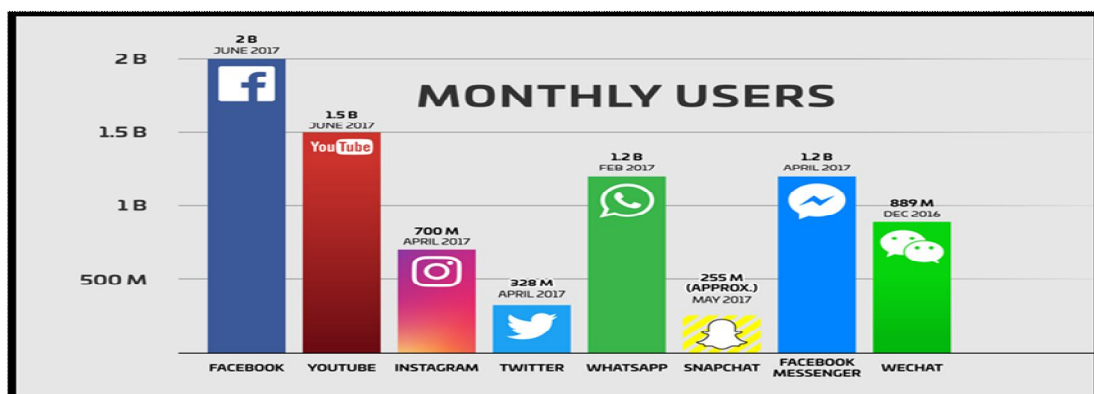


Fig.1

The above bar graph shows that the maximum number of audience spends time on Facebook (2 Billion people) and YouTube (1.5 Billion people). A Large amount of time is spent on social media. It is proven that Social networking accounts for 28% of all media time spent online.

## **SOCIAL MEDIA AND MARKETING**

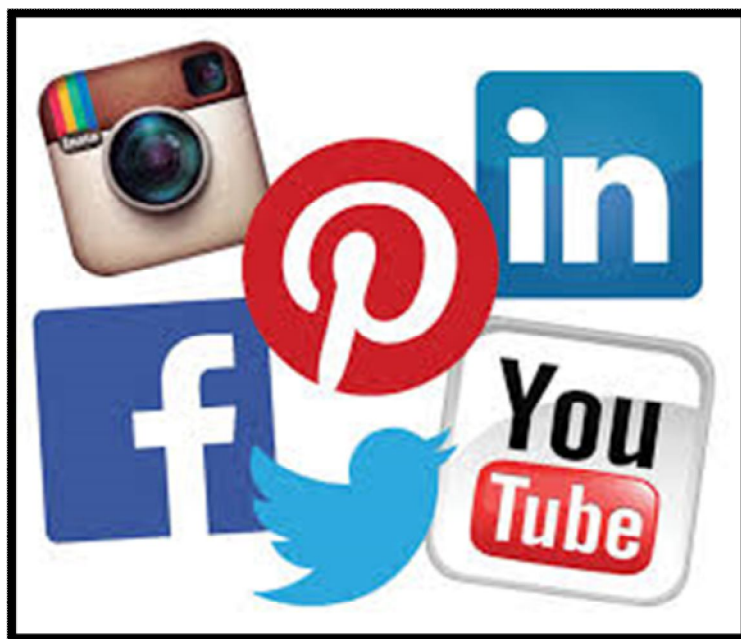
The key business objectives of Social Media Marketing are:

**1. Brand awareness:** It is referred as the probability of the familiarity about the life and availability of a product among the consumers. Brand awareness is precisely, the association of the brand with a specific product by the consumers. It is measured as ratio of niche market that has former knowledge of brand. Brand awareness includes both brand recognition as well as brand recall.

**2. Lead generation:** Lead generation is a process that involves collecting names and contacts information about qualified prospects for the sales executives to contact and generate orders, Telemarketing and direct response advertising are the two major ways of lead generation. Lead generation is simply stimulating and capturing interest in a product or service among the public for the purpose of developing sales. Social Media is the major platform for lead generation.

**3. Social Listening and Monitoring:** Social listening is the way toward following discussions around particular subjects, catchphrases, expressions, brands or enterprises, and utilizing your bits of knowledge to find openings or make content for those groups of onlookers. It's more than watching @mentions and remarks pour in through your social profiles, versatile applications or online journals. In case you're just focusing on notices, you're feeling the loss of an enormous gathering of individuals that are discussing you, your image and your item. In basic terms, social monitoring is the demonstration of utilizing an instrument to tune in to what is being said over the web; observing media not simply from customary distributors, but rather on a huge number of social destinations as well. It sometimes, likewise passes by the name of, or is packaged with, Social Listening, Online Analytics, Buzz Analysis, Social Media Measurement, Social Media Intelligence, Social Media Management, SMM (additionally the acronym for Social Media Marketing, confusingly) and we could go on.

## **INTRODUCTION TO KEY SOCIAL CHANNELS**



**Fig. 2**

### **FACEBOOK**

#### **Primary Audience**

- Facebook has users from all age demographics, making it one of the most diverse social channels.



### **Primary Uses for Business**

- Building a community to engage users and drive conversations
- Build brand awareness
- Drive sales and generate leads through targeted advertising

### **TWITTER**

#### **Primary Audience**

- Twitter's largest demographic is young adults between the ages of 18-29 (37%)
- A fairly opinionated audience that is open to sharing their thoughts in public.

#### **Primary Uses for Business**

- Building a community to engage users and drive conversations
- Build brand awareness
- Drive sales and generate leads through targeted advertising
- Listening & Monitoring

### **LINKEDIN**

#### **Primary Audience**

- Comparatively older and mature audience

#### **Professional Network Primary Uses for Business**

- Effective lead generation channel, particularly for B2B companies
- Drive industry thought leadership
- Post new job opportunities and recruit potential employees

### **INSTAGRAM**

#### **Primary Audience**

- Younger audience as compared to all other social platforms (except SnapChat)
- Mobile-only network Primary Uses for Business:
- Build brand awareness through visually appealing content
- Drive sales and generate leads through targeted advertising

### **PINTEREST**

#### **Primary Audience**

- Predominantly and relatively young female audience
- A popular place for those looking for inspiration on fashion, accessories, wedding, cooking, and do-it yourself projects.

#### **Primary Uses for Business**

- Sharing visually appealing content that links to the website or blog for more information.
- To build brand awareness through content/product boards.

### **SNAPCHAT**

#### **Primary Audience**

- The youngest audience amongst all social platforms

#### **Primary Uses for Business**

- Storytelling
- Sharing behind-the-scenes and exclusive content
- Engaging and interacting directly with your fans

In order to choose the right Social Media Channel or platform for any respective business, the targeting of audience must be active for the business as a brand and the services offered by the concern on the respective channels. Hence, there is a need for the marketers to choose wisely among the social media platforms for effective and affective marketing of the business.

### **KEY APPROACHES TO CONTENT MARKETING ON SOCIAL MEDIA**

For a marketer on Social Media, content marketing is a must remember aspect. As a content marketer, we have to think, act and strategize our work as per the customers whilst satisfying the objectives of the business. The cost effectiveness of the content put up on social media should also be considered as a key factor. The following are some of the key approaches to content marketing on social media:

**1. Socialize:** To effectively and affectively build up a marketing strategy on any social media platform, the marketer needs to be social first. This doesn't mean that the marketer should be a famous person or a celebrity among their group. It simply means that the marketer should always have the hunger to promote a particular product or service in the most effective manner possible.

**2. Think like a User, not a Marketer:** The most important strategy is to step into the shoes of the consumers and then frame a marketing policy to promote the products and services of a firm. As the current market is a consumer-based market, the firms are bound to formulate their strategies and marketing policies which satisfy the needs, wants and desires (NWD) of the consumers while parallel fulfilling their organizational objectives.

**3. Focus of Adding Value to the Users:** Intensive marketing is a way to add value to the consumers of any product. The marketers should strategize in such a way that the consumers feel that the particular product of the firm is the most wanted or the most desired product that has the highest value in their day-to-day activities (even if it doesn't really).

### **FACEBOOK CONTENT MARKETING**

Any typical Facebook user does chatting using Messenger, play games, watch or share videos, read articles and news from pages, share updates, pictures, connect with friends and family, create pages or blogs, etc. Such users should be targeted at the right time and on the right platform. Always creating a page and promoting your product doesn't really help for an effective and affective marketing strategy. Neither do pictures and videos help a lot to attract and retain loyal consumers of your products. An intensive marketing is required for any product to reach the maximum audience and have repeated consumers. The key point here for any social platform is to understand why the audience is present there and post content that strikes a chord with them. On Social Media, people want stories, and not marketed content. It is important to find something that resonates with them and engages effectively.

### **FACEBOOK CONTENT ALGORITHM**

The Fundamental reason why Facebook has an algorithm is to ensure that users get to see content they really want to see and keep coming back to Facebook for more of it. The Facebook newsfeed algorithm takes into account about 100000 parameters. The marketers need to post content that contributes positively to the User Experience on Facebook. If you can do this, you will never have to worry too much about all the factors that go into the algorithm. We need to focus on providing value and not worry about the reach. If the value, the need, and the desire are created within the consumer, any product will have a wide reach through word of mouth. In Facebook terminology, once the effect is on some of the targeted audience, they tend to automatically "Share" our content among their peer groups and family members.

### **KEY FACTORS IN THE FACEBOOK NEWSFEED ALGORITHM**

Facebook team chooses what to show and what not, in the Newsfeed. In simple terms,

News feed visibility =  $I * P * C * T * R$

I= Interest (interest of the user)

P= Post (the post's performance amongst other users)

C=Creator (performance of the past post)

T=Type (type of the post)

R= Recency (how new is the post)

The challenge here is to make every post count and valued by the consumers. The quality of any product or service is given a higher importance than the quantity. The post's quality and genuineness matter a lot to the users of Facebook these days. Some of the marketers keep on posting stuff continuously to retain the attention of the users. This must be avoided as it might create a negative impact on the product being offered by the firm. Hence, over-posting of content is a complete no in Social Media Marketing. Ensuring the marketers are posting high quality content that has been optimised for engagement. Timing is very important in Social Media Marketing. If content is posted in the midnight or sometime in the morning office hours, the post might get obsolete because of the recency of the other posts on their newsfeed. Hence, the time frame is also a key factor to reach the consumers.

### ENGAGING CONTENT TIPS

**1. Informational and share worthy:** Content marketing is all about spreading the word and reaching the widest audience possible. All the content that is being posted should have sufficient information about the actual product or service in question. Adding links for further information is a plus point for content marketing. Such informative content will attract users and make them share the posts.

**2. Educative:** Any product or service reaches the maximum audience if they feel the product adds value to their routine. Hence, the information being posted should educate the consumers about the promoted product or service.

**3. Relativity:** Sales will boost up if the consumers can relate the products and their use to themselves. Affective marketing is the word mentioned in the beginning of the paper. The consumers should get affected to the product and consume the same product on a repetitive basis. If there is affection, there is relativity towards the product.

### VIDEO MARKETING ON FACEBOOK

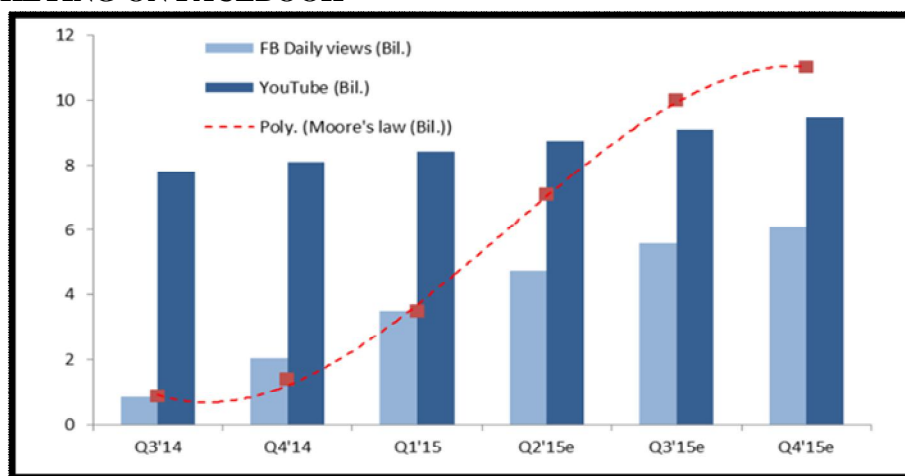


Fig. 3

The above bar graph shows the trend from 2014 Quarter 3 to 2015 Quarter 4. The trend shows the number of users that view videos on Facebook and YouTube. YouTube has a larger audience when compared to Facebook. This is because of marketers sharing their YouTube channel links on Facebook rather than posting direct videos on their Newsfeed. If we closely observe the comparative trend, Facebook viewers' growth rate is higher than YouTube viewers' growth rate. This gives us a positive hint that Facebook video marketing will be more effective in the near future and will be one of the biggest marketing strategies of Social Media Marketers.

"5 years from now, your News Feed will be probably all video" - Nicola Mendelsohn- VP (EMEA), Facebook.

### VIDEO TIPS & BEST PRACTICES

- Always upload videos directly to Facebook as against sharing YouTube links

- Keep it short – Ideally < 2mins
- Choose an engaging thumbnail
- Capture attention in the first 2 to 3 seconds
- Ensure your video is engaging even when played on mute

### **WAYS TO USE FACEBOOK LIVE**

Offline event live streaming

- Live Streaming of interviews
- Live Q&A sessions
- Live Product demos

### **WHY FACEBOOK ADVERTISING?**

Facebook is One-stop shop for most of the population in the world. Especially for marketers, it is a low investment-high turnover (LIHT) platform to market their products effectively and efficiently. Facebook advertising is incredibly powerful and enables precise targeting of a large audience. There are a massive audience on Facebook – 1.7 Billion monthly active users and 1.13 billion daily active users: a report says. Facebook enables effective tracking of results on the number of viewers, clicks, likes and shares of the post. As mentioned earlier, Facebook advertising is a low budget deal to start with – Rs. 100 per day.

### **FACEBOOK AD TARGETING**

Facebook Ad Targeting can be done in 3 ways broadly: Location, Demographics & Interest Targeting.

- 1. Location:** Reach your customers in the areas where they live or where they do business with you. Targets advert by country/region, postcode or area around your business.
- 2. Demographics:** The customers your business serves are on Facebook. Choose the audience that should see your adverts by age, gender, interests and even by the languages they speak.
- 3. Interests:** When people are interested in your business, they are more likely to take action on your advert. Choose from hundreds of categories such as music, films, and sports so much more to help you find the right people.

**In addition to the above, Behavioural & Connection based Targeting are also a criteria to attract and retain customers to our products and services.**

- 1. Behaviours:** You know the customers best, you can find them based on the things they do such as shopping behaviour, the type of phone they use, etc.
- 2. Connections:** Reach the people who like your page or app, and reach their friends too. It's an easy way to find even more people who may be interested in your business.

### **FACEBOOK CUSTOM AUDIENCES**

Reach people who have a relationship with your business - existing customers or people who have interacted with your business on Facebook or other platforms. Create Custom Audiences from various sources on the internet.

### **FACEBOOK LOOKALIKE AUDIENCES:**

Facebook Lookalike audience is a tool or feature that enables the marketers to effectively segment their customers and implement different marketing strategies for each segment. The minimum size of a custom audience to enable it to be used to create a Lookalike Audience is 100 people.

### **RETARGETING:**

Retargeting is an add-on advantage to the Facebook Content marketers. It enables the marketers to target audiences outside Facebook as well. When someone visits a webpage, say an online shopping and browses through some pages, but leaves the page, without buying, the brand can prompt the user through Facebook targeted ads.

## FACEBOOK AD PLACEMENTS

A Facebook Advertisement can be placed in 5 different places using Facebook Ads:

1. Desktop Newsfeed
2. Mobile Newsfeed
3. Desktop Right Column
4. Instagram
5. Facebook Audience Network (Target Facebook users on other mobile apps and mobile websites approved by Facebook)

## FACEBOOK AD CAMPAIGN STRUCTURE

The following picture depicts a conventional Facebook Ad campaign structure:

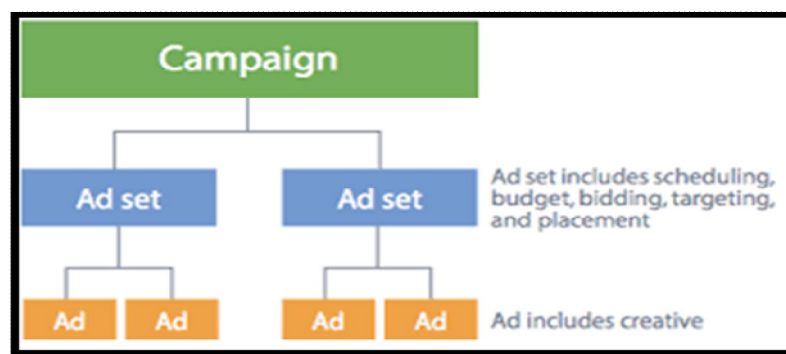


Fig. 4

## AD QUALITY & RELEVANCE SCORE

**1. Concept of CTR:** CTR is important to measure the quality of an advertisement. Click-through-rate is the number of clicks received divided by impressions received on the advertisement. If your ad received 10,000 impressions and 100 clicks then your CTR is  $100/10,000 = 0.01\%$

Facebook runs an algorithm to decide the quality score between your own ads and optimise to get the most value. When you launch a campaign with many ads, Facebook gives all of them the same exposure in order to identify the CTR of every individual ad. Once Facebook realises which Ad is generating a higher CTR, or have a higher quality score; these get more impressions compared to the less converting ones. Over time, Facebook will stop showing Ads with a lower CTR completely. This implies that “the higher CTR you can achieve, the greater chance you have at winning auctions”.

**2. Relevance Score:** Relevance score is calculated based on the positive and negative feedback we expect an Ad to receive from its target audience. The higher an Ad’s relevance score is, the less it will cost to be delivered.

## AD TYPES ON FACEBOOK

1. Single Image
2. Carousel
3. Canvas
4. Slideshow Video
5. Video

## FACEBOOK AD IMAGE GUIDELINES

Facebook limits reach for Ads with excess text. That means, an Ad should be precise, presentable and pleasing the audience’s eye. Excess text on an Ad will not be approved to be posted on the Facebook content marketing platform. Also, the Ad image should meet the following guidelines to be posted on the wall:

1. Keep the text on your Ad images minimal.
2. Consider putting most of your text in the text area of your ad instead of on the Ad image.
3. Should you use text, try a smaller font size and fewer words to lower the proportion of text to image.

### **CONCLUSION AND SCOPE FOR FURTHER RESEARCH**

Social Media Marketing is one of the best and emerging platforms to target maximum audience with minimal budget and high usage of marketing strategies. Sometimes, this can be challenging to the marketers. The research paper concentrates a lot on the advantages of social media marketing and highlights the strategies and algorithm of Facebook content marketing. Facebook is currently serving as one of the major platforms for effective and affective marketing to many products and services – especially for start-ups and low investment companies. The scope for further research includes:

1. The disadvantages and limitations of Social Media Marketing are not discussed in the paper.
2. The paper was a theoretical study due to time and resource constraints: primary data and analysis can be included further.
3. Other SMM platforms and websites can also be highlighted by providing supporting data and proofs.

### **REFERENCES**

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7. Information and About Us page of Facebook Business. Link: <https://www.facebook.com/business>

## OPPORTUNITIES AND CHALLENGES OF DIGITALIZATION ON BUYING BEHAVIOUR OF RURAL CONSUMERS: A CASE STUDY

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### ABSTRACT

*With the increase in telecom coverage to the remote areas, the rural India which holds around 72% of the total population; is transforming itself to become a techno knowledge consumer base. As the days are passing by the income level of the rural consumers is increasing and so are their willingness to buy the products that can improve their lifestyle. The digitalization has increased the ease of the sellers to reach those segments of rural consumers who are located in very tough territories. Unlike the urban population the rural consumers are also looking forward positively to embrace the dawn of digitalization for them. This digitalization includes use of mobile phones, mobile applications, surfing internet etc. Literature reveals that there are about 430 million mobile users in rural India out of which there are 153 million internet users. The government of India is also taking lot of initiatives for the 360 degree enhancement of Digitalization in every aspect such as banking, tourism, telecommunication, taxation and so on. In the current scenario, India wants to be fully digitalized which will help both the buyers and sellers to do business with ease. The present study will be focused on rural India and their buying behaviour to identify the opportunities and challenges of Digitalization. To achieve the objectives of the study, primary data will be collected using structured questionnaire and analyzing it using SPSS as per the requirement of the study.*

*Keywords: Digitalization, Rural India, Consumer Buying Behaviour, Consumers.*

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### INTRODUCTION

Consumer behaviour can be understood as the study of individual consumers, groups, or organizations with regard to all the activities associated with the purchase, use and disposal of goods and services, along with the consumer's emotional, mental and behavioral responses. Consumer behaviour varies in urban and rural markets. There is a general assumption that rural consumers prefer a basic product and they are price sensitive whereas urban consumers are not. But this scenario is changing rapidly. As a result of liberalization, privatization and globalization the rural markets have evolved as a market having high growth potential showcasing vast opportunities for rural marketing. Moreover in the present digital era rural India is also transforming as a digital hub. The reports of National Commission for Applied economic research, reveals that rural India accounts for more than 50 percent of the GDP. Also, out of 62.97 million households of India those who are getting more than 5 lakhs per annum, nearly 28.68 million household's lives in rural India. Moreover rural consumption expenditure is accounted for around 60 percentage of country's total consumption expenditure. As a result rural consumers are more demanding for wide varieties of goods and services which were earlier focused on urban markets. Thus the consumer behaviour in rural India is undergoing a drastic change. 2001 census reveals that the rural population accounts for one third of the total Indian FMCG sales, 742 million Indians constituting 138 million households reside in 6,38,365 villages. The size of rural market itself speaks of its untapped potential. The companies are looking for new avenues as the growth rate in urban markets are reducing almost reaching saturation. The main attraction in rural India is the educated youth who have access to technology and are open to change. Adi Godrej, chairman of Godrej group said "the rural consumer is discerning and the rural market is vibrant. At the current rate of growth, it will soon outstrip the urban market. The rural market is no longer sleeping. We are". The challenges of penetrating rural markets outweigh the opportunities it provides. The 61<sup>st</sup> round NSSO data reveals that the share of expenditure in 2004-05 on food in rural India was 55% of the total expenditure, while non-food expenditure was 45%, showing that consumers are spending on non-food expenditure categories, so as to improve their standard of living. Even though the data is quite past plot remains the same. In order to bridge the connectivity gap between the rural and urban areas of the country as well as to transform India into a digitally empowered society and knowledge economy the government have initiated the 'digital India

Programme.’ This paper focuses on rural market of India and the buying behaviour of rural consumers to identify the opportunities and challenges of Digitalization.

### **PURPOSE OF THE STUDY**

According to the 2011 census about 70% of the population of India resides in the rural areas. With the development in the country’s per capita income, the rural consumers are also tending towards spending more and more money to enhance their lifestyle. As the present era has witnessed the dawn of ecommerce, the rural markets are also intending to match with the urban areas. Literature reveals that there is a huge potential for ecommerce in the rural areas too. The purpose of this paper is to analyze the challenges and opportunities that the digitalization is having on the buying behaviour of the consumers in the rural market.

### **REVIEW OF LITERATURE**

To understand the significance of consumer buying behaviour in digitalized rural India, research articles on ‘consumer behaviour’ published in various eminent journals have been studied thoroughly for developing a conceptual understanding.

**Prof Amit Srivastava, Dr.SushilKimar Pare<sup>(1)</sup>**, in his research paper entitled ‘A study to understand the price sensitive buying behaviour of consumers’ highlights that India has been a consumption-driven economy for the last many decades. Broadly grouping into urban and rural markets, the consumption expenditure is expected to increase about 2.5 times by 2025. As a result, companies worldwide are keenly looking on to our nation. Rural market is unaffected by economic slowdown has created a complete turnaround in the minds of marketers. With being around majority of our population residing in rural India, it really reflects huge untapped potential for marketers.

**Dr. Satya Prakash Srivastava, Manish Kumar<sup>(2)</sup>** in their research paper titled ‘Consumer behaviour in rural marketing- A new paradigm’ point outs that the Indian economy is vibrant and is undergoing rapid changes with respect to rising incomes, changing preferences & attitudes etc particularly in rural economy which calls for an emerging need to throw light on rural marketing. The major challenges in this regard would be to reach scattered rural markets which are inaccessible and to make aware the consumers in these areas about the brands and products.

**Mr. Debu C<sup>(3)</sup>**, in an article ‘Digital: transforming rural life in India’ mentions that the number of internet users in rural India is estimated to cross 85 million in the near future which makes India the world’s second largest market for Internet users. The penetration of internet is leading to change in lifestyles in rural areas. The awareness, information and knowledge gap between the rural youth and urban counterpart has been narrowed and the gap is closing.

**Pooja Darda, Vimal Deep Saxena<sup>(4)</sup>**, in their research paper titled ‘Online market: A comparative study of consumer behaviour from rural and urban areas’ mentions that due to the lack of information people are not enthusiastic for online purchasing in rural areas. Also in some cases were the consumers are willing to buy, ecommerce companies do not deliver at those places.

**Sandeep Kaur, Dr.Amandeep Singh Marwala<sup>(5)</sup>**, in their research paper entitled ‘Digital Media Reach: A comparative study of rural and urban people in India’ highlights that India is one of the largest and fastest populations of internet users crossing 426 million in 2016. As a result Indian media industry has shifted from using traditional media to digital media. Scope of digital media is also increasing in rural areas. As a result rural people have become more aware about different products and brands.

**Neeru Gupta, Kawaldeep Arora<sup>(6)</sup>**, in their research paper titled ‘Digital India: A roadmap for the development of rural India’ point outs that the initiative taken by the government like the ‘Digital India’ will have a positive impact as it will lead to transformational changes as well as upliftment of rural areas. Proposed plan to provide phone connectivity and access to broadband in 2.5 lakh villages by 2019 will improve the connectivity issues in rural areas.

From the reviewed literature, it has been noted that although a lot of studies have been conducted on consumer behaviour in rural and another parts of the nation, there is a dearth of studies conducted with



regard to consumer buying behaviour in the digitalized rural India. Hence in this paper, an attempt is made to identify the opportunities and challenges to this specific topic.

**OBJECTIVE OF THE STUDY:** The objective includes:

- To analyse the buying behaviour of rural India.
- To identify the opportunities and challenges of Digitalization on the rural consumers.

**METHODOLOGY:** The methodology availed for this study is mentioned below:

- **Research Design:** The study is descriptive in nature.
- **Sampling Method:** For this study, structured questionnaire acted as a research instrument which was circulated among 130 respondents of the chosen area on the basis of convenient sampling.
- **Targeted Area:** The study was conducted in Badri Basti, a village in the Cachar district of Assam situated in the North East India.
- **Sample Size:** 130 questionnaires circulated, 19 were rejected. So the total size of the respondents was 111.
- **Data Collection:** The study involved of both primary and secondary data:
  - **Primary Data:** This was collected through a well-structured questionnaire administered for the purpose.
  - **Secondary Data:** Books, Journals, Government Reports, acted as a potential source of secondary data.
- **Period of Data Collection:** Data and information were collected during the months of December 2017 and January 2018.
- **Tools for Analysis:** The collected data was analyzed using bar and pie charts for simpler understanding and reference.

The study was made on 130 sample respondents selected from the Badri Basti village in the Cachar district of Assam.

**Table-1: Demographic Representation of the Sample Respondents.**

	Descriptions	Participants	Percentage (%)
<b>Age (Year Wise)</b>	<b>15-25</b>	82	79.3
	<b>26-35</b>	16	14.4
	<b>36-45</b>	4	3.6
	<b>46-55</b>	5	4.5
	<b>56 &amp; Above</b>	4	3.6
<b>Gender</b>	<b>Male</b>	63	56.8
	<b>Female</b>	48	43.2
<b>Marital Status</b>	<b>Married</b>	16	14.4
	<b>UnMarried</b>	93	83.8
	<b>Widowed</b>	2	1.8
	<b>10<sup>th</sup></b>	2	1.8
	<b>12<sup>th</sup></b>	17	15.3
<b>Educational</b>	<b>Graduate</b>	58	52.3
	<b>Post Graduate</b>	30	27
<b>Qualification</b>	<b>Below 10<sup>th</sup></b>	4	3.6
<b>Profession</b>	<b>Student</b>	77	69.4
	<b>Service</b>	18	16.2
	<b>Farmer</b>	6	5.4
	<b>Home Maker</b>	6	5.4
	<b>Business</b>	4	3.6

Source: Field Study

**Interpretation:** It can be revealed from the above table that 79.3% of the sample respondents i.e. 82 were in the age group of 15-25 years while 14.3% i.e. 16 were in the age group of 26-35 years. Again only 3.6 % of the sample respondents i.e. 4 of them were in the age group of 36-45 years also only 4.5 % of the sample respondents i.e. 5 of them was in the age group of 46-55 years, while 3.6% of the sample respondents i.e. 4 of them was in the age group of 56 & above years.

About the gender of the respondents, the table shows that 56.8% that is 63 of the respondents were male, while 43.2 % i.e. 48 of them were female.

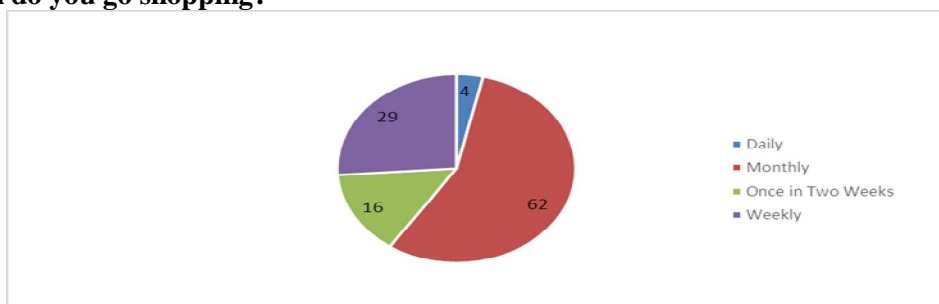
As far as the marital status of the respondents is concerned, it can be observed from the table that 14.4 % i.e. 16 of them were married, 83.8% that is 93 of them were unmarried, where as 1.8% i.e., 2 of them were widowed.

The above table depicts that a significant portion of the sample respondent which is 1.8% i.e. 2 of them had their education up to 10<sup>th</sup> standard level; again 15.3% i.e. 17 of them had their education up to 12<sup>th</sup> standard. 58 i.e. 52.3 % of the sample respondents are graduate, while 27% i.e. 30 of them are post graduate. Again mere 3.6% i.e. 4 of the respondents are below 10<sup>th</sup> pass.

The table also gives a clear picture about the profession of the sample respondents. It has been observed that 69.4% i.e. 77 of the respondents are Students, 16.2% i.e. 18 of them are in service. Again 5.4% i.e. 6 of them are farmers, while 5.4% i.e. 6 of them are homemakers. While only 3.6% i.e. 4 of them are into business.

## ANALYSIS FOR OPPORTUNITIES AND CHALLENGES OF DIGITALIZATION

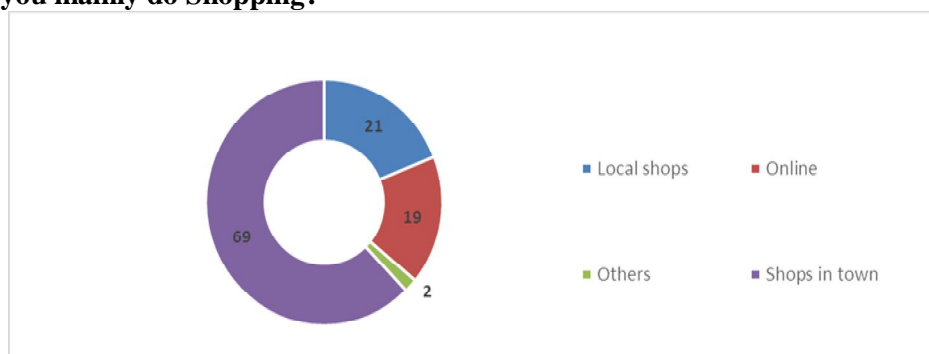
### 1) How often do you go shopping?



Source: Field Study

**Interpretation:** Out of the 111 respondents, 62 does shopping monthly followed by 29 respondents does weekly. 16 respondents go for shopping once in two weeks whereas 4 respondents do shopping on daily basis.

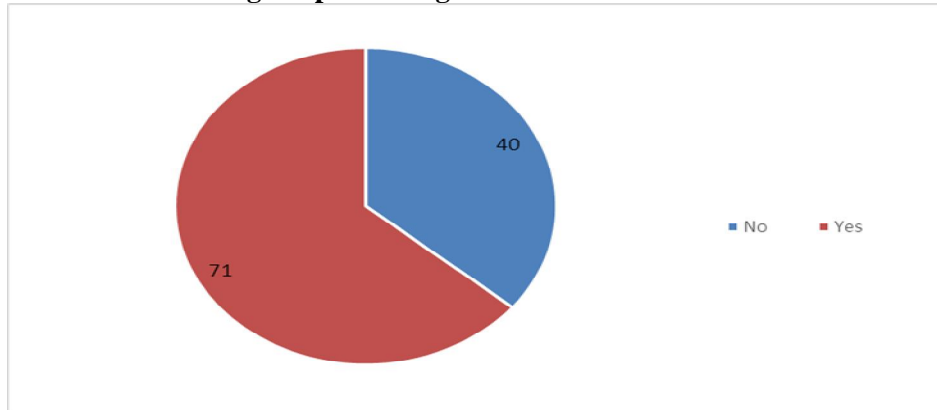
### 2) Where do you mainly do Shopping?



Source: Field Study

**Interpretation:** Out of 111 respondents, 69 goes to town for shopping followed by 21 goes to local shops. 19 respondents do shopping online were as 2 respondents rely on other sources for shopping.

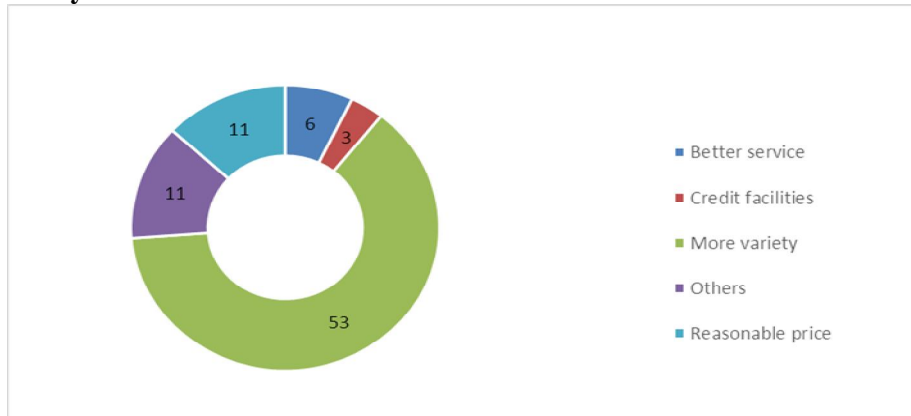
### 3) Do you travel outside the village to purchase goods?



Source: Field Study

**Interpretation:** Out of 111 respondents, 71 travels outside the village for fulfilling their shopping requirements were as 40 respondents rely on village shops.

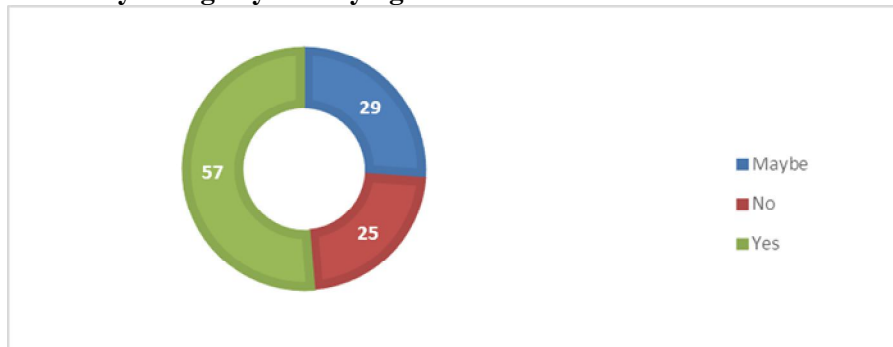
#### 3.1) If 'yes' then why?



Source: Field Study.

**Interpretation:** As per the responses, 53 travels outside the village for shopping as in search of more variety products were as 11 respondent's travels outside as they are on the view that the prices of products are reasonable in towns, 6 respondents justify traveling outside the village for shopping by highlighting better services offered. 3 respondents are of the view that they can avail credit from shops outside the village.

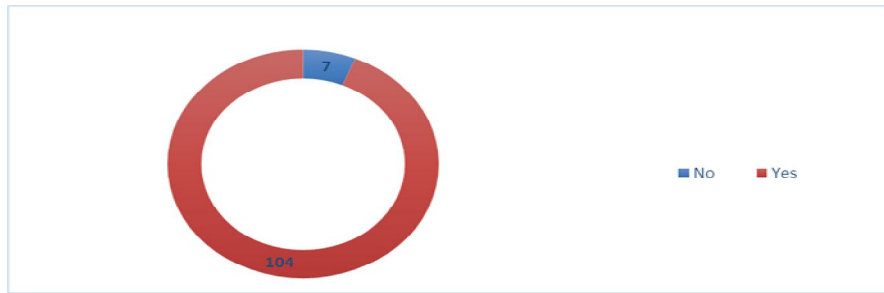
### 4) Has digitized economy changed your buying habits?



Source: Field Study.

**Interpretation:** Out of 111 respondents, 57 point outs that digitized economy has an impact on their buying decisions were as 25 respondents are of the view that digitized economy has no bearing on their purchase decisions. 29 respondents are not sure about the impact of the digitized economy in their buying habits.

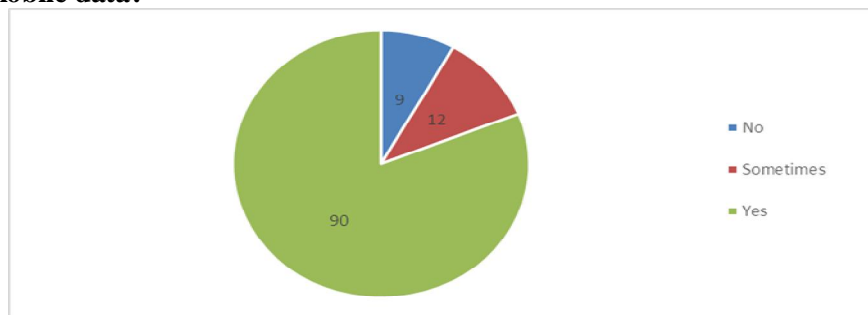
**5) Do you use mobile Phone?**



Source: Field Study.

**Interpretation:** Out of 111 respondents, 104 are using mobile phones were as 7 respondents do not use mobile phones.

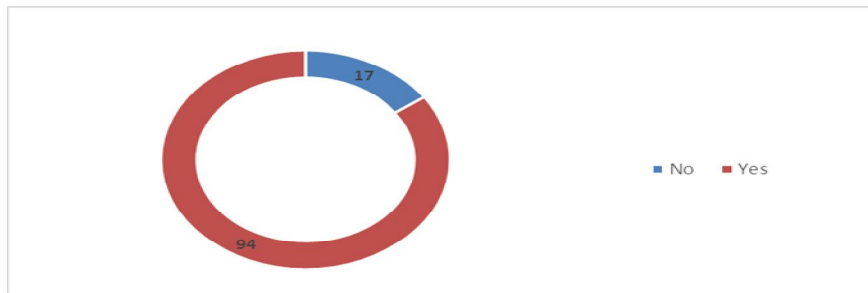
**6) Do you use mobile data?**



Source: Field Study.

**Interpretation:** Out of 111 respondents, 90 uses mobile data frequently followed by 12 respondent's uses at times, while 9 respondents are not at all using mobile data.

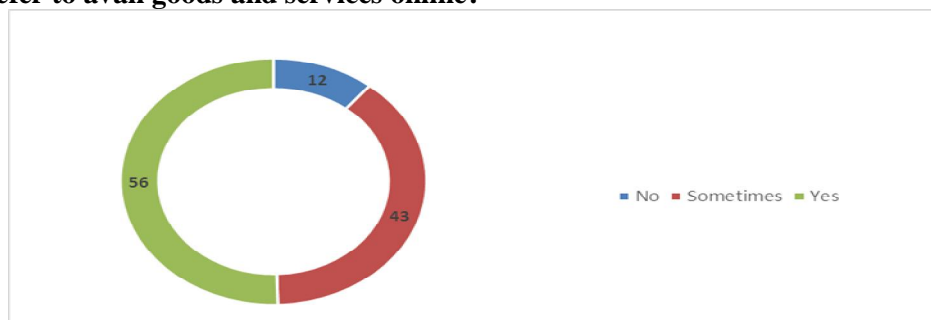
**7) Do you have debit or credit cards?**



Source: Field Study.

**Interpretation:** Out of 111 respondents, 94 are having debit cards were as 17 are not possessing debit cards.

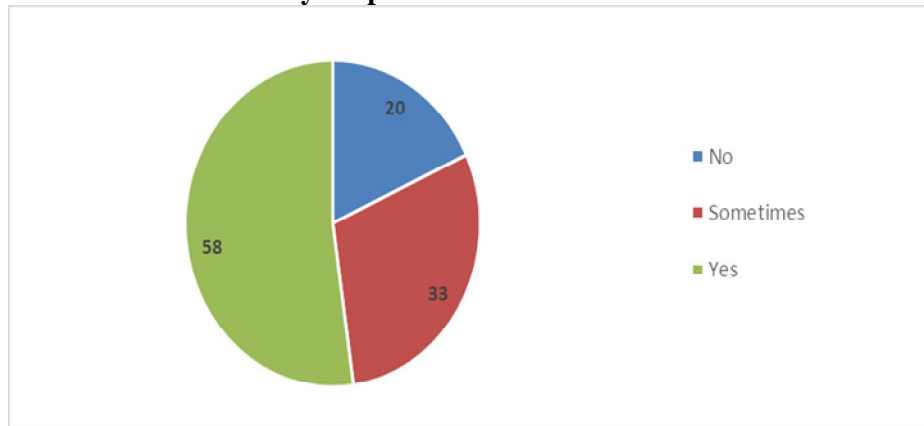
**8) Do you prefer to avail goods and services online?**



Source: Field Study.

**Interpretation:** Out of 111 respondents, 56 of them prefer to avail goods and services online completely were as 12 respondents are not interested at all. 43 respondents prefer to avail goods and services online at times.

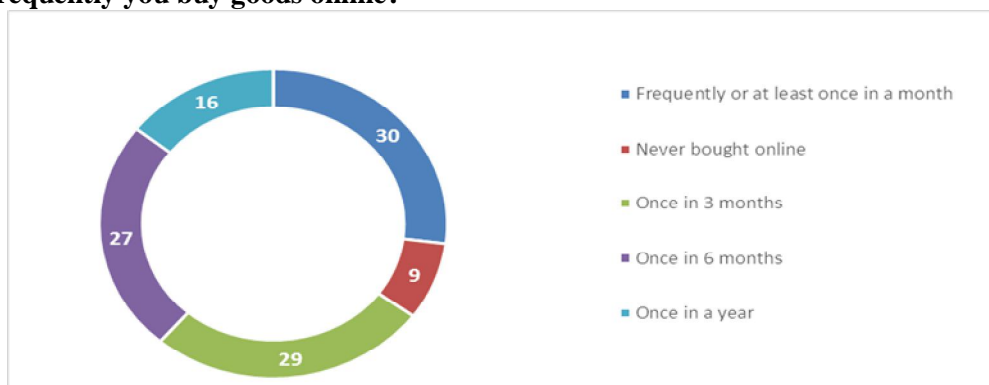
**9) Whether all items are delivered to your place?**



*Source: Field Study.*

**Interpretation:** Out of 111 respondents, 58 point out that items are delivered to their respective locations were as 20 respondents say that products are not delivered to their locations. 33 respondents say that some of the items are delivered at their respective locations.

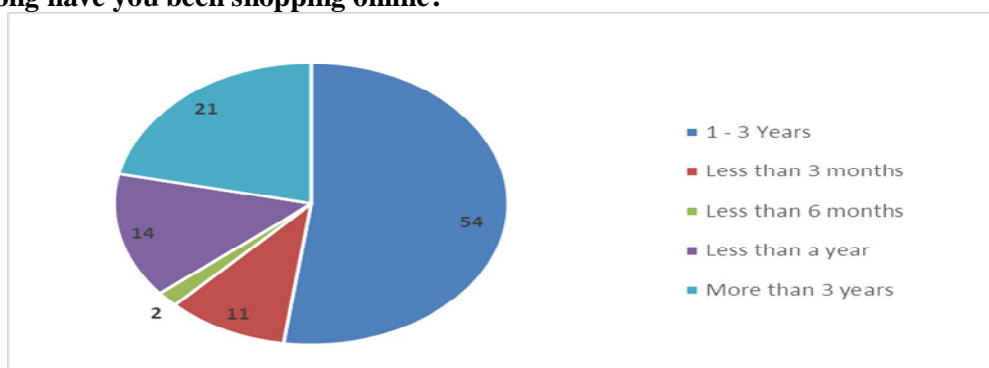
**10) How frequently you buy goods online?**



*Source: Field Study.*

**Interpretation:** Out of 111 respondents, 30 are frequent buyers or buys at least once in a month using online means followed by 29 purchasing once in 3 months, 27 purchasing once in 6 months and 16 purchasing once in a year. 9 respondents have never bought goods online.

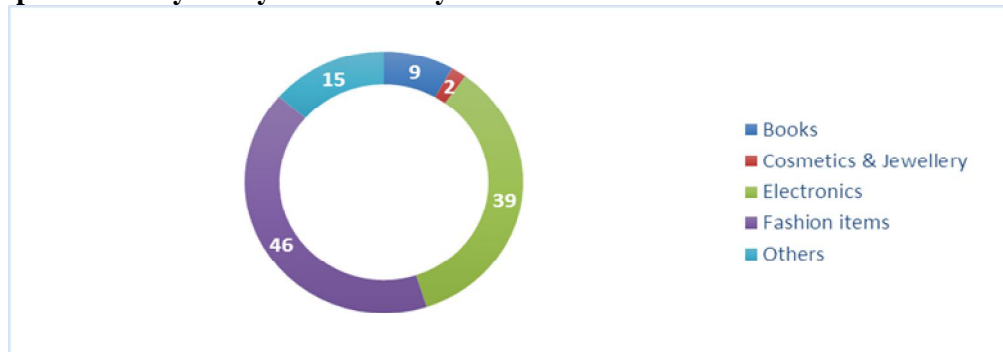
**11) How long have you been shopping online?**



*Source: Field Study.*

**Interpretation:** Out of 111 respondents, 9 pointed out that they never purchased online (Q.10). So from the balance 102 respondents 54 of them have been using online sources for purchasing for 1-3 years followed by 21 more than 3 years, 14 less than a year, 11 less than 3 months and 2 respondents less than 6 months.

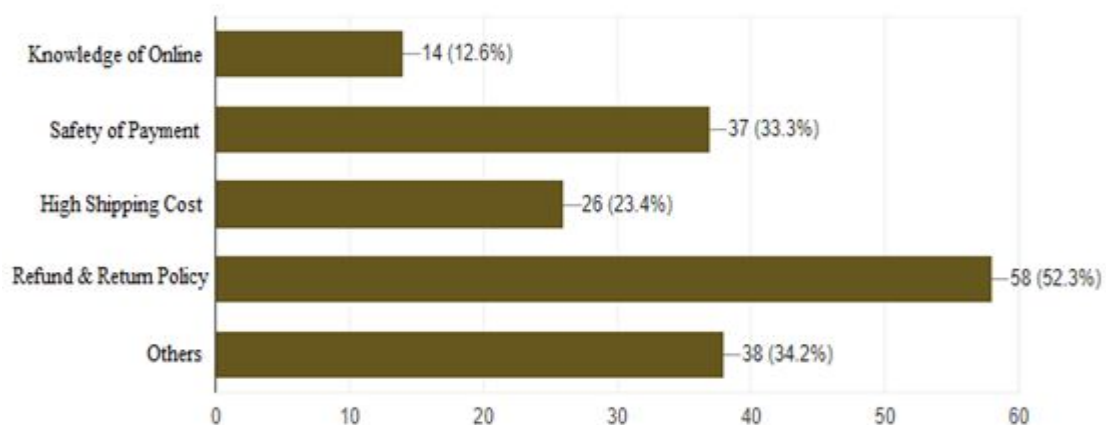
**12) Which products do you buy online mainly?**



Source: Field Study.

**Interpretation:** Out of 99 respondents (56+43 Q.8), 46 purchases fashion items through online stores followed by 39 purchasing electronic items. 9 respondents buy books, 2 purchases cosmetics & jewelry. 15 respondents use online stores to purchase items other than specified above.

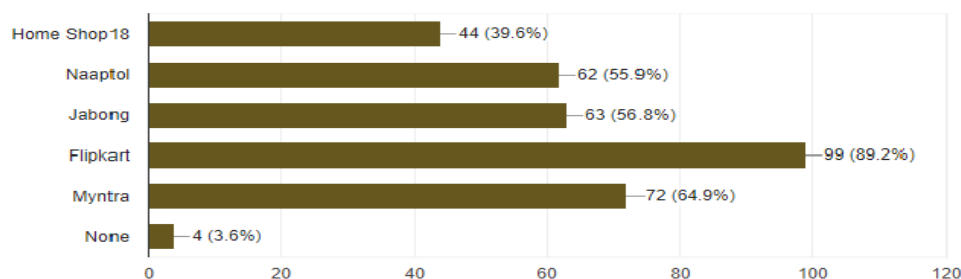
**13) What are the main barriers which keep you away from online shopping?**



Source: Field Study.

**Interpretation:** From the respondents, 58 of them find refund & return policy as a barrier which keeps them away from purchasing online. 37 of them point out safety of payment as a barrier, high shipping cost is highlighted by 26 respondents and 14 respondents point out lack of knowledge as a barrier for shopping online. While 38 respondents point out some other factors other than the stated ones as barriers while shopping online.

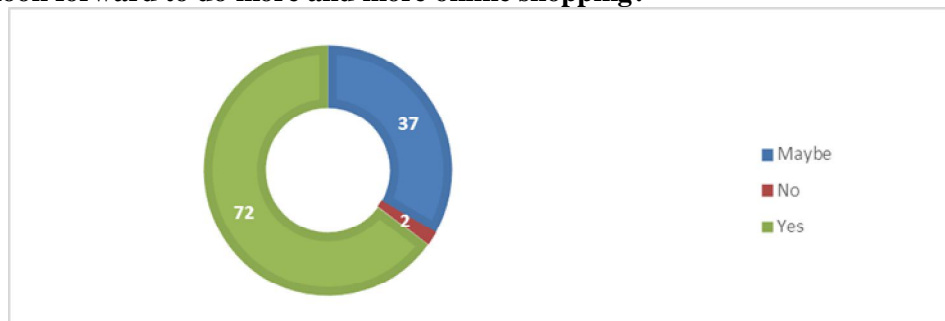
**14) Which online stores are you aware of?**



Source: Field Study.

**Interpretation:** From the respondent's side, 99 of them are aware of 'Flipkart' as an online store followed by 'Myntra' known by 72, 'Jabong' by 63, 'Naaptol' by 62 and 'Home Shop 18' by 44. While, 4 of the respondents are unaware of these online stores.

**15) Do you look forward to do more and more online shopping?**



Source: Field Study.

**Interpretation:** Out of the respondents, 72 of them are enlightened for purchasing online again while 37 are not sure in this regard. 2 respondents are not at all interested to shop online.

**FINDINGS**

From the analysis, some of the important findings are highlighted below:

- The parameter "How often do you go for shopping" shows that 56% of the consumers does shopping on monthly basis, remaining 44% does it on weekly, once in two weeks or daily basis, which indicates that there is a good chance for the growth of online shopping in the rural markets.
- The parameter "Where do you mainly do your shopping" shows that 62% of the rural population goes to the town for shopping, around 19% of them prefer local shops while only 17% does online shopping which indicates that there is an opportunity for growth of ecommerce in the rural markets.
- The parameter "Has digitized economy changed your buying habits" shows that 51.4% of the population is influenced by digitization, which indicates that there is still a huge scope for the growth of digitalization in the rural areas.
- The parameter "Do you have debit or credit cards" shows that 84.7% of the people in the surveyed region are using debit/credit cards, which indicates that this can be an opportunity for the growth and enhancement of digitalization in such rural markets.
- The parameter "Do you prefer to avail goods and services online" shows that 50% of the population are preferring to avail the online services, which indicates that there is a lot of growth opportunities for the development of online markets for the rural consumer base.
- The parameter "Whether all items are delivered to your place" shows that 29.7% of the population only sometimes gets the product delivered to their place while for 18% the products never gets delivered to their desired location. This is a big challenge for the ecommerce companies and a hurdle towards making people become digitized. It also shows that the online sellers charge extra shipping charges for delivery at some place, this can be marked as a challenge for the topic.
- The parameter "Which products do you buy online mainly" indicates that more than 75% of the consumers shop for fashion and electronic items online. Whereas the remaining 25% look forward for purchasing books, cosmetics and jewelleryes. This can be taken as an opportunity for the growth of digitization in the rural markets.
- The parameter "What are main barriers which keep you away from online shopping" reveals that 52% of the population have problem with the refund and return policies, 37% have issues with the safety of payment and 26% of them have problem with the high shipping charges and delivery charges. These can be considered as the major challenges for the growth of digitalized rural market.

- The parameter “Do you look forward to do more and more online shopping” shows that 65% of the respondents have given positive response, which is a great opportunity for the growth ecommerce and digitization in the rural market.

The findings with regard to the Problems faced by the sample respondents as represented in the “Analysis for Opportunities and Challenges” are mentioned as follows:

- Delivering products at desired locations.
- Complication with respect to refund and return policies of online stores.
- Fear regarding safety of payments.
- High shipping and delivery costs.
- Lack of knowledge, awareness and technical knowhow for shopping online.

**The following can be regarded as Opportunities based on the opinions of the respondents:**

- Consumers have a positive view towards shopping online.
- Majority of respondents are having debit cards, showing an opportunity for growth of digital payments while doing online shopping.
- Positive impact of Digitization in buying habits of consumers.
- Increase in consumption habits of rural consumers.
- Growing preference for online stores for purchasing fashionables, electronics and books.

## CONCLUSION

The study reveals that even though the Indian rural market has developed and risen to new heights, there is still much gap in the upliftment of digitization in those areas. Much work has to be done to train and update the rural consumers in terms of ecommerce and digital payments. Also the government must work towards educating the rural mass base about the usefulness and convenience of digital payments and online shopping. The ecommerce players also must take initiative to strengthen their supply chain system to reach as many consumers as possible. This can also be pointed out that, the rural market has huge potential for the companies into FMCG, Retail, Services etc. to grow and develop to newer heights with strategic, innovative and significant initiatives, which in turn will be a great boost to the country's economy in the long run.

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## **FEMALE CONSUMERS' DEMOGRAPHIC ANALYSIS IN REFERENCE TO ONLINE SHOPPING: STUDY OF NCR**

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### **ABSTRACT**

*The consumer is a very important but, at the same time, enigmatic entity for most of marketers. Marketers try to understand the behavioral aspects of the consumer by undertaking research so that they could reorient their policies and strategies in such a way that the consumer can be brought closer to their idea of his personality. In the recent years, the internet has established itself as a new medium for e-marketing consumer. However, most websites on the internet today do not focus on building e-trust as part of an ongoing relationship with their customers. Many websites act merely as self-service catalogues, not surprisingly, they convert few of their visitors into purchasers suffer low customers retention, primarily because they failed to convert visitors into sales. The purpose of this study is to investigate on what bases the consumer decides to choose a particular website for online shopping hereafter - in terms of their beliefs regarding risk, value and benefits of online shopping, attitudes towards the online purchase, and buying intention through the Internet in the context of online shopping in INDIA.*

*Keywords: consumer, online purchase, e-marketing*

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### **1. INTRODUCTION**

Technology in general and information technology (IT) in particular, have touched every aspect of people's life at home, school and work place. Zwass (1996) says E-business began with electronic data interchange in the 1960's. Lin & Hong (2006) found IT has provided both companies and consumers with useful means of handling their decision making problems, efficiently, internet can be easily accessed by users in order to obtain information about anything they want, including various products of venders.

Regarding consumer behavior on the internet, Joon Moon (2004) noticed that consumers focus on product purchasing and information gathering and Lain & Lin (2007) found consumer search for online services such as : e-marketing, online banking, investing and e-payment. Later on Melao (2008) suggests that it was only in the 1990's, primarily via the internet, that e-business has emerged as a core feature of many organizations.

The internet and web development have been the most exiting developments in the field of information and communication technology in recent years. With increasing internet access, the use of e-commerce by the population is booming globally and locally in India. "The of mobile internet users in India is estimated to reach 420 million by June 2017 with rural India growing at a much higher rate than urban India says a published by Internet and Mobile Association of India (IAMAI) & market research firm IMRB. According to a report titled Mobile Internet in India 2016, there were 389 million mobile internet users in India as on December 2016." Economics Times, May 02: 2017.

The internet is a fairly new and considered to be innovation that requires individuals to learn new skills in order to use the technology. Diffusion of innovation theory is applicable to understanding online consumer behaviour. Consumers who are used to shopping in brick-and-mortar stores may have difficulty in changing habits and shopping online (kaufman-Scarborough and Lindquist, 2002). On the other hand, consumer who have level of innovativeness may more likely to shop online. Consumers who are innovative are representative as being highly abstract and passes a generalised personality trait (Im, Bayus & Mason, 2003).

Acknowledging the importance of e-commerce customer retention, numerous studies have empirically examined consumer satisfaction, trust and loyalty for B2C e-commerce services in various countries (Anderson & Srinivasan, 2003; Park and Kim, 2003; Flavian and Guinaly, 2006; Cyr, 2008; Kim, Donald & Rao, 2009).

The Theory of Reasoned Action (TRA) (Fishbein & Ajzen, 1975) explains the relationship between attitudes, intentions and behaviours. The TRA model posits that human beings make retional decision based

on the information available to them, and the best immediate determinant of a person's behaviour is intent which is the cognitive representation of readiness to perform given behaviour (Fishbein & Ajzen, 1980).

Many studies have been concerned with identifying the characteristics of online customers. Factors investigated in this respect have included demographics (Verchopoulos, Siomkos & Doukidis, 2001), Psychographics (Sin & Tse, 2002) and Attitudes (George, 2002). For example, Verchopoulos et al. (2001) found that adopters of internet shopping in Greece have generally been young, highly educated, high-income earning males who have previously used it. Sin & Tse (2003) found that adopters in Hong Kong similar demographic profiles, in addition to being more time-conscious, self-confident and heavier users of internet. In the case of Saudi Arabia, Abdul-Muhmin & Al-Abdali (2004) found that the adoption of B2C e-commerce is greater among elder, highly educated, high-income respondents.

It has been more than a decade since B2C e-commerce first evolved. Scholars and practitioners of electronic commerce constantly strive to gain an improved insight into consumer behaviour in cyber space. Along with the development of e-retailing, researchers continue to explain e-consumers' behaviour from different perspectives.

## 2. REVIEW OF LITERATURE

In the present age we are moving towards electronic commerce. With availability of internet customers' are able to perform their transactions in a quick and efficient manner. Rao & Mehndi (2010) found online shopping provides comprehensive product information, facilitates comparison shopping and allows for a condensed sales process. (IAMAI report, 2013) "Indian e-commerce market is estimated to be Rs. 50000 Cr., witnessing a growth rate of 50% annually and has increased 500% since 2007. However, another important fact to consider is that out of 137 million internet users in the country only 25 million shops online, that just 18% of the total internet population."

There have been intensive studies of online shopping attitudes and behavior in the recent past. Most of these studies have attempted to identify factors influencing, or contributing to, online shopping attitude and behavior. The researchers seems to take different perspectives and focus on different factors in different ways.

Davis(1989) brought forward two determinants namely perceived usefulness and perceived ease of use as depicted in figure(1), Technology Acceptance Model(TAM) has also set the baseline for significant number of researchers in information and computer technology adoption and usage. Al-Ziadet, Al-Majli, Al-Muala & Kahawaldesh (2013) extended the TAM model by including additional variables Trust and Awareness. The present study concentrates on consumers' behavior towards website selection.

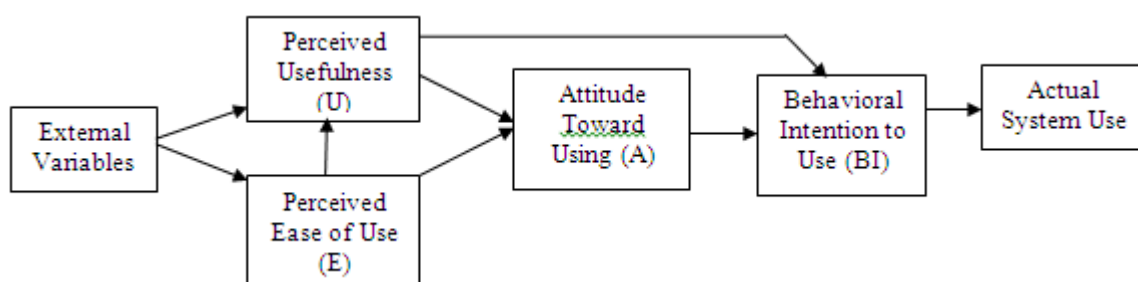


Figure-1: TAM (F. D. Davis, 1989)

**Trust:** The topic of online consumer behavior has been examined under various contexts over the years. Many factors have been researched by many researchers. Trust is a key factor that determines the success of business to consumer (B2C) e-commerce transactions. Gefen (2000) research indicated that consumer trust influences purchase intentions. Burke (2002) identified several critical factors that influence trust in the context of online shopping. Elliot & Speck (2005) evaluated the factors and two individual different variables on attitude towards a retail website. Result indicated that five website factors (ease of use, product information, entertainment, trust and currency) effect consumer attitude towards a retail website. Shergill & Chen (2005) focused on factors, which online New Zealand buyers keep in mind while online e-marketing. The study found that website design, website reliability/ fulfillment, website consumer service and website

security/ privacy are the four dominant factors which influence consumer perception of e-marketing. Chen & Chang (2006) found that there is a critical role of trust as an enabler, especially in a relationship in which the consumer did not have direct control over the actions of a seller and in which marketers seek long-term relations with their consumer. Rao & Mehndi (2010) signifies that trust is important for online buyers. Aghadaie, Sanaye & Etebari (2012) found trust as major factor in determining consumers' attitude on viral marketing. Al-Ziadet, Al-Majli, Al-Muala & Kahawaldesh (2013) found trust as important factor affecting Mu'tah University students' attitude towards E-commerce.

**Demographics:** For online buyers' gender, marital status, residential location, age education, and household income were frequently found to be important predictors of internet purchasing Mehta & Sivdas (1995); Fram & Grandy (1997); Sultan & Henrichs (2000). With the passage of time, the online buyer, once considered the innovator or early adopter, has changed. While once young, professional males, with higher educational levels, incomes, tolerance for risks, social status and a lower dependence on the mass media or the need to patronize established retail channels Mahajan, Muller & Bass (1990); Smith (2004) reported that e-marketing phenomena are governed by a number of factors such as consumer acceptance, behavior, purchasing characteristics, patterns and power. The findings indicated that gender and occupation had an influence only on attitudes concerning perceptions of the competitiveness of the internet. Ahmad & Zubi (2011) found demographics of customer as one of important factor to determine customer satisfaction for e-banking. Guo (2011) found genders and education plays major role to determine consumer purchasing behavior in cyberspace. Shalini & Kamalaveni (2013) correlates the demographics of customers and internet usage of online shoppers in in Coimbatore, Tamil Nadu. K. H. (2013) found influence of consumers' demographics on selection of product type while shopping online. Salonem, Narvanen & Soarijarvi (2014) found community from which customer belongs have impact on consuming fashion on line. Kar & Bhoi (2014) found direct relationship between demographics and users' adoption of social networking websites.

**Website Design:** Many researcher including Li & Zang (2002) found website design plays important role in determining attitude towards online shopping. Shergill & Chen (2005), focused on factors, which online buyers from New Zealand keep in mind doing online shopping. The study found that website design, website reliability /fulfillment, website customer service, and website security/privacy are the four dominant factors which influence consumer perception of e-marketing. Armesh, Salarzahi, Yaghoobi, Heydari & Nikbin (2010) found site design have impact on online marketing of computer industry in Malaysia. Guo (2011) found design of online store as an variable to determine consumer purchasing behavior in cyberspace for domestic and foreign scholar in China. Ahmed & Al-Zu'bi (2011) found design have a positive significant influence on customer satisfaction in e-banking. Metehan & Yasemin (2011) found website quality positively related to trusting beliefs in Turkey. Javadi, Dolatabadi, Nourbaksh, Poursaeedi & Asadollohi (2012) found having a friendly website helps the customer for shopping and have positive influence on attitude towards online shopping. Al-Qeisi & Al Abdallah (2013) extent TAM model to website quality in internet banking adoption in Jordan. According to Adnan (2014) website design is a key factor that effect online purchasing behavior of Pakistani consumers. Tripathi & Tripathi (2014) found website is one factor that plays major role in success of Flipkart.

**Product Information:** Rastogi (2010) founds 54% of consumer says availability of online information about product and services is excellent. Tripathi & Tripathi (2014) found "more than 80% of respondents prefer online shopping as they get variety of product of good quality at one place. And 30% respondent prefer Flipkart because of availability of wide variety of product.

**Perceived Ease of Use:** According to Heijden (2003) perceived ease to use directly influenced the attitude towards purchasing online. Elliot & Speck (2005) finds it to be one of the factors that effect consumer attitude towards retail websites. Adapa (2008) found perceived ease of use as one major factor in adoption of online shopping. Hasri, Islam & Daud (2011) found ease-of-use as one major determinant of customers' buying intention on online shopping. Fang, Chiu & Wang (2011) ease of use is a significant positive predictor of customers' repurchase intentions. Ahmad & Al-Zu'bi (2011) found ease of use as one of variable to determine perceived convenience for determining customer satisfaction in Jordan for e-banking customer. Aghdai, Sanayei & Etebari (2012) found ease-of-use as main factor to in influencing attitude towards viral market. Aggarwal (2012) found easy availability of internet is one factor responsible for

growth of internet shopping in India. Al-Ziadat, Al-Majali, Al-Muala & Khawaldeh (2013) found perceived ease-of-use affecting university students' attitude towards e-commerce at Mu'tah University. Sharma & Sitlani (2013) found convenience including ease of use as positive factor influencing consumer attitude towards online shopping among higher education student in Indore. Adnan (2014) found ease of use have positive correlation with consumer online behavior in Pakistan. Jain, Goswami & Bhutani (2014) found that there is significant positive relationship between ease of use and attitude towards online shopping. Tripathi & Tripathi (2014) found ease of use as major factor in success of Flipkart.

**Convenience:** Bhatnagar, Misra & Raom (2000) reported that convenience and the risk perceived by the consumers are related to the independent variables (attitude and behavior) positively and negatively respectively. Choon (2010) found convenience is positively related to the online purchase intention of the customer. Rastogi (2010) concludes convenience as one factor for bright future of online shopping in India. Guru (2011) found that the major reason for the customer to go for online is convenience, and non-availability of products in market. Ahmad & Al-Zubi (2011) found convenience as main factor to determine satisfaction in e-banking. Chris & Alma (2012) found that convenience is a significant variable for determining consumer behavior towards online shopping.

**Ease of Return:** Kalakota & Whinston (1996) found consumer attitude is also determined by post-purchase phase, where as pre-purchase phase is also important. Guru (2011) found ease of return as a major criterion for choosing a product online. Javadi, Dolatabadi, Nourbaksh, Poursaeedi & Asadollohi (2012) found convenient return policy have positive effect on attitude towards online shopping.

**Word of Mouth (WOM):** Word of mouth is an informed mode communication between private parties concerning the evaluation of goods and services, Singh (1990). Aghdaie, Sanayei & Etebari (2012) found word of mouth plays important role in determining consumers' trust in TAM. Tripathi & Tripathi (2014) found 90% of respondent will recommend Flipkart to their friends.

**Cost of Product:** Since the beginning of trade and marketing, price of product plays a major role in consumers' purchasing decision. Hasslinger, Hodzic & Opazo (2007) found that price trust and convenience are identified as most important factors. Price was considered to be the most influencing factor for a majority of students. Armesh, Salazehi, Yaghoobi, Heydari & Nikibin (2010) found that there is significant correlation between customer satisfaction and cost of product in online computer market in Malaysia. Rastogi (2010) found about 38% respondent feels that, they can get product at lower price in online shopping. Abzari & Ghujali (2011) found that price has impact on internal marketing for citizens' behavior. Gua (2011) found Price of Product as influencing factor of consumers' purchasing behavior in cyberspace. Lui Cheuk Man (2012) found that subjective factor is not important in effecting the consumers' online purchase decision and behavior. While the three factors, including price, product quality, and web trust, are found to be significant to effect the consumers' online purchase behavior. Among all the factors, product quality has the lowest level of online shopping satisfaction. Tripathi & Tripathi (2014) found 15% of consumer prefer Flipkart because it is price efficient.

### **3. RESEARCH METHODOLOGY**

The main focus of this research is to analyse and map consumer behavior of those female, already doing purchasing of apparels from internet retailers. Behavior of consumer is influenced by many factors while he/she is going to make online purchase. Positivism approach will be adopted in this research, as it provide framework to understand and study the human beings and their actions from environment and then outcomes or results are explained on the basis of theories and facts by the researchers.

**Data Collection Method:** Main focus in this research will be on primary data collection. However secondary data will be used wherever needed. Primary data can be collected through interviews, observations, experiments and questionnaire.

**Data Collection Instrument:** Data collection is achieved by using consumer survey via questionnaire. Initially secondary data is collected from books, magazines, research journals and internet and then a well structured questionnaire is prepared.

**Survey Technique:** Here with limitation of time and money it is decided to conduct a sample survey.

**Population and Sampling Frame:** In this research sampling area or population can be defined but sampling frame can't be determined. Sampling area population is Delhi.

**Sample Unit:** Sample unit for the study is Individual female.

**Sampling Design:** As sampling frame is not defined, samples is selected via convenience sampling of non probability sampling.

**Sample Size:** In this research keeping in mind the limitation of time and resources and non availability of standard error and standard deviation, sample size is determined on ad-hoc approach.

#### 4. DATA ANALYSIS

##### Age Group

Age Group	Number of Respondents
Below 18	23
18-30	46
30-40	17
40-50	9
Above 50	5

##### Online Purchasing Preference

Online Purchasing Preference	Number of Respondents
Yes	87
No	13

##### Profession

Profession	Number of Respondents
Own Business	12
Service	8
Professional	2
Student	35
Housewife	43

##### Annual Income

Annual Income	Number of Respondents
Below 1 Lacs	78
1-3 Lacs	5
3-5 Lacs	9
5-10 Lacs	7
Above 10 Lacs	1

##### Annual Family Income

Annual Family Income	Number of Respondents
Below 3 Lacs	6
3-5 Lacs	28
5-10 Lacs	49
Above 10 Lacs	17

##### Online Purchase

Ever made online Purchase	Number of Respondents
Yes	37
No	63

## 5. CONCLUSIONS AND RECOMMENDATIONS

- ✓ Customer who made online purchases 90% belong to age group 18-30 and 30-40.
- ✓ 100% professional, majority of students and service women, and only few housewives made online purchase.
- ✓ 87% of all respondents want to prefer online purchase but only 37% made online purchase till now.
- ✓ 90% of respondents whose made online purchase belong to 5-10 Lacs annual family income.

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## **7. ABBREVIATIONS**

- IMAI : Internet And Mobile Association of India
- CTMS : Cross Tab Marketing Services
- P2P : People to People
- TAM : Technology Acceptance Model
- WOM : Word Of Mouth
- CAGR : Compounded Annual Growth Rate
- CRISIL : Credit Rating Information Services of India Limited
- B2C : Business to Customer

## **A STUDY ON PRIVATE BUS PASSENGERS BEHAVIOUR WITH SPECIAL REFERENCE TO HYDERABAD CITY ON PEAK LOAD STRATEGY OF PRIVATE BUS OPERATORS**

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### **ABSTARCT**

*The transport system provides the basic infrastructure and it affects the economic activities of the country. The transport sector in India is divided into passenger and freight. The passenger services are available in both government private of bus category. At present private sector owns majority of the buses compared to government. In Andhra Pradesh and Telangana also the private transport players dominating the passenger's transportation market, especially if the travelling distance is more than 250 KM. Initially consumers (passengers) have been attracted with the facilities and service given by private bus operators. With the increasing competition and other policy issues, the private bus operators are implementing peak load pricing strategy. The Peak Load Pricing is the pricing strategy wherein the high price is charged for the goods and services during times when their demand is at peak. The peak load pricing is widely used in the case of non-storable goods such as electricity, transport and telephone. Due to this, fares are increases twice or more than actual fare at peak time more over in vacations and festival seasons. This pricing strategy is unexpected and unjustifiable to any passenger and even unbearable to them. And the facilities and service are same. Therefore a study has been made by the researcher to bring out the passenger's behavior with peak load pricing by private operators with reference to Hyderabad city in the state of Telangana. By using judgment random sampling technique, 120 respondents were selected as sample size and information gathered through interview method. The outcome of the research has shown very interesting results such as customers' dissatisfaction on Government failure to control the Private Bus operators and the price exploitation, in connection with their no alternative to avoid the services.*

*Key words: Peak Load Pricing, passengers, Hyderabad City, Private operators, price exploitation.*

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### **INTRODUCTION**

India is witnessed high growth and demand in travel industry due to urbanization, population growth and rising incomes of individuals. The demand is very high in Bus passenger market and India ranks among the top-10 in the whole world in bus segment; Buses take up over 90 percent of public transport in Indian cities (Pucher, Korattyswaroopam and Ittyerah 2004). The operators include both public and private, especially the private operators are playing pivotal role with 92.87 percent of total buses in 2015 of this segment.

Hyderabad is one of the largest metropolitan in India and hub of information technology (IT), information technology and enabled services (ITES) sectors and pharmaceutical industry and a centre for Transport industry. The city of Hyderabad has well developed bus routes which connect it with all the major cities and towns of the country and it consist of three national and five state highways. Both Andhra Pradesh State Road Transport Corporation (APSRTC) and Telangana State Road Transport Corporation (TSRTC) are running different varieties of buses to all parts of India and it is place as initiative and developments like first double ducker bus.

These two Road Transport Corporations are implementing IT initiatives. Those have helped for online passenger reservation system, GPS based vehicle tracking system and some are under pipeline. The APSRTC have 1840+ agents and TSRTC consist of 1692 agents and these are spread across different locations in the country. But last few years they are facing a stiff competition from Private Bus Operators'. From last two decades the Private Bus Operators are dominating the bus passenger market in around Andhra Pradesh and Telangana States. The Private Operators are targeting long journey trips; it begins from 250km and is up to 650km. According to some unauthorized report approximately 1450 Private bus operators are available in Hyderabad city alone.

## GOVERNMENT VS PRIVATE BUSES

The table.1 represents the number of buses in ownership across the Private sector and Government sector in India between the fiscal year of 2002 and the fiscal year of 2015. The total number of buses owned by both government and private are increasing gradually during the period 2002 to 2015. The number of buses owned by the private sector was 520.3 thousand in 2002 and the share of private sector in total buses owned in India was 81.94 percent in 2002. The number of buses owned by the private sector was 1830 thousand in 2015. It is increased by 422 thousand as compared to 2010. The number of buses owned by the public sector decreased during the period from 2003 to 2007. But it is increasing during the period from 2008 to 2015. The share of private sector in total buses owned in India has increased in successive periods during 2002 to 2015. The Compound annual growth rate (CAGR) of number of private buses is very high (10.16%) compare to government buses which has only 1.57 percent. It says that there is significant growth of private buses in between 2002 to 2015 throughout the country.

**Table-1: Comparisons of Government and private buses owned across India from FY 2002 to FY 2015 (in thousands)**

Year	Government	Private Buses	Total
2002	114.7(18.06%)	520.3(81.94%)	635(100%)
2003	114.9(15.95%)	605.9(84.05%)	720.8
2004	111.4(14.51%)	656.2(85.48%)	767.6
2005	113.3(12.69%)	779.4(83.30%)	892.7
2006	112.1(11.3%)	879.9(88.69%)	992
2007	107.8(7.99%)	1242.5(92.01%)	1350.3
2008	113.6(7.96%)	1313.6(92.04%)	1427.2
2009	117.6(7.92%)	1368(92.08%)	1485.6
2010	118.8(7.78%)	1408.3(92.22%)	1527.1
2011	130.6(8.14%)	1473.2(91.86%)	1603.8
2012	131.8(7.86%)	1544.7(92.14%)	1676.5
2014	140.1(7.43%)	1746.7(92.57%)	1886.9
2015	140.5(7.13%)	1830.3(92.87%)	1970.8
CAGR	1.57%	10.16%	9.10%

Source: Ministry of Road Transport and Highways

Note: All figures are in thousands, CAGR-Compound annual growth rate.

## PEAK LOAD PRICING

The Peak Load Pricing is the pricing strategy wherein the high price is charged for the goods and services during times when their demand is at peak. The peak load pricing is widely used in the case of non-storable goods such as electricity, transport and telephone. It was originally conceived as applying to monopolies and public sectors, it is now spread to private sectors also. Bus Transport operators are using this pricing policy to gain more revenue in peak time and to cover for off peak period.

## NEED FOR THE STUDY

Due to peak load pricing, bus ticket fares are increases twice or more than actual fare at peak time more over in vacations and festival seasons. This pricing strategy is unexpected and unjustifiable to any passenger and even unbearable to them. And the facilities and service are same. In this view, a study has been made by the researcher to bring out the passengers behavior with peak load pricing by private operators with reference to Hyderabad city in the state of Telangana

## OBJECTIVES OF THE STUDY

The objectives of the study are

1. To study and analyze socio-economic profile of the respondents.
2. To know the passengers traveling experience in Private Buses.

3. To examine the passenger satisfaction towards Private Bus transport services in Hyderabad City
4. To know the passenger behavior on peak load strategy adopted by Privatebus operators.

### RESEARCH METHODOLOGY

The data has been collected from important boarding points in Hyderabad city. The judgment random sampling technique was employed and 120 respondents were selected as sample size and information gathered through interview method. The minimum travelling distance taken from boarding point is 251km. The survey provides detailed characteristics of bus passengers and Likert 5point scale is also using to know the respondents satisfaction and opinion on peak load pricing strategy. spssv21 is used to analyze the data and statistical tools used for analyses are Mean, Standard Deviation and Friedman Test.

### SOCIO-ECONOMIC PROFILE OF THE RESPONDENTS

The study results of the socio economic profile of the respondents have been shown from table 2 to 6. The socio-economic profile of the respondents has been examined based on some factors such as age, gender, material status, educational qualification and income.

Age is an important factor which decides customer preferences, awareness and the level of satisfaction. It also decides the passenger's expectation on convenience, comfort and safety and security. From the above table.2 it is found that 59.2 percent of the passengers belong to the age group between 21-40 , followed by 20.0 percent in the age between 41-60., 12.5 percent represent the age below 20 and 8.3 percent is represented by the aged passengers above 60.

**Table-2: Age Group of the Passengers**

Age Group		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Below 20 yrs	15	12.5	12.5	12.5
	21-40	71	59.2	59.2	71.7
	41-60	24	20.0	20.0	91.7
	Above 60	10	8.3	8.3	100.0
	Total	120	100.0	100.0	

The table 3 has shown the gender of the respondents. It is observed that majority of the respondents belong to 'male' category i.e. 58.3 percent and remain 39.2 percent belong to 'female' category

**Table-3: Gender of the Respondents**

Gender		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Male	71	58.3	58.3	58.3
	Female	49	39.2	39.2	100.0
	Total	120	100.0	100.0	

The present study divides the marital status of the respondents in three distinct groups namely married, unmarried and others. Others includes divorcees and lives in relationship. From the table.4, it is found that 70.8 percent are married, 26.7 percent are unmarried and with the impact of modern culture, the reaming respondents i.e. 2.5% belong to other category.

**Table-4: Marital Status of the Respondents**

Marital status		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Married	85	70.8	70.8	70.8
	Unmarried	32	26.7	26.7	97.5
	Others	3	2.5	2.5	100.0
	Total	120	100.0	100.0	

The educational qualification of the respondents consists of illiterate, SSC, graduation.PG and other qualifications such as ITI, diploma. From the **table.5**, it is observed that majority (57.5%) are graduates, followed by PG(19.2% ) and interestingly few are from illiterate(4.2%) and SSC (4.2%).

**Table-5: Educational qualification**

Educational qualification	Frequency	Percent	Valid Percent	Cumulative Percent
Illiterate	5	4.2	4.2	4.2
SSC	5	4.2	4.2	8.3
Graduation	69	57.5	57.5	65.8
PG	23	19.2	19.2	85.0
Others	18	15.0	15.0	100.0
Total	120	100.0	100.0	

Household Income is also an important part of socio-economic factor. This factor is also divided in to 4 groups that are, the respondents whose level of income is upto2 lakh, more than 2 lakhs, to 4 lakhs and 4 lakhs to 6 lakhs and above 6 lakhs (see table 6). The frequency distribution is also given in the table in a proper order. Out of the total respondents, 10.8 percent of passengers belong to the first category of income group i.e. less than 2 lakh and 40.8 percent are at the second level of income category i.e. more than 2 lakhs to 4 lakhs and 29.2 percent and 18% of passengers or the passenger are belongs to the 3rd and 4th level of income group i.e. 4 lakhs to 6 lakhs and above 6 lakhs respectively

**Table-6: Total annual household Income (in Rs.)**

Total annual household Income (in Rs.)	Frequency	Percent	Valid Percent	Cumulative Percent
Valid up to 2,00,000	13	10.8	10.8	10.8
2,00,001- 4,00,000	49	40.8	40.8	51.6
4,00,001- 6,00,000	35	29.2	29.2	80.8
Above 6,00,000	23	19.2	19.2	100.0
Total	120	100.0	100.0	

#### BASIC INFORMATION SEARCH ABOUT TRAVELLING IN PRIVATE BUSES

The basic information search about travelling in private buses has been studied on various factors and the results of the study have been shown from table 7 to 12.

Out of the total respondents 120 in numbers, 17.5 percent of respondents are using the service providers for a period less than 2 years. 10.8 percent and 15.2 percent passengers are at the second level and they belong to the passengers who are using private bus transport services for 2-4 years.. The rest of the passengers i.e. 50.0 percent belong to the category of the passengers who are using bus transport services for more than 6years (see table 7).

**Table-7: Since how long you have been using private bus transport services.**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	less than 2 years	21	17.5	17.5	17.5
	2- 4 years	13	10.8	10.8	28.3
	4-6 years	26	21.7	21.7	50.0
	more than 6 years	60	50.0	50.0	100.0
	Total	120	100.0	100.0	

Traveling distance is very important factor for the study and minimum distance taken is 251km .It is divided into four distinct groups that are, 251-350km, from 351 to 450 is second distinct groups, third group is from 451 to 550km and fourth group is more than 550km.Out of the respondents majority of them travelled in between 351to 400km i.e. 42.5 percent. It is followed by the first distinct group (251 to 350 km) with 30.8 percent (see table 8)

**Table-8: Travelling distance from Hyderabad**

Travelling distance from Hyderabad	Frequency	Percent	Valid Percent	Cumulative Percent
Valid 251-350km	37	30.8	30.8	30.8
351 to 450 km	51	42.5	42.5	73.3
451 to 550 km	19	15.8	15.8	89.2
More than 550 km	13	10.8	10.8	100.0
Total	120	100.0	100.0	

From the table.9 it is found that 44.2 percent of the respondents have 6-10 times of traveling experience and it is interesting 23.3 percent of the respondents have more than 15times travel experience by private Buses. It concludes that passengers are giving more preference to private Buses.

**Table-9: Frequency of travel by Pvt. Buses (per year)**

Frequency of travel by Pvt. Buses (per year)	Frequency	Percent	Valid Percent	Cumulative Percent
Valid upto 5 times	23	19.2	19.2	19.2
6-10 times	53	44.2	44.2	63.3
11-15 times	16	13.3	13.3	76.7
More than 15 times	28	23.3	23.3	100.0
Total	120	100.0	100.0	

From the table10 has been study the purpose of the journey, it is observed that most of the respondents (63.3%) who are travelling in private Buses for personal use only and followed by holiday trip (25.8%) and as business purpose (10.9).

**Table-10: Purpose of the journey**

Purpose of the journey	Frequency	Percent	Valid Percent	Cumulative Percent
Valid personal	76	63.3	63.3	63.3
Business	13	10.9	10.9	74.2
Holiday trip	31	25.8	25.8	100.0
Total	120	100.0	100.0	

The table 11 has shown the type of buses preferred by the respondents has been studied. In the study the type of buses is divided into four distinct groups namely Non-A/C seater, A/C seater, Non A/C sleeper and A/C sleeper. According to the above table majority of the commuters(45.8%) are giving preference to A/C seater, in view of a pleasant bus ride to their preferred destination and unaffected by weather conditions outside the AC bus. It followed by non-A/C seater (38.4%)

**Table-11: Which type of buses do passengers prefer mostly**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Non-A/C seater	46	38.4	38.4	38.4
A/C seater	55	45.8	45.8	84.2
Non A/C sleeper	6	5.0	5.0	89.2
A/C sleeper	13	10.8	10.8	100.0
Total	120	100.0	100.0	

The table 12 has been reveals the study on the regular mode of bus tickets booking of the respondents. Passenger's mode to book bus tickets is divided in to three categories; these are online, travel agent and travels office. The researcher observed that passengers of Hyderabad is giving at most priority for online booking, So, Most of the respondents (55.0%)are choosing online booking and they using ticket windows like Abhibus.com,redbus.com etc.

**Table-12: Regular Mode to Book Tickets**

<b>regular mode to book tickets</b>		<b>Frequency</b>	<b>Percent</b>	<b>Valid Percent</b>	<b>Cumulative Percent</b>
Valid	online	66	55.0	55.0	55.0
	Travel agent(by phone)	29	24.2	24.2	79.2
	Travels office	25	20.8	20.8	100.0
	Total	120	100.0	100.0	

**PASSENGER'S SATISFACTION TOWARDS THE PRIVATE BUS TRANSPORT SERVICES**

Descriptive statistics include the calculation of mean, standard deviation. The factors to be considered are explaining the passengers' satisfaction towards pvt.bus operators and these are thirteen items. It is inferred from the table 13. The Mean for all the 13 variables were calculated and the mean for these variables is ranging between 2 and 3 except few variables which are laid between the mean of 3 and 4 .one variables is near to 2. The standard deviation determines. The mean is calculated by giving numerical values to the 5-point ratings. (HS: Highly Satisfied=5, Satisfied=4, Neutral=3, Dissatisfied=2 and Highly Dissatisfied=1).

The mean score of **Arrival and Departure** is 2.7417, it was a little bit low than medium score. and sample provided for this variable is good as the standard error is 7.982 percent and the deviation is .87443. According to the study the passengers have average satisfaction ,especially the commuters are not happy with arrival time of the buses. **Destination Timing** is quiet important as the mean is 3.3417 and sample provided for this variable is good as the standard error is 9.936 percent and the deviation is 1.08849. It means commuters are satisfying with this variable. The mean score of **Maintenance of the Buses** is quiet important. Bus passengers are happy with maintenance of the private as the mean is 3.2417 and give more priority for the seats, air-condition, windows and first aid kit

The **Availability of services on week days** is quiet important as the mean is 3.1583 and sample provided for this variable is good as the standard error is 8.199 percent and the deviation is .89814. It said that passengers are satisfy with number of services provided by pvt.bus operators. The **Availability of services on day time** is not important as the mean is 1.8583 and sample provided for this variable is good as the standard error is 6.673 percent and the deviation is .73102. The study reveals that majority of the people are not running buses on daytime and it leads unhappy for the travelers, especially distance is in between 250 to 350 km.

The mean value of parking **facility at boarding points as the mean value is below medium score** 2.4667. The operators were failed in providing sufficient space to passengers. It leads to the dissatisfaction of the commuters on this variable. The mean score of **Availability of waiting rooms for passengers at boarding points** very low as the mean value is 2.2250. So, it is said to be passengers are adjusted with less area or no rooms and Government corporations are doing well in this aspect. **Availability of security system at boarding points** not important as the mean value is 2.1083 and the deviation is .83812. So, it can be said that security system having low value in passengers satisfaction. The occupants are depending partially on government security only and the pvt. Operators are not taking any concern about security system at boarding points. The mean score of **Place Availability and Acceptance of Laguage** is 3.2250 which is good compare majority of the variables .This means that passengers satisfy with the place available in buses and with the acceptance level of language.

The mean score of **Service provided by Driver and Bus staff** is found to be 2.6250, which is medium to lower score. The Bus staffs do not take much interest in providing the service to the passengers and the passengers are suffering a lot with the drunken drivers and their lack of cooperation at the time of journey. The mean score of **Buses have technological advancements** was 2.9583, It was neither high nor low it was medium. The pvt.bus operators are including new technology like free WIFI, bus tracking system to attract more customers.

The mean score of **Ticket Cancellation policy** was found to be 3.1333, it was a little bit high than medium score. According to the study the passengers have different opinions on cancellation policy and the respondents are happy with the majority operators and their policies in regular days. But commuters dissatisfy at peak days. The mean score of **Passenger feel safe at the time of journey** was 3.000, it was neither high nor low it was medium. Though some problems are there the passengers feel bus is safest mode of journey.



**Table-13: Descriptive Statistics to examine the Satisfaction of Respondents towards Private Bus Transport**

	N	Minimum	Maximum	Mean		Std. Deviation
	Statistic	Statistic	Statistic	Statistic	Std. Error	Statistic
Arrival and Departure Timings	120	1.00	5.00	2.7417	.07982	.87443
Destination Timing	120	1.00	5.00	3.3417	.09936	1.08849
Maintenance of the Buses (in terms of seats, windows, air condition, audio and video system, First aid kits and of the bus etc.)	120	1.00	5.00	3.2417	.09687	1.06112
Availability of services on week days	120	1.00	5.00	3.1583	.08199	.89814
Availability of services on day time	120	1.00	4.00	1.8583	.06673	.73102
Parking facility at Boarding points	120	1.00	5.00	2.4667	.07754	.84945
Availability of waiting rooms for passengers at Boarding points.	120	1.00	5.00	2.2250	.09126	.99968
Availability of security system at Boarding points	120	1.00	4.00	2.1083	.07651	.83812
Place Availability and Acceptance of Luggage	120	1.00	5.00	3.2250	.09720	1.06481
Service provided by Driver and Bus staff	120	2.00	5.00	2.6250	.07802	.85467
Buses have technological advancements (free wifi, Bus tracking system)	120	1.00	5.00	2.9583	.10139	1.11065
Ticket Cancellation policy	120	1.00	5.00	3.1333	.08610	.94321
Passenger feel safe at the time of journey	120	2.00	5.00	3.0000	.05676	.62174
Valid N (listwise)	120					

**BUS PASSENGER'S OPINION ON PRICING STRATEGIES**

The descriptive table 14 explains the passenger's opinion pricing strategies for bus tickets, which are adopted by pvt. bus operators in Hyderabad and it contains ten variables. It is inferred from the table that the Mean for all the 10 variables were calculated and the mean for these variables is ranging between 2 and 3 except few variables which are laid between the mean of 3 and 4. Two variables are near to 2..

**Reasonable Bus ticket price on week days** is quite important as the mean is 3.2333 and the sample provided for this variable is good as the standard error is 8.003 percent (which is below 10 percent) and deviation is .87671. It concludes that Bus passengers have some positive response on this variable Reasonable and they perceive Bus ticket fares are manageable on week days.

**Affordable Bus ticket fares at peak days (festival, holidays, and weekends)** is not given much importance as the mean is 1.8417 lowest value when compared to all the other variables (except customized ticket cancellation policy) and standard error is 5.675 percent and deviation is .62168. It reveals that the passengers are not happy with the increasing bus ticket prices on peak days.

**Demand maintenance and Supply during peak days** is given some importance as mean is 2.8833 and sample provided for standard error is 5.939 percent and deviation is .65058. From this the researcher opined that Pvt. Bus operators are trying to meet the demand by providing special or extra buses. But this is not optimum with the increasing demand in peak days.

**Chance of high occupancy during peak days** is quiet important as the mean is 3.9917 and sample provided for standard error is 5.976 percent and deviation is .65460. Though bus ticket prices are high at peak days, the occupancy ratio is high compare to week days.

**In time services during peak days** mean value 2.8167, which is quiet low compare to occupancy during peak days and percent and the sample, provide for the variable is good as the standard error is 6.797 and deviation is .74454. The study finds that the commuters are not receiving better service as they expected in peak days.

**less number of services in a particular root during peak days mean value 2.6667**, which is quiet low and it is observed by the researcher that sufficient buses are available in peak days and there is no reduction of buses. Finally it concludes, the pvt. Operators want to utilize peak time for maximizing profits.

**Only the available services to reach my destination during peak days** is quiet important as the mean is 2.9667 and sample provided for standard error is 6.255 percent and deviation is .68518. The study observes that majority of the respondents are feel there is no change in number of buses in peak days also.

**Customized ticket cancellation policy at peak time** is low as the mean is 1.8250 and sample provided for standard error is 6.659 percent and deviation is .72948. It reveals that most of the respondents are not happy with cancellation policy because the private operators are implementing no cancellation system during peak time. From this effect the passengers are suffering financially.

**Passengers feel safe at the time of journey** is low as the mean is 2.6500 and sample provided for standard error is 7.357 percent and deviation is .80597. The researcher finds that passengers are with a little bit of worry during the journey, The problem is high in peak with the special buses and staff in peak days (festival season).

**Overall service during peak time** is low as the mean is 2.3167 and sample provided for standard error is 5.156 percent and deviation is .56484. The study reveals that passengers are not happy with overall service provided by private operators during peak time

#### FRIEDMAN TEST

Friedman test is used to find out the significance of difference between mean ranks of each of the factors on passengers opinion on pricing strategies during peak days.

**Null Hypothesis:** There is no significant difference between mean ranks towards Bus passenger's opinion on peak pricing

**Table-14: Descriptive Statistics towards Respondents Opinion on Pricing Strategies of Private Bus Operators during Peak Load Time**

	N	Minimum	Maximum	Mean		Std. Deviation
	Statistic	Statistic	Statistic	Statistic	Std. Error	Statistic
Reasonable Bus ticket price on week days	120	1.00	5.00	3.2333	.08003	.87671
Affordable Bus ticket fares at peak days(festival,holidays,weekends)	120	1.00	3.00	1.8417	.05675	.62168
Demand maintenance and Supply during peak days	120	2.00	4.00	2.8833	.05939	.65058
Chance of high occupancy during peak days	120	3.00	5.00	3.9917	.05976	.65460
In time services during peak days	120	1.00	4.00	2.8167	.06797	.74454

less number of services in a particular root during peak days	120	1.00	5.00	2.6667	.05717	.62622
Only the available services to reach my destination during peak days	120	2.00	4.00	2.9667	.06255	.68518
Customized ticket cancellation policy at peak time	120	1.00	4.00	1.8250	.06659	.72948
Passenger feel safe at the time of journey	120	1.00	4.00	2.6500	.07357	.80597
Overall service during peak time	120	1.00	3.00	2.3167	.05156	.56484
Valid N (listwise)	120					

The Table 15 reveals that since P value is less than 0.01 the null Hypothesis is rejected at 1 percent level of significance. Hence it is concluded that there is significant difference between mean ranks towards Bus Passengers opinion on pricing strategies. Based on mean rank “Chance of high occupancy during peak days” (9.06), “Reasonable Bus ticket price on week days”(7.05), “Only the available services to reach my destination during peak days”(6.33) and Demand maintaince and Supply during peak days are the four top most statement under passengers opinion on pricing strategies during peak days and the Chi-square value obtained is 515.110

Table-15: Ranks

Bus Passengers opinion on pricing strategies during peak days		Mean Rank
Reasonable Bus ticket price on week days		7.05
Affordable Bus ticket fares at peak days(festival,holidays,weekends)		2.80
Demand maintaince and Supply during peak days		6.01
Chance of high occupancy during peak days		9.06
In time services during peak days		5.94
less number of services in a particular root during peak days		5.32
Only the available services to reach my destination during peak days		6.33
Customized ticket cancelation policy at peak time		2.76
Passenger feel safe at the time of journey		5.41
Overall service during peak time		4.32
Test Statistics <sup>a</sup>		
N		120
Chi-Square		515.110
Df		9
Asymp. Sig.		.000
a. Friedman Test		

## CONCLUSION

Based on the study it has been noted that the respondents (bus passengers) have expressed their happiness to use the private bus services , however they are stating that, lack of parking facilities, waiting rooms, security at boarding points and some time indecent behavior (due to consumed alcohol while in duty time) of staff (including driver) forced them to rethink about the usage of private bus services.

In addition to this most of the respondents have been expressing their dissatisfaction with the peak load pricing strategy adopted by Private Bus Operators in the Hyderabad region, especially the factors like affordable ticket fare, customized ticket cancelation policy; though the ticket prices are increasing two or three times to actual fare there is no change in service quality as they expected. The final outcome of the research has shown very interesting results such as customers’ dissatisfaction with the Government

(APSRTC and TSRTC) bus operator's failure to control the Private Bus operators and the price exploitation, in connection with their no alternative to avoid the service on peak load days (such as festivals and holidays)

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## ANALYSIS AND CAUSAL FACTORS FOR E-COMMERCE BRANDS OMNI-CHANNELING THROUGH OFFLINE PHYSICAL RETAIL STORES

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### ABSTRACT

*In the wake of established organizations retailing through physical stores attempting to increase sales revenue and improving brand equity by omnichanneling through their online shopping versions, a contrasting trend arose post 2010 in India. The e-commerce organizations which have established subscribers for their online retail outlets and significant online brand reputation, have been taking up the endeavour of omnichannelling by setting up offline physical bricks-&-mortar stores throughout the country. The locations of the stores & the number of them shall be related to the scale of the organization & their marketing targets envisioned.*

*This study considers the successful performance records and consumer perception research on the organizations such as Lenskart, Myntra, Nykaa, Firstcry, Freshmenu, Chumbak, Teabox and Zivame, across product categories that have reached 'brand' stature online and are currently reaping returns from their offline physical stores as well.*

*It is intriguing to observe that, the number of physical stores started by ecommerce organizations is growing in tier-1 cities, where digital penetration is the highest. Data shall be collected on the reasons for the same & finding if profitability of the secondary channels is a factor to opt for omnichannel marketing. Also, finding the contribution of online brand value/image in bringing footfalls to the physical stores. The data collection & critical analysis shall be focused on critical business questions such as the following : What are the tangible & intangible touch-points that online shoppers experience & look for when making purchase decisions ? How significant is the experiential aspect & offering touch-and-feel to customers ? How do these physical stores enable interaction & connection with customers?*

*Do the established sales models such as AIDA still hold good in explaining purchase to consumption time-span studies? What is the role of the increasing penetration of private labels by retail chains in boosting the viability of the birth of new private retail chains?*

*As per the review of literature, much study has been performed only in the areas of successful e-commerce portals present abroad & documenting the opening of offline retail chains by established online brands. Our study shall involve data collection from real-time Indian organizations as this is a summarizing analysis.*

*The following widely accepted communication model shall be considered to throw some light on the significance of branding in retailing & how shoppers perceive the store :*

*Karl Weick's Organizational Information Theory - viewing organizations as 'sense-making systems' which incessantly create conceptions of themselves all around them, to overcome cognitive dissonance.*

*Employing a qualitative research approach, supported by statistical data and secondary research involving real-time data from shoppers & industry practitioners, attempt has been made to device a new model to gauge retail organizations on the customer experience continuum across online & physical domains. The model has been named – 'Raghav's Retail Continuum Factors'.*

*Keywords: Omni-channel marketing, E-commerce, Offline/physical stores, Shopping experience, Customer archetypes and Retail model.*

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1. **Omni-channel marketing** differs from the traditional multichannel approach to selling, by seeking to provide the shopper cum customer with a seamless shopping experience wherein the customer has the choice to shop online from a personal computer or mobile device, or from a bricks- and-mortar store. What differentiates the omni-channel shopping experience from the multichannel shopping experience is that

there is true integration between channels right from the back end. For example, in an organization which operates with an omni-channel approach, the customer relationship personnel in the store will be able to instantly refer the customer's previous purchases and preferences. Likewise, the customer too can use a personal computer to check inventory of product offerings on the company's website, purchase the desired item later with a smartphone and pick up the product at the customer's chosen location. This is referred to as 'seamless' shopping experience.

2. **E-commerce:** Electronic commerce is the buying and selling of goods and services over the internet, where the business transactions occur either as business-to-business, business-to-consumer, consumer-to-consumer or consumer-to-business. Also known as 'e-tailing', many retail companies are now trying to entice consumers directly online, using tools such as digital redeemable coupons, social media marketing and targeted advertisements.

3. **Offline/ Physical store:** Also known as bricks-and-mortar, it refers to a physical presence of a business organization in a building or other structures. In the jargon of e-commerce businesses, bricks-and-mortar retailers are companies that have offline stores and offer face-to-face customer experiences. This term is usually used in contrast to an internet-only presence, such as fully online shops, which have no physical presence for shoppers to visit, talk with store personnel in person, touch and feel the products and buy from the store in person. In recent years, the proliferation of online stores is adversely affecting some exclusive brick-and-mortar-only businesses, as few customers engage in 'showrooming'. Shoppers who do showrooming, enter local bricks-and-mortar stores' showroom to see, feel and try out products, then note the brand & model number, and leave the brick-and-mortar store to finally buy the product from an online store, often at a lower price. Some brick and mortar retailers consider this trend as a serious concern decreasing their sales.

4. **Shopping experience:** Shopping is the financial cum personal activity in which a potential customer browses the available products or services presented by one or more retailers with the intent to purchase a desirable or suitable offering. In modern economics, it may be considered a leisure activity. The business to consumer supply chain process has made it easy for shoppers to select any product online from a retailer's website and have it delivered to their physical address conveniently & quickly. Based on various factors, the shopping experience shall vary, accounting how the customer is treated, convenience of navigation, the type of goods being purchased, product assortment and mood or store ambience. Companies try to collect a 360 degree customer view about their organization, by aggregating data from the various touch points that a customer might use to reach a retailer to purchase products and receive service & support. With the advent of technologies such as mobile connectivity, video CRM support, online customer communities, social media and more, the number of touch points with which shoppers interact has proliferated, thereby making the task of aggregating the data from these various interactions more sophisticated & complicated.

5. **Customer archetypes:** To set a context for our study, we shall consider shoppers to fall into one of the four archetypes : (i) those who are unaware of the existence of online e-commerce companies selling products they look for in the physical stores; (ii) those who have visited the e-commerce website but not satisfied with the shopping user-interface/ on-screen navigation; (iii) those who liked the online interface & product offerings, but wanted surity that the touch & feel a physical store gives; (iv) those who will buy only from offline physical stores, no matter how convenient a web portal is.

6. **Retail model:** Retailing deals with the process of selling consumer goods or services to customers through multiple channels of distribution to satisfy demand identified through a supply chain & thereby earn profit. Based on the existence of the retail store among the physical & virtual world, stores are categorised as online and offline. There are differences & striking similarities between the two modes of selling. Organizations that predominantly sell through online portals, if looking forward to omni-channel through physical offline stores, they need to consider the similarities that both the modes hold. By this, the retailers can ensure a seamless offering of shopping experience. The observations on various e-commerce portals & their corresponding offline physical stores have revealed that there were five similarities between the two modes. These five parameters are hereby collectively coined as 'Raghav's Retail Continuum Factors'. The

factors shall be looked in detail after enumerating the significance of omni-channel retailing & citing few live examples of the same.

### **THE RISING SIGNIFICANCE OF OMNI-CHANNEL RETAILING**

For a growing organization, deciding between selling online through an e-commerce portal and selling in a traditional bricks-and-mortar store can be really challenging. Such a business decision shall steer how the organization shall interact with customers, market the products and hire staff personnel. In India, though online retailing is continuing to grow at an astounding rate, the majority of populace still actually prefer to shop in-store from physical locations, and hence there are still great opportunities for retailers to take advantage of both the modes. Which option to choose, shall rely upon the business, the product/ service offerings and how the brand wants to interact with its customers.

#### **The Positives of online Retail**

Setting up an online store comes with notably lower start-up costs than that of a traditional physical store, with no requirement for a large physical space and all of the maintenance costs that shall entail. Thus it is possible to get started quickly, with less capital investment and start the selling almost instantly. For the customers too, e-commerce is appreciably convenient. It is possible to shop from any private location without having to face direct sales pressure, and with the ability to browse in one's own favourable time can make the process much more appealing to customers. To top it all, having the products delivered straight to their door, within a pre-disclaimed timeline and even at a time to suit the customer, is even more lucrative. For the retailer, being able to accurately track the customer's interactions with the store across multiple different platforms provides access to data that can enhance marketing efforts multi-fold.

#### **The Negatives of Online Retail**

Rooting from the simplicity of starting-up the online business, it is significantly expensive to keep the customers checking-into the web portals & engage them through incessant marketing. More time and resources need to be allocated for marketing in order to let customers know that the organization exists and is active in business. Great effort is needed to build meaningful interactions with the customers as there shall be no face to face interaction, & in the long run to build brand trustworthiness.

#### **The Positives of Offline physical retail -**

The pros of physical shopping are traditionally are well cemented and remains the most popular shopping channel for customers, which cannot be currently matched by online portals when it comes to customer experience. With a bricks-and-mortar store, the retailer can craft unique shopping experiences and express the brand creatively. Passing trade shall bring in considerable footfall, without having to invest in a huge marketing budget. With a carefully chosen store location, brand visibility can be gained among the target market and the brand can be built locally. Thereby re-enforcing that even for an e-commerce retailer, having a physical store is a definite path to express a vision for the brand, sell an experience to its customers and reach new markets geographically.

#### **The Negatives of Offline physical retail**

Traditional stores typically have higher setting-up and running costs than online infrastructures. If the initial investments are not meticulously planned, the funding might dry up quickly if not been careful. Location is a critical determinant for the success through footfall invites, although quality of the product offering can garner goodwill among customers.

#### **The blurring line between virtual & physical impact**

When it comes to shopping preferences & the corresponding service delivery by retailers, the lines between online and offline retail are starting to blur. Though a majority of customers look for a unified experience across both modes, only few actually get one. This shows that there is ample scope for retailers both online and offline to begin to bridge this gap. Upcoming technologies such as the iBeacon allow for digital interaction with customers in-store. Social networks like Facebook have enormous customer data at their disposal, to be used by business organizations to track customers across the digital world and into physical stores. Digital POS systems can now provide retailers with the customer data that only e-commerce businesses had enjoyed so far.

The future is thereby definitely omni-channel. Customers who interact with brands along multiple touchpoints both physical and digital, expect a consistent experience across both. Seamless multi-channeling is the way to meet customer expectations. Also, it is now far easier for online retailers to move into physical stores, and vice versa. However, it is critical to evaluate the omni-channel strategies to continuously meet the changing expectations of consumers.

### **KARL WEICK'S ORGANIZATIONAL INFORMATION THEORY**

The theory of organization informational sense-making was proposed into organizational studies by Michigan university professor Karl E. Weick in 1995. The concept intends to promote the shift of focus from the traditional view of organization theorists on decision-making, towards the processes that constitute the implications of the decisions that are enacted in behaviour of the organization. In the words of Weick, "Sensemaking describes the negotiation and creation of meaning, or understanding, or the construction of a coherent account of the world. A key problem in organizational inquiry is to explain how microstabilities are produced in the midst of continuing change. Proposing that organizational behavioural commitment shall be reformulated as a prototype of sensemaking in organizations to solve this challenge. The concept of committed interpretation suggest that people become bound to interacts rather than acts, that the form of interacts itself is committing, and that tend to invoke social rather than solitary entities."

The theory is an elegant and richly descriptive body of thinking about human perception, cognition, and action, as well as social interaction, institutional reproduction and change. The process in itself has enormous implication for how organizations must design and manage themselves, their teams, services and technologies. The sensemaking concept identifies a set of seven factors can be used to understand how customers can create order from the clutter of shopping experiences and brand interactions they encounter every moment.

Sensemaking is matter of identity: it is our understanding of ourselves and our relationship to the world around us. Sensemaking is retrospective: it is about the way we notice patterns that are meaningful to us based on our experience, and we can only notice patterns retrospectively.

Sensemaking depends on our socialization : our upbringing and exposure to the market situations that we are currently interacting with, have huge influence on our interpretation of the world.

Sensemaking is ongoing : our environment, relationships, and our understandings of the world are fluid and continuously transforming.

Sensemaking builds on extracted cues that we apprehend from sense and perception. Cognition is the meaningful internal embellishment of these cues. Customers verify and reinforce cues & their meaning, and add to the repertoire of retrospective experience. Sensemaking is less a matter of accuracy and completeness than plausibility and sufficiency. Cognitive and perceptual resources are limited. If we attempt to know the facts and the reality exhaustively, we will get stuck in never ending analysis instead of progress.

By reflecting on each of the seven aspects of sensemaking, customers who have gone through a certain experience or transformation shall be able to make sense of it and evaluate the impact it had on them. Such experience may be organisational change, experiment with new product, or a format of the purchase of their desired needs.

### **APPLICATION**

The concept of sense-making shall be applied to the realm of retailing, in which the online commerce organizations send out intangible messages to the masses while setting up physical stores. Firstly, if an e-commerce company opens new physical stores in population-dense localities, the local populace see it as a remarkable positioning statement that the organization has grown to a significant credibility that it wants to be present among people more vividly.

Secondly, by omni-channeling, an organization communicates to its present & future customers that the brand is there to stay and shall extend its services to a wider audience by augmenting additional shopping experiences.



Lastly, being present across retail models emphasizes the brand salience and stature to the world, by acting as an information broadcasting mode rather than just a sales portal. Creating the right set of interactions & user experiences are of prime significance. Thereby, e-commerce organizations omni-channeling through offline stores is the way to go.

### **REAL-TIME INDIAN EXAMPLES**

Enumerating below, the top eight successful omni-channel retailers in India which operated initially through online web portals and later diversified with offline physical stores. These organizations met break even comparatively faster than traditional uni-channel businesses and are reaping the benefits of omni-channel marketing. The organizations considered are : Lenskart, Myntra, Nykaa, Firstcry, Freshmenu, Chumbak, Teabox and Zivame. (Refer appendix for brand logos)

**i) Lenskart** -Founded in 2010, by Peyush Bansal who was a techie at Microsoft, Lenskart is India's fastest growing eyewear business currently, catering to the optical needs of over 1,00,000 customers a month. This is enabled via a clever combination of strong online portal as [www.lenskart.com](http://www.lenskart.com), and uniquely designed physical stores, along with a first of its kind 'home eye check up' service, revolutionizing the eyewear industry of the country. Offering the best quality products at affordable prices, Lenskart has over 5000 styles of eyewear from big brands like RayBan and Oakley to the best in-house private label brands such as Vincent Chase & John Jacobs. The company also provides eyewear accessories, contact lenses & selected apparel. Under the 'Opto – Try frames at home' feature, store specialists visit the potential customer's home upon request to demonstrate the best-selling frames & brands. Also the path-breaking 3D eyewear visualizer enabled by customer's device cameras is a sure-shot implementation of offering a seamless shopping experience.

**ii) Myntra** – an Indian fashion e-commerce company headquartered in Bengaluru, the company was founded in 2007 with a focus on personalisation of gift items. The company eventually evolved and shifted its focus to the online retailing of branded apparel. Flipkart acquired Myntra in 2014 to compete against Amazon. The acquiring of mobile app development platform company Native5 and content aggregation platform Cubeit, strengthened and expanded Myntra's mobile technology. In 2016 Myntra acquired its rival Jabong.com and in late 2017 partnered with the Ministry of Textiles's handloom division, with a vision to become India's largest fashion platform. Customers can shop from the comfort of the home, for their family, kids & friends across leading brands & private labels. High-quality merchandise & gifting options are the brand's USPs.

**iii) Nykaa** – Indian multi-brand beauty retailer selling cosmetic and wellness products. Founded in 2012 by Falguni Nayar, Nykaa started off as an online retailer, eventually opening its first physical retail store in 2015 at the T3 Terminal of Indira Gandhi International Airport. Offering brands such as Lakmé, Kaya Skin Clinic, L'Oréal Paris and Nykaa private labels, it follows an inventory based model with warehouses in Mumbai, New Delhi and Bangalore. Nykaa as two offline store formats – Nykaa Luxe and Nykaa On Trend. The Luxe format arrays Indian and international luxury beauty brands along with Nykaa Beauty, the in-house collection of beauty products. The On Trend format offers products curated by category basis their popularity. The in-house collection now includes lipsticks, eye & face products, along with bath & body and essential oils.

**iv) Firstcry** – A collaborative venture with Mahindra, Firstcry.com is Asia's Largest Online Portal for Baby and Kids Products. With over 2 lakh baby and kids items, the retail offers around 2000 international and Indian brands such as Barbie, Ben10, Disney, Farlin, Fisher Price, Mattel, Pigeon, Funskool, Hotwheels, Nuby, Medela, Pampers, Gerber, Mee Mee and so on. It provides the best products/brands at affordable lowest prices with great online shopping experience, free shipping and prompt customer service.

**v) Freshmenu** – A hassle-free food-delivery app that caters customers with restaurant-grade dishes prepared by trained in-house team of qualified & passionate chefs. Fresh & healthy ingredients are mainstay of the dishes. A new menu is curated each day. The multi-cuisine meticulously curated menu-of-the-day pans from Continental, Mediterranean and Latin American to Asian, Caribbean and fusion cuisines. Customers can track the order live using the live order tracking feature in the mobile app. The top rated & most frequently ordered food items are tracked & the customer data are maintained in a central

database. Checking out with pay-later options enabled by Simpl, Lazypay or the FreshMenu Wallet makes the purchase a lot easier. Freshmenu opened its first physical brick & mortar outlet in Bengaluru airport in the last quarter of 2017.

**vi) Chumbak** – founded in 2010 as a solution to create a range of fun souvenirs for India and Indians, wanting to give the world something cool to take back from their travels to India. What started with souvenirs stocked in multi brand outlets of other organizations, soon transposed into a unique business spanning stores across the country in both large format, full experience stores and pop up stores across popular malls and commercial streets. At present, Chumbak is a design led lifestyle brand for products ranging from apparel to home accessories with over 100 categories across 17 physical stores pan India. Chumbak when launched, was primarily operating as a web store, which eventually evolved into a highly interactive and fast growing online business with primary focus on building a powerful brand through engaging content and memorable shopping experiences.

**vii) Teabox** – an Indian tea brand that sells tea and tea-based products sourced from Assam, Darjeeling, Nepal & the Nilgiris. With the headquarters in Siliguri & an operational office in Bengaluru, this company which was founded in 2012, setup the country's first cold-storage facility for tea in Siliguri in 2015. Tea stored & processed scientifically, is shipped to customers within 48 hours of production, cutting short the traditional cycle of 3 to 6 months. In 2017 end, their first physical store was setup inside the posh restaurant Cinnamon located in Sivanchetti Gardens in Bengaluru.

**viii) Zivame** – founded in 2011 with the vision of helping women uninhibitedly shop for intimate wear. The power of this idea lied in how it helped women break norms. From the online-offline stores to their new category launches, all the innovations are driven by ideas that weren't thought of before. Zivame's state-of-the-art offline store is located in Domlur area of Bengaluru. Zivame promises the following : Always remain inclusive by creating products for every body & age; Continue to do good by using processes that put women first ; Continue to innovate & always make women look forward to the designs ; Positively impact women enabling the entire cycle from creation to delivery; Stay true by giving customers the finest quality and service.

#### **‘Raghav’s RETAIL CONTINUUM’ MODEL**

On comparing various online selling portals of e-commerce retailers & their corresponding offline physical stores, there were five similarities between the two modes. These five parameters revolve around the consumer experience while shopping. Additionally, these parameters shall follow any customer throughout the sales/purchase model of Attention-Interest-Desire-Action (AIDA). It can be qualitatively concluded that any e-commerce organization looking forward to setup an offline physical brick & mortar store, shall ensure that these five parameters shall be carefully looked into & catered to, as these are the five factors that their shoppers will look for too. The five factors are henceforth collectively coined as ‘Raghav’s Retail Continuum Factors’, & they are as follows :

1. Location (Proximity/ Access)
2. Convenience (User-friendliness)
3. Knowledge (Brand salience)
4. Showrooming (Sensory appeal/ Confidence)
5. Price (Advantage)

**Pictorial representation of the Retail Continuum Model**



**i) Location (Proximity / Access)** - Store's location and accessibility is of prime importance to any retailer. Interestingly, this applies to online shoppers too. Physical shoppers tend to choose stores that are situated where they plan to be anyway, such as a mall or shopping area. For online portals this shall be the two-pronged : first, whether the website is easily accessible either through browser's search results or through clickable ads leading to website landing page. Second, whether the organization is located in the shopper's city or if delivery is available to the shopper's address. Most e-commerce portals come with features to check delivery possibility enabled by GPS location detection or 'Store locator' facility. It is important for any e-commerce portal to cater to the needs of majority customers. Myntra is a brand which has tied up with numerous logistics support teams to enable itself to deliver even to intricate tier-3 towns.

**ii) Convenience (User friendliness)** - Majority of people express that they shop where it is the most convenient. Convenience transcends from physical to online spheres in the following ways - how fast & hassle-free can one complete a purchase; how easy & effortless is it to find desired items; and whether customers can obtain everything in one place. In physical retail, traditionally retailers group similar or related products in labelled aisles so that it is easy to find & identify them. Express check-out lanes and efficient billing counters are other ways to ease the shopping. Though online retailing does not enjoy decades of perfecting the art, e-commerce delivers convenience in its own ways. In digital, the web portal layout, branding, product assortment & checkout experience need to be carefully crafted.

Chumbak is a great example of these principles at work, particularly when it comes to communicating the brand ethos to the shopper at every stage of the purchase. ([www.chumbak.com/](http://www.chumbak.com/))

**iii) Knowledge (Brand salience)** - Every stage of the AIDA model contributes to transitioning knowledge to the customers about the organization, the brands, the product offerings & the benefits of the purchase. Be it physical store or the online counterpart, customers expect the expertise to guide them to make a purchase decision. Be it expensive items such as furniture or an impulse buying such as of a lipstick, the retailer must display expertise in various forms ranging from staffing smart & equipped personnel to providing information snippets on-screen, real time. Similar to a customer relationship desk at a store, the online counterpart can have a resource center that provides blogs, guidelines and videos that offer solutions to all customer queries. Live chat in e-commerce mimics a traditional sales force. Lenskart has mastered to deliver personalized attention and expertise that offers an incredible customer experience. This in turn acts as an incredible customer retention tool.

**iv.) Showrooming (Sensory appeal / Confidence)** - Shoppers who do showrooming, enter local bricks-and-mortar stores' showroom to see, feel and try out products, and then buy the product from an online store, often for price advantage. The converse effect of this, often happens for the online portal as well, where the customer might browse the product portfolio of a brand through the website, gain all the preliminary information, & finally go to the nearest physical store containing the brand. Once the customer touches and gets a sensory feel of the product, he/she purchases it. Hence all the determinant factors in the purchase location boil down to the sensory appeal of the store (online/ offline) and the resultant confidence that the potential customer gains to go ahead towards purchase.

A lot of people choose where to shop based on looks alone, especially within e-commerce. The landing pages & the home page appearance are very critical to invite, attract & retain online shoppers. Digital natives rate the credibility of a website on its appearance & sensory sensibilities. Physical or virtual, the store must be clean, well laid-out, and with an ambience matching the brand.

A fantastic example of this is the cosmetics brand Nykaa. (Refer appendix image).

**v) Pricing** is the key to the growth and revenue sustenance of any business. When a customer shops, there occur trade-offs between the online & physical transactions. Retailers need to have a check on the return on investment maximization even when enjoying the online sales volume, since customers purchase online for the price advantage. On the other hand, purchasing from a physical store by striking a face to face relationship with store personnel, also has additional relevance to a customer during price negotiations and amicable after sales service transactions.

### EMPLOYING THE 'RRC' MODEL TO SCORE A STORE

Taking the example of the omni-channel retailer Lenskart, let us conclude this theoretical framework by employing the RRC Model to qualitatively score any omni-channel retailer & thereby comment on its effectiveness of delivering a seamless shopping experience.

**Before heading on to the scoring of the store, below are some key information about the organization:**

- Started as an online website in 2010 by ex-Microsoft techie Mr.Peyush Bansal with an aim to provide affordable & convenient eye-wear solutions to Indian masses
- The e-commerce website rated by Nielson as one of the most user-friendly & equipped portal offering 360 degree shopping experience to its customers (as of 2016 report)
- Augmented with a mobile application (Android, iOS, Microsoft) to cater to the digital natives, with a revolutionary face-recognition enabled 3D eyewear-trial feature
- As in January 2018, their physical retail stores are present in over 90 Indian cities ranging from Tier 1 metros to Tier 3 towns such as Agartala, Ludhiana, Kota, Krishnagiri & Vellore.
- The physical stores reduce inventory & overheads by maintaining a real-time order based decentralised warehouse system.

**Refer the appendix for images of the physical stores & the website of Lenskart.**

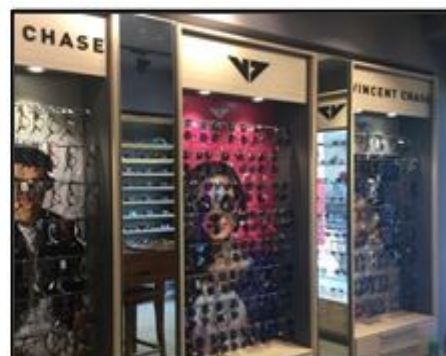
As per the words of Mr.Peyush Bansal, Founder and CEO of Lenskart, “Omni channel is the perfect way to build consumer backward retail. Lenskart has implemented lot of innovation in the stores to keep them small, lean and profitable.”

**Scoring the Lenskart stores for offering seamless 360 degree customer experience** – We shall demonstrate scoring the online & offline stores of Lenskart by assigning weights to each of the Raghav-Retail-Continuum factors, based upon information about various attributes of the organization & upon broad consumer perception. The weights shall be a count from 1 to 10, whilst 1 being the lowest and 10 being the highest. Also, the assigned weights are perceptual, comparing Lenskart with its contemporaries such as Myntra, Nykaa, Firstcry, Freshmenu, Chumbak, Teabox and Zivame, which operate across online & physical domains.

RRC Factor	Online store Weight	Offline store Weight	Total Score
Location (Proximity/Access)	9	9	18
Convenience (User-friendliness)	9	8	17
Knowledge (Brand salience)	8	6	14
Showrooming (Sensory appeal)	10	7	17
Price (Advantage)	7	7	14
Total Store Score : 80/100			

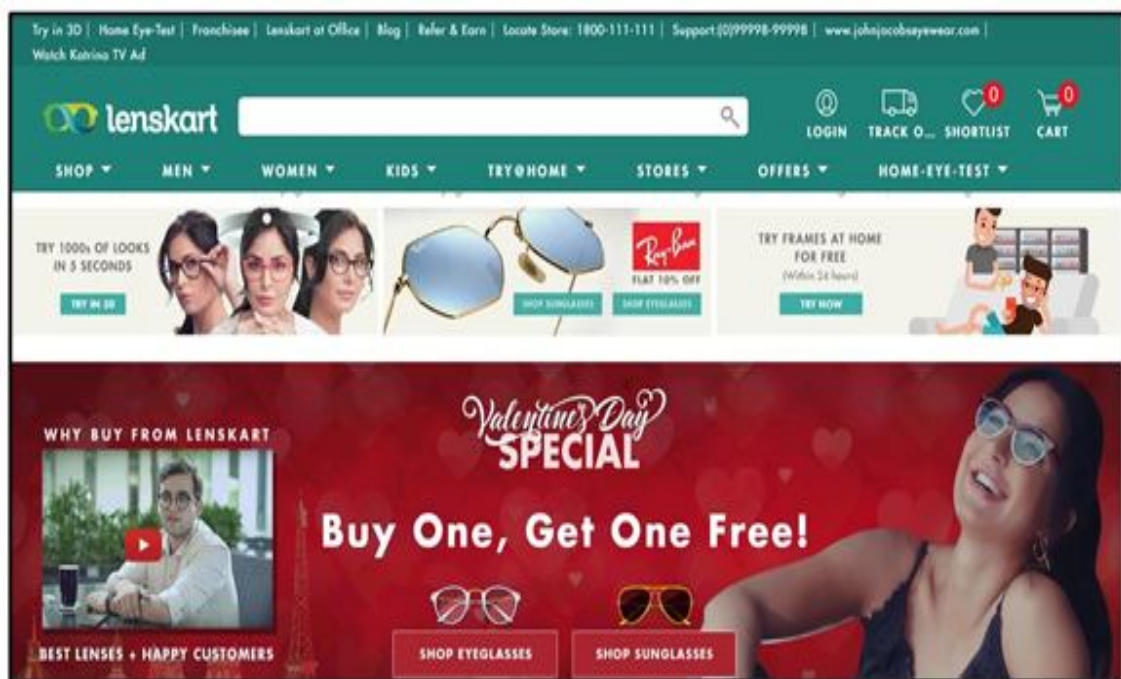
### Appendix

#### Lenskart physical stores





Lenskart.com online website - ([www.lenskart.com/](http://www.lenskart.com/))

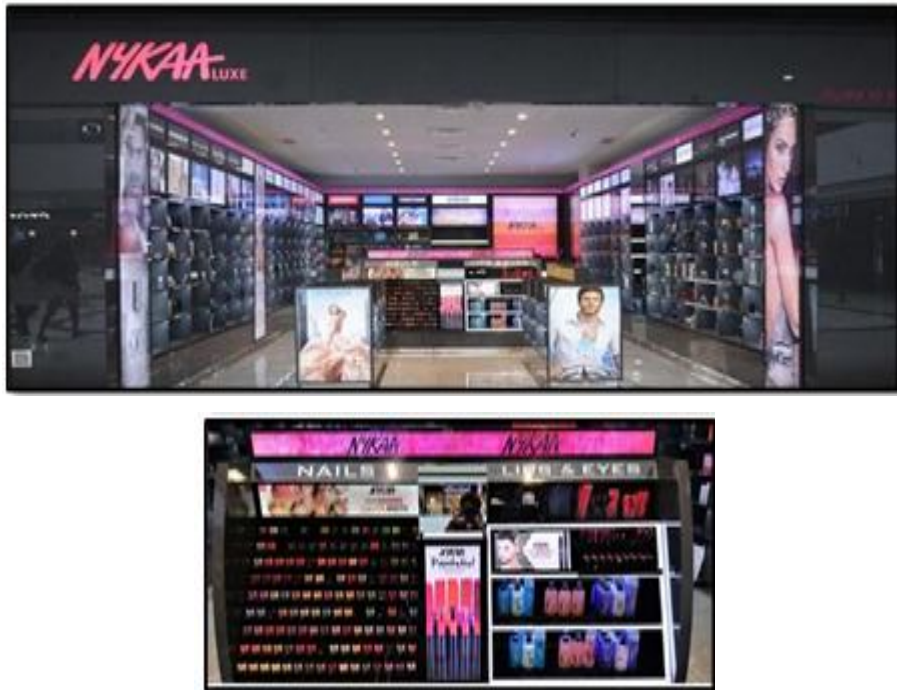


Brand logos



Nykaa Cosmetic brand's flashy physical store





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## ARTIFICIAL INTELLIGENCE FOR MARKETING

M. Rashmika and M. Mani Varsha

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### ABSTRACT

*Artificial intelligence means any technology that seeks to mimic human intelligence, which covers a huge range of capabilities such as voice and image recognition, machine learning techniques and semantic search. Marketers like to wax lyrical about the latest exciting technologies and bang on about AI for image recognition, speech recognition, preventing data leaks, or even targeting drones at remote communities. One of the major technologies under AI is Machine learning. Machine learning techniques involve using algorithms to 'learn' from historical data sets, which can then create propensity models. The words Machine Learning might conjure images of hyper-intelligent robots in the distant future, but the technology is a reality now. Algorithms powered by machine learning and drawing on big data enable us to solve tough problems that improve people's daily lives.*

*Keywords: Artificial intelligence, Automation, Sales, Marketing.*

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### INTRODUCTION

Artificial intelligence (AI) is an area of computer science which helps in creation of intelligent machines. These machines work and react like humans. It has become an essential part of the technology industry. These machines with artificial intelligence are designed for include Learning, Planning, Problem solving, Pattern recognition, Speech recognition.

Artificial intelligence was coined by John McCarthy, an American computer scientist, in 1956 at The Dartmouth Conference. It encompasses everything from robotic process automation to actual robotics. It has gained prominence recently because of its part in big data, or because of the increase in size, speed and variety of data collection. AI can perform tasks like identifying patterns in the data more efficiently than humans which is mainly used in data mining, enabling businesses to gain more insight out of their data.

Machine learning is another core part of AI. Learning mainly involves ability to identify patterns in streams of inputs especially when it is done without any kind of supervision, whereas learning with adequate supervision involves classification, clustering and numerical regressions. Classification determines to which category an object belongs to and clustering groups a set of objects and this this group contains objects with similar properties and in regression we obtain a set of numerical input or output examples, and then discover functions which enable the generation of suitable outputs from respective inputs. Mathematical analysis of machine learning algorithms is a well-defined branch of theoretical computer science. It is often referred to as computational learning theory.

Machine perception and Computer vision are parts of AI. Machine perception deals with the capability to use sensory inputs to deduce the different aspects of the world whereas Computer vision is the power to analyze visual inputs with a few sub-problems. These sub-problems include facial, object and gesture recognition.

Robotics is also a major field related to AI. Robots require intelligence to handle tasks like object manipulation and navigation, along with some sub-problems. These sub-problems are of localization, motion planning and mapping.

Marketing and Advertising are key growth areas with respect to marketing. Because AI offers opportunities for customization, personalisation and direct communication between brands and consumers. AI is becoming pervasive as marketers look for ways to improve data insights and scale responses without unnecessary costs. AI is more focused on delivering workable marketing techniques to people, with less guesswork.

Marketing is defined as “the activity, processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients and society”. Marketing managers make decisions about products, price, brands, promotions, advertising, and distribution channels, based on deep knowledge about customers. The outcomes of marketing decisions are dependent on the behaviour of others such as

competitors, suppliers and resellers. Furthermore, uncertain factors such as the overall economy, the state of the financial sector and (international) political developments play an important role.

Marketing today has become too complex. There are so many channels, technologies and devices in our marketing stacks creating huge amount of data. It is no longer humanly possible for marketers to shift through and manage data. This process is extremely time-consuming and inefficient. Artificial Intelligence related to marketing helps large enterprises as well as smaller businesses by removing the complexities of modern day marketing and digital campaigning. It simultaneously delivering exponential results to the business and reducing operational costs.

For marketers, terms like AI, machine learning and master algorithm may seem akin to a foreign language. In Domingo's words, the master algorithm would work much like a key that could open every lock. A professor of computer science at University of Washington, Domingo's says this is the big difference between the machine learning he writes about which functions as the limitless key and traditional programming. To keep the comparison consistent, new keys must be created for every lock in traditional programming; if marketers want to track a certain sub-segment of customers, they must create a new algorithm for each.

Research associated with artificial intelligence is highly technical. The core problems of artificial intelligence include programming computers for certain traits such as:

1. Knowledge
2. Reasoning
3. Problem solving
4. Perception
5. Learning
6. Planning
7. Ability to manipulate and move objects

Knowledge engineering is a core part of Artificial intelligence research. Machines can act and react like humans only if they have sufficient information related to the world. Artificial intelligence must have access to objects, properties, and relations between all of them to implement knowledge engineering. Initiating common sense, problem-solving and reasoning power in machines is a difficult task.

### **BUSINESS MODELS, ANALYTICS, AND EXPERIENCE**

Technology has transformed how individuals, firms and organizations function today. The developments will have far-reaching global impact on performance, competitiveness, and resilience for all industries. The future service technologies at the intersection of people, intelligent machines and data will provide opportunities for growth based on innovative business models, informed decision making, and transformed behaviour. These intelligent connected technologies such as artificial intelligence, virtual reality applications, augmented reality, text mining, and Internet of Things result in improved predictive capabilities, enhanced and assisted experiences, and real-time actionable insights.

Whether one looks at Business to Business or Business to Consumer service settings, big data metrics, information technology & analytics and new technology-enabled delivery platforms are taking center stage. Furthermore, in the context of the introduction and increased usage of service technologies, service marketing problems are also gaining significant research attention in disciplines such as computer science and information systems. This highlights the need for transdisciplinary service research, maintaining a strong service-theoretic focus, while pushing the boundaries in terms of the analytics tools researchers develop and deploy to provide solutions for service managers.

### **ARTIFICIAL INTELLIGENCE USES IN MARKETING AND ADVERTISING**

#### **1. Search**

In 2005, if you **searched** an e-Commerce store to find a product, you'd be unlikely to find the result you had in mind unless you knew it's name or title exactly. Today's "search" is after much smarter, and it's



improved capacity not only help you find information on Google, but it helps you find the right products on Target.com, the right movies on Netflix, and more.

Ten years ago, typing “men’s flip flops” at Nike.com may not have yielded the results I was looking for. Today, it very much does.

Search improvement for eCommerce and marketing has improved due to the same underlying factors that have improved “search” at large, including:

- Technologies like Elastic search are now relatively mainstream. It allows any small eCommerce stores to have search that goes beyond simply matching keywords.
- Data-as-a-Service companies make it easier than ever to draw from search data from other larger sources, informing your own online product search without having to train your own search models from scratch.

## **2. Recommendation Engines**

Recommendation engines are very rare in the world of digital marketing in that this marketing technology is often appreciated and even loved by customers. Amazon’s book or product recommendations are excellent, Spotify knows your taste in music so well, this kind of “discovery aide” amongst the millions of choices available makes them indispensable for companies with huge inventories.

Today’s sophisticated online recommendations go vastly beyond a simple human-determined set of guidelines, or even a simple set of historical ratings from other users. A recommendation engine can pull from reams of nuanced data in order to draw conclusions from behaviours, actions, etc...

Netflix isn’t merely taking into account what movies a person has watched, or what ratings they give those movies – they’re also analyzing which movies are watched multiple times, rewind, fast-forwarded, etc... These behaviours, when correlated and assessed over millions of other users, help to coax out the best recommendations.

## **3. Programmatic Advertising**

In italics below is a brief explanation of programmatic advertising by Seer Interactive, whose done a great job of explaining the basics:

Simply stated, programmatic advertising is the automated process of buying and selling ad inventory through an exchange, connecting advertisers to publishers. This process uses artificial intelligence technologies... and real-time bidding for inventory across mobile, display, video and social channels – even making its way into television.

Artificial intelligence technologies have algorithms that analyze a visitor’s behaviour allowing for real time campaign optimizations towards an audience more likely to convert. Programmatic companies have the ability to gather this audience data to then target more precisely, whether it’s from 1st party (their own) or from a 3rd party data provider.

Programmatic media buying includes the use of DSPs, SSPs and DMPs. DSPs, (demand side platforms) which facilitate the process of buying ad inventory on the open market, provide the ability to reach your target audience due to the integration of DMPs (data management platforms). DMPs collect and analyze a substantial amount of cookie data to then allow the marketer to make more informed decisions of whom their target audience may be.

## **4. Marketing Forecasting**

This section might be referred to as “Insight from Marketing Data,” a much broader topic. However, one of the most straight-forward marketing applications of business intelligence data lies in it’s ability to aide in predictions, a capability much enhanced by developments in AI.

We’ll likely compose another entire article (or indeed, an entire market report) on the domain of business intelligence. However, BI and marketing intersect so thoroughly that it would be disingenuous to refer to the rapid-fire advancements in marketing without referencing the underlying technology that helps companies make sense of that flood of marketing data and take action on it.

Companies like Rapidminer, Birst, Sisense, and others are aiming to become industry standards for business intelligence and predictions. Because of the (generally) high volume and quantifiable nature of marketing data (clicks, views, time-on-page, purchases, email responses, etc...), models can often be trained much more quickly on marketing data than on other information such as HR data, inventory data, etc...

Being able to predict the success of an email campaign or marketing initiative can help companies continuously improve marketing efforts (in display, text, video, or even direct mail).

Of the 2000+ marketing technology companies on the market at the time of this writing, a wide swath deal with data management and analysis. We can expect more of these companies in the future, and more refined marketing efforts from companies large and small as these technologies / assessment tools improve and become more mainstream.

### **5. Speech / Text Recognition (Conversational Commerce)**

In 2014 and even in most of 2015, it might have been safe to say that while chatbots and speech recognition were an interesting use for artificial intelligence, it still hadn't made a legitimate impact in marketing or advertising. Beginning in 2016, a wave of legitimately viable speech and chat interfaces have crossed over into the marketing worlds – and some of them showed grand promise. Here are a few of the examples of traction today:

- Amazon Echo – Echo has been a remarkable success in turning the internet of things into a reality... particularly in it's ability for users to make purchases simply by speaking to the machine. You can order an Uber car or a Domino's pizza with speech alone.
- Facebook Messenger – Aiming to model the "online to offline" strategy of chat-based purchases, Facebook Messenger allows users order flowers (and soon, much more) via chat alone.
- Baidu's Duer – Baidu's new chatbot assistant is capable of ordering products within it's interface (PC World obtained some of the earliest coverage of the bot here)
- Others – Google and (reportedly) Apple are working on Echo competitors, and the competition over which brand will become the speech "hub" of the smart home should prove to be an exciting one. While chatbots and natural language processing haven't made their way into the marketing departments of most of America's small businesses, the applications from the largest and hottest tech companies are certainly making waves, and making it clear that there's a bigger trend ahead.

## **APPLICATIONS**

### **1. AI-enhanced PPC advertising**

Most marketers allocate their pay-per-click budgets to AdWords and Facebook. According to e-Marketer, Google controls 40.7% of the U.S. digital ad market, followed by Facebook with 19.7%.

Most pay-per-click ad campaigns are managed by either in-house teams or a PPC agency. In other words, humans. But AI can help you uncover new advertising channels that may not be used by your competition.

### **2. AI-powered content creation**

Natural-language generation holds tremendous potential in making the work of content creators more efficient. By 2018, Gartner predicts, 20% of all business content will be authored by machines.

- Profit and loss summaries
- Quarterly business reports
- Hotel descriptions
- Real-time stock insights
- Sports game recaps

### **3. Intelligent email content curation**

Your team often spends hours compiling and scheduling weekly emails to multiple customer segments. Even with smart subscriber segmentation, you can't deliver a personalized email to every single customer. Yet, a

2016 study by Demand Metric found that 80% of marketers say personalized content is more effective than “unpersonalized” content.

#### **4. Churn prediction and smart customer engagement**

Machine-learning algorithms also can help identify disengaged customer segments that are about to churn or leave for a competitor.

AI-powered tools in this category can help gather data, build a predictive model, and test and validate that model on real customers. That information can indicate what stage of churning the person is in. While quick-churn customers (users who abandon a product shortly after starting to use it) are difficult to re-engage, late-churn customers (those who have a long-lasting relationship with your brand) can be incentivized to keep using your product.

#### **5. AI-powered customer insights**

Where it would take humans an immense amount of time to crunch all the numbers and match them to customer’s behavioral patterns, AI can give marketing insights on the fly.

Dynamic Yield helps the likes of Under Armour, Sephora, and Urban Outfitters build actionable customer segments by using an advanced machine-learning engine.

AI algorithms create customer personas based on billions of data points, including:

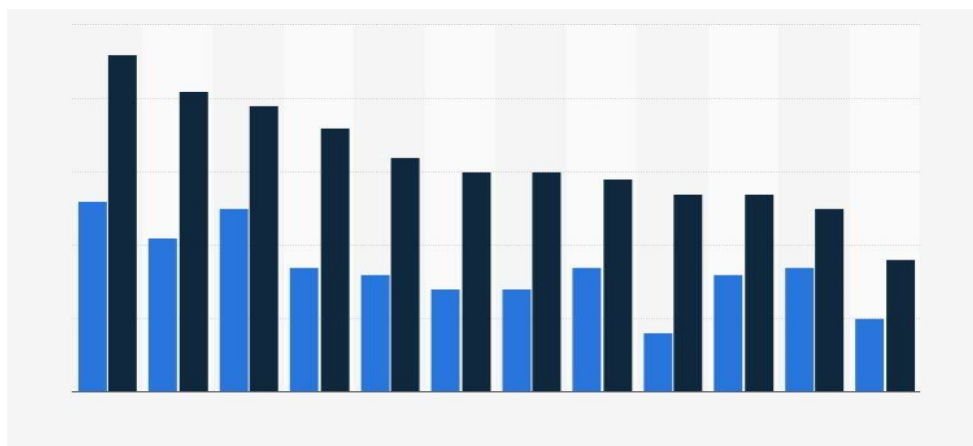
- Geo-specific events
- On-site interactions
- Referral source
- Psychographic factors
- Purchase behaviours
- Past communication
- travellers-survey

#### **6. Automated image recognition**

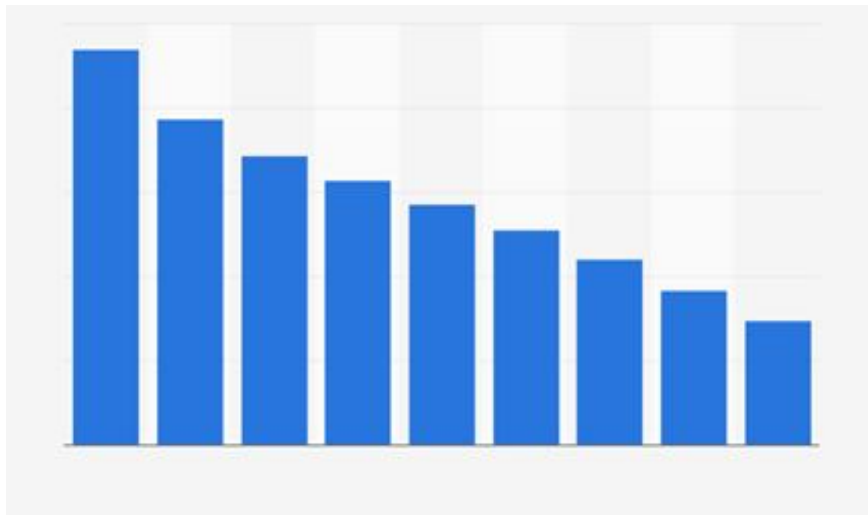
If you’ve recently used Google Photos, you may have noticed how good the system has become at recognizing people and images. In recent years, software has become superhuman at recognizing people, with accuracy exceeding 99%. Big brands like Amazon, Facebook, and Pinterest are using AI-powered image recognition to identify people and objects from images and videos.

#### **STATISTICS**

1. The statistic shows the impact artificial intelligence will potentially have on the real gross value added (GVA) of various countries worldwide by 2035. By that time, AI has the potential to increase the annual GVA of the United States from 2.6 percent per annum to 4.6 percent

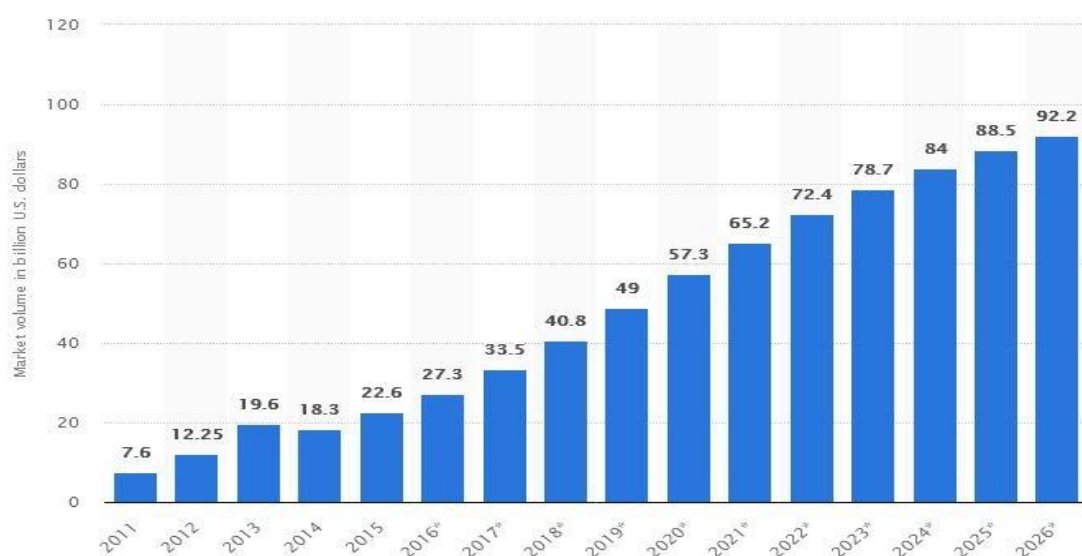


2. The statistic shows the growth of the artificial intelligence market worldwide, from 2017 to 2025. In 2017, the global AI market is expected to grow approximately 175 percent from 2016 levels, reaching an forecast size of 2.4 billion U.S. dollars. Artificial intelligence is a term used to describe a variety of technologies. These include machine learning, computer vision, natural language processing (NLP), and machine reasoning, among others. Artificial intelligence is expected to have implications for and a use in every industry vertical, and is likely to be one of the next great technological shifts, like the advent of the computer age or the smartphone revolution.

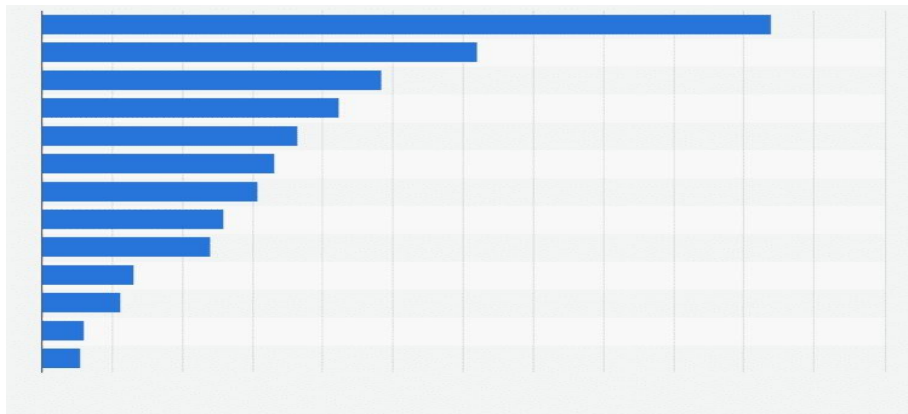


3. The term "big data" describes the enormous amount of data that inundate businesses on a constant basis, as well as the industry which has grown around attempts to collect, analyze, and act upon that data. Due to the size and complexity of "big data" sets, traditional data processing applications are seen as inadequate. While the volume of data becomes largely unimportant beyond a certain point, it is what organizations are able to do with the data that matters. According to its proponents, the ability to harness big data effectively allows businesses to make faster, smarter decisions and improve short- and long-term strategic planning.

The statistic shows a revenue forecast for the global big data industry from 2011 to 2026. For 2017, the source projects the global big data market size to grow to just under 34 billion U.S. dollars in revenue.



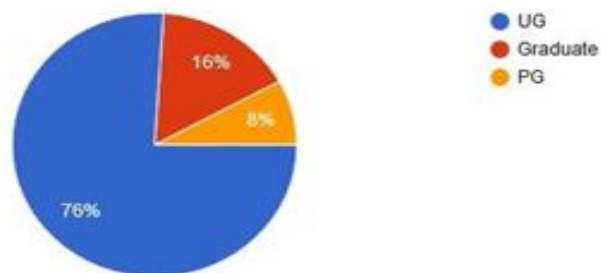
4. The statistic shows the number of startup companies working in the various segments of the artificial intelligence (AI) market worldwide, as of March 2016. As of that time, 260 startups had been formed worldwide to work on machine learning for applications.



A Research Analysis conducted among Students gives the following results

#### Highest Qualification

25 responses



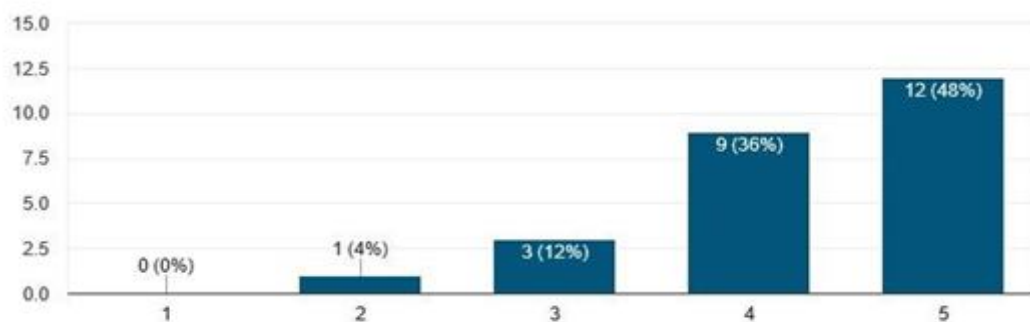
#### What is AI to you?

25 responses



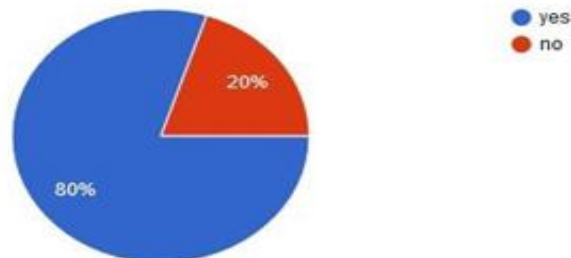
How likely is an artificial intelligence to develop human-level intelligence, creativity, and motivation (or better) by 2025?

25 responses



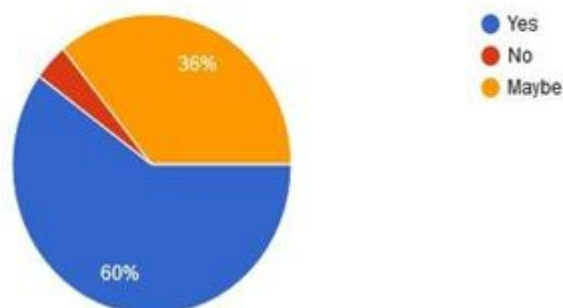
### Will AI take over the traditional marketing world?

25 responses



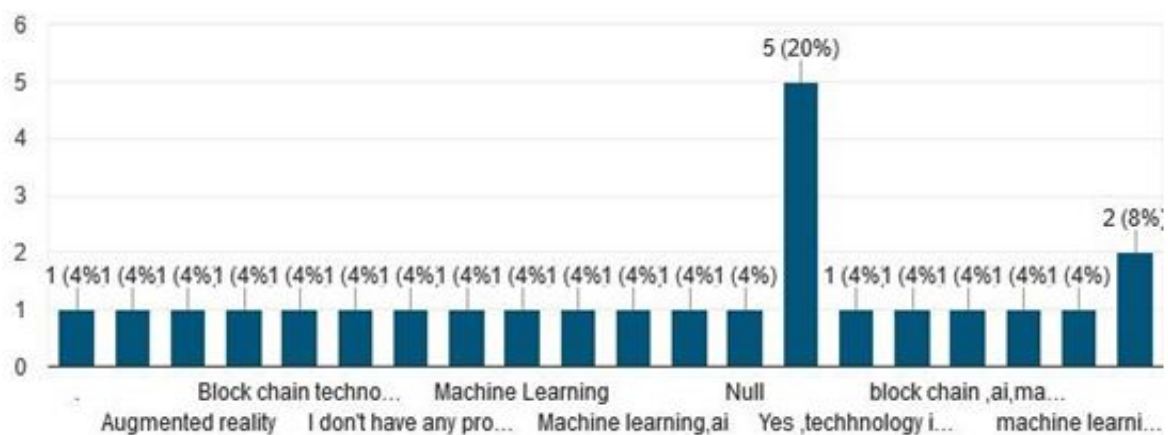
### Will AI in marketing help?

25 responses



### What do you believe are the technology trends shaping the survey and market research industry in 2017?

25 responses



## How do you believe companies can benefit from AI technology?

13 responses

Since the humans are replaced with robots there should be someone who builds algorithms for them to run. therefore companies may get many offers and profits in providing solutions to them. In this way they are benefitted.
security, customer interaction
efficiency and speed in work
AI is used very rarely in companies, I believe that AI is mostly useful in army force
No need to employ people for developing algorithms of each and every topic
Work maybe reduced..improved outcomes
It can be benefited by reducing the human errors that are made by humans we can ease the work that has to be put by us
Using AI the companies can meet their customers demands in less time with more efficiency
Low operating costs
Unemployment can be achieved by AI. As AI help the individual to lead a comfortable life so the company will get more and more projects.

### LIMITATIONS OF ARTIFICIAL INTELLIGENCE IN MARKETING

- **It's no match for human interaction:** no matter how sophisticated AI becomes, there will always be the need for human-to-human communication to supplement AI technology. You'll still need to understand what makes people tick – and craft the messages that will tempt them to respond.
- **Beware putting your eggs in one basket:** while the benefits of artificial intelligence are clear, it's important not to completely rely on the technology, but for AI to complement existing processes.

### CONCLUSION

Artificial intelligence has a wide range of potential marketing and advertising applications. From tools to assist brands in building or purchasing campaigns, to highly customized messages developed for individual consumers, AI has the potential to define and refine everything we thought we knew about selling products.

For digital information strategists, ongoing awareness and working knowledge of AI applications in marketing and advertising will help to ensure effective, targeted and tech-savvy campaigns in support of forward-thinking brands. It is difficult to determine where this technology might create new jobs in the future, yet easier to see which tasks AI might take from humans. It's likely that any routine, repetitive task will be automated. This shift to automation has happened for centuries, but what is different today is that it affects many more industries. It's likely that we will adapt to technological changes by inventing entirely new types of work, and by taking advantage of our uniquely human capabilities.

In the future, if over-reliance is placed on technology people could become disconnected from the process. They may cease to understand how things work (become de-skilled) or fail to appreciate how bad things are when they go wrong. Whilst an AI system can present data and recommendations, the decisions on what action to take is one for humans. However, if humans blindly follow automated instructions, without knowing how to question them, this could have negative implications for OSH.

If AI is seen to contribute to business success via enabling a better understanding of customers, along with a more rapid response to their needs, then its uptake within the world of work is likely to continue. In the future, many tasks will have the opportunity of input from AI. However, rather than replacing humans, it is

the combination of AI and humans that is likely to bring the greatest benefits to the working world. Therefore, we might conclude that it will be how AI 'interacts' with humans that will influence its role in the future world of work. If human values are carefully articulated and embedded into AI systems then socially unacceptable outcomes might be prevented.

So, does AI present opportunity or danger? Will machines take all the jobs or create more than they destroy? Opinions on this are divided, and the reality is likely to be somewhere in between the two extremes. AI will continue to change the world of work, and workers will need to engage in life-long learning, developing their skills and changing jobs more often than they did in the past.

In the future, as humans increasingly work together with AI, the challenge for us in HSE's Foresight Centre is to ensure that we anticipate any negative health and safety consequences, assess the risks, and share this knowledge to benefit the future working world.

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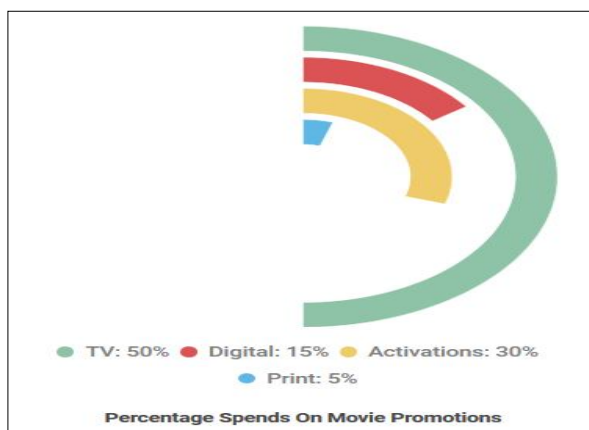


## IMPACT OF ONLINE VIDEO MARKETING IN FILM PROMOTION

Aakash Ojha, Sai Nethra. V, Himanshu Chaudhary and Vishal Thakur

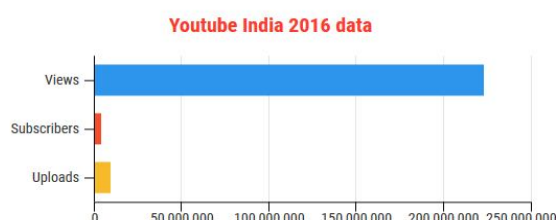
### ABSTRACT

*This paper aims to study and document the impact of video marketing in the business to consumer (B2C) context. B2C video marketing refers to the strategies adopted to promote products to the audience using video as a medium. The focus of the paper has been further narrowed down to studying the effect that online video marketing has on promotion of films.*



*The scenario in focus is Indian cinema, a.k.a Bollywood which is India's most visible feature to the world. It produces close to 1000 movies per year. According to a FICCI-KPMG Report, the growth of Indian film industry is predicted to rise by 10-15% in 2017. There has been an **average growth of 10% every year** in terms of number of films released (827 in 2007 and 1012 in 2017), as per a report by ESP Properties under GroupM. The growth in Digital advertising is projected at a CAGR (Compound Annual Growth Rate) of 31 percent. The revenue of Indian film industry is expected to grow at a CAGR of 7.7% during 2016-2021 [IBEF Media and Entertainment Report 2017, p.19].*

*In this paper, we have taken the case-study approach to study the impact of online video marketing in film production and how it affects the revenue of the films. For this, we have chosen two Bollywood films in particular, Dangal (2016) and Baahubali 2 (2017), which were the movies that set a standard in digital marketing trends of films.*



**Keywords:** Marketing, Digital Marketing, Video Marketing, Online Video Marketing, YouTube Marketing, Film Promotion Strategies

### INTRODUCTION

Keeping in view the ever-growing demand, B2C companies are adopting video on online channels to promote their brands/products, attract leads, and convert them into customers. Technology and social media have played a major role in expanding the channels that B2C marketers use for promoting their video campaigns. The film industry is no exception in adopting the latest trends in marketing. The Indian film industry has scaled new heights by inculcating digital promotions for its movies and Bollywood producers have left no stone unturned in marketing their films on the digital platform using emerging technologies like video marketing and interactive videos to generate a buzz and engage the audience, thus resulting in a growth of footfall when the film releases.

In this highly competitive film market, the marketers have to adopt new strategies to make their film stand out in the clutter of films released and increase the first weekend collection, which is nowadays considered the indicator of success for the film. They are resorting to the digital medium to achieve this and especially video marketing as videos are highly consumed by the audience.

According to *bestmediainfo*, films allocate around 40 to 45% of its marketing budget to TV promotions, and 10-15% on digital and print each. Eros Entertainment spent 20% on the web for digital promotions which includes movies like Love Aaj Kal and Hungama Digital Media is doing the online promotions for Eros. In

India, the budget for marketing of films has grown from 5-6% of the production budget to 10-15% which is a leap closer to the global average.

The Indian M&E industry: Projections							
Overall industry size (INR billion) (For calendar years)	2016	2017P	2018P	2019P	2020P	2021P	CAGR (2016-2021P)
TV	588.3	651.0	750.9	876.8	1,014.5	1165.6	14.7%
Print	303.3	325.0	350.4	378.5	405.6	431.1	7.3%
Films	142.3	155.0	166.0	178.2	191.6	206.6	7.7%
Digital advertising	76.9	101.5	134.0	174.3	226.5	294.5	30.8%
Animation and VFX	59.5	69.5	81.2	95.5	111.9	131.7	17.2%
Gaming	30.8	37.2	44.2	52.2	60.7	71.0	18.2%
OOH	26.1	29.0	32.5	36.4	40.8	45.7	11.8%
Radio	22.7	26.4	30.7	35.9	41.5	47.8	16.1%
Music	12.2	14.0	16.3	19.0	22.1	25.4	15.8%
Total	1262.1	1408.7	1606.2	1846.7	2115.2	2419.4	13.9%

Source: KPMG in India's analysis and estimates, 2016-17

### WHAT IS VIDEO MARKETING?

Videos being the visual form of content have been steadily rising in use by the businesses and brands to create awareness about them. Both the market and consumers are consuming this content across devices and platforms, and engaging with it. This statement can be supported by the data that 71% of the internet data consumption is for video/audio content, according to the Cisco VNI Report 2014.



### WHY VIDEO MARKETING?

If a picture says a thousand words, imagine the worth of a video, in which people can retain up to 30% of what they see and 70% of what they can hear and see.

It is the visual impact created which remains with the viewers and also it involves the viewers to engage if it's in the form of online content. Other than visual impact, online videos can reach more viewers across devices especially mobile devices which are rapidly increasing in India.

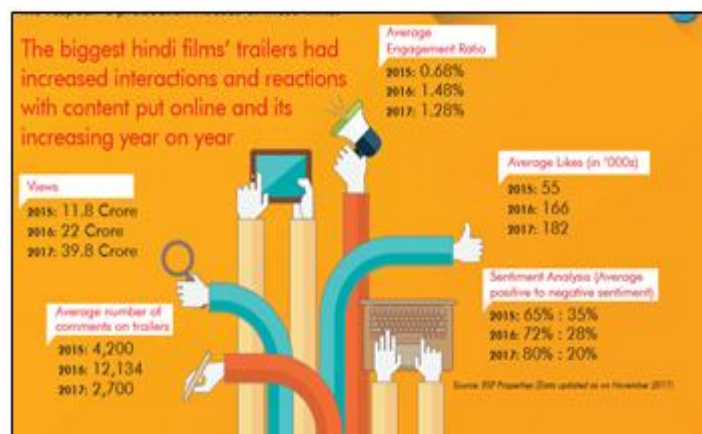
According to an article on *monocept.com*, 56% Indians prefer to watch the video content on mobile devices, with 500 million users watching videos every week on Facebook. According to an article on *quickscream.com*, by 2021, video will drive 82% of all consumer Internet traffic, which is 73% greater than that in 2016.



Video increases conversions by up to 80% and 88% of visitors to a site stay longer on a site that shows the right videos related to their problem statement.

According to the same article cited above, Cisco predicts that by 2021, growth of live video on mobile would increase 39-fold. Live video has become a channel that is garnering a lot of attention and which brands cannot afford to ignore at any cost.

From 2013, the digital promotional platform mix included Twitter, Google+ and Instagram. The entry of Facebook into this arena has made the field even more competitive than it already was and digital marketers shifted their focus to getting “engagement” and “reactions” to custom make their promotions in order to attract the audience.



Live stories attract up to 10 to 20 million viewers every day, which offers a lot of opportunity to showcase branded content and improve its reach among the target audience.

People spend 3x more time watching Facebook Live videos than 'normal'

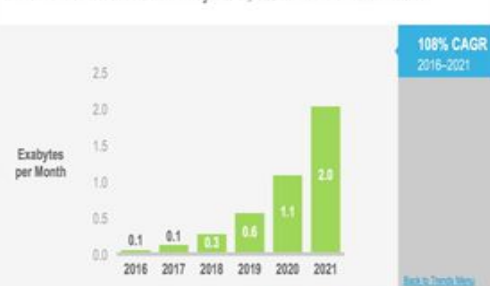
Video content in email marketing has proven to be very effective in improving the click-through rate (CTR) by 50% and customer loyalty by 35%.

#### Eight Reasons to Use Video Marketing:

1. It increases conversions and sales
2. It results in great ROI (Return on Investment)
3. It helps in building trust
4. Appear in search results with the help of videos
5. Appeals to mobile users
6. Better explanation of brand or product
7. Engages buyers
8. Encourages social shares

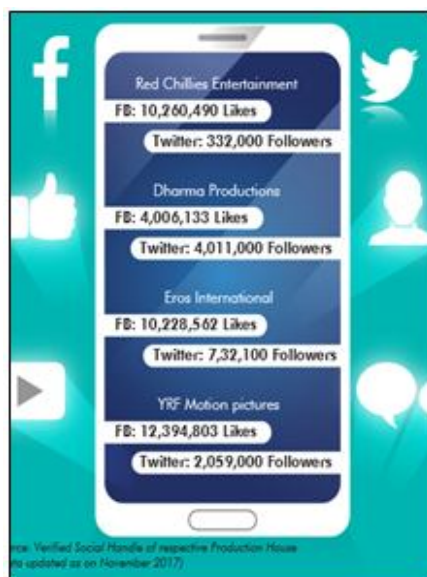
#### High Growth for Live Video on Mobile

Live Video to Grow 39-Fold by 2021, 5% of Mobile Video Traffic



\* Figures (in) refer to 2016 and 2021 mobile data traffic shares  
Source: Cisco VNI Global Mobile Data Traffic Forecast, 2016-2021

In the next stage, the production houses would do what is technically called “social listening” to understand fan reactions through comments, likes and sentiments, and alter the promotion plan and trailers accordingly. The active interaction between fans would give marketers an idea about the consumer behaviour, their likes/dislikes and their expectations from the film. These insights would help them plan their marketing and promotional strategies in an even better way.



## **HOW IS VIDEO MARKETING DONE?**

### **Different Channels Used**

Video marketing is done on various channels like popular social media channels (YouTube, Facebook, Twitter and Instagram). Live videos and Virtual Reality are also an emerging area of video marketing.

### **How Video Marketing is Used for Film Promotion**

Video marketing focuses on spreading the word about the content in every stage of the product, just like in traditional marketing. It is a continuous process that begins right at the ideation of the product and goes on until the product is out in the market among consumers. Using the various channels (website, online networking, etc.) accessible to the marketer, she/he can decide which to use in order to extend their scope, target and retarget audience to achieve their goal.

For each channel, they'll have to know few things about the medium before venturing into the respective online space, like how are they going to measure the engagement, determining the sample size, time constraint per stage and/or per channel. In case the marketer manages to capture some audience on another chosen channel, she/he has to plan in advance how they're going to retain that audience and lead them to conversion.

This approach must begin in the pre-creation (ideation) stage and continue throughout the generation procedure. However, the approach and content cannot be the same for every medium as the target audience in each medium would be different. As a result, the content that is used for Facebook cannot be the same as the one used for YouTube. So, the marketer has to customize it according to the medium/channel being used without changing the core message that she/he wants to convey.

When it comes to film marketing using videos, the same approach is used and the marketing strategy begins right at the ideation stage and proceeds through the development, dissemination and presentation stages. Social media is a go-to channel for the marketers. The reach, engagement, and virality of the medium is put to good use in garnering attention for the film, thus resulting in anticipation and generating a buzz for the film.

Curiosity generation and audience engagement are the cards played by the marketers to achieve their goal of spreading the word about their film. The creativity of the digital marketers and their innovative strategies



ensure that the film gathers enough and more attention to attract crowd to the theaters and in turn generating revenue for the film. The above statements would be illustrated and explained in the case studies that we have chosen.

### Tools Used for Analytics

Today the most successful digital marketing teams in Bollywood use analytic tools like 'Vidooly' (for video intelligence), Lexalytics (for sentiment scores) and Buzz Engine for film promotions.

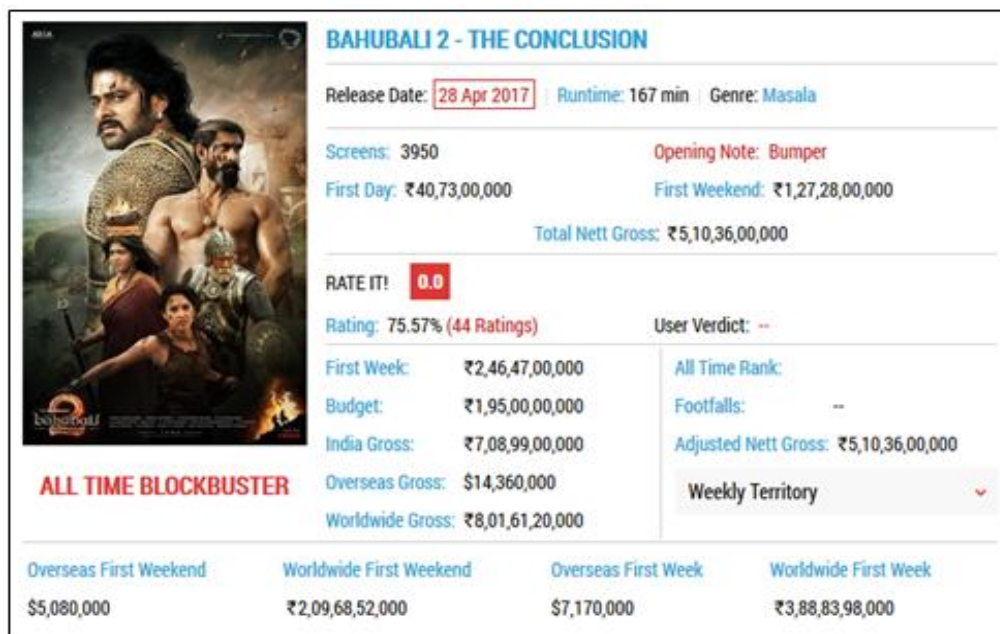
### OBJECTIVE OF THE STUDY

This research paper aims to study the impact of Video Marketing, especially in the online format, on the promotion of Bollywood films in India and how it has been able to improve the revenue of these films. The main reason behind choosing this topic for research was the basic question "*How does online video marketing impact the B2C industry*", from where we narrowed down to an area of our interest, viz. cinema and that too, Bollywood, in particular as it interested the team.

### ANALYSIS OF CASE STUDIES

#### CASE STUDY 1: BAAHUBALI 2(2017)

S.S Rajamouli's *magnum opus* needs no introduction. It was one of the highest grossing films at the box office globally in the year 2017, collecting an estimated Rs.1500 crores within 21 days of its theatrical release. The collection on the opening weekend was Rs.440 crores in 5 days where the multilingual film witnessed occupancy of 80.5 to 90%.



A large chunk of its success can be attributed to the story and the hype created by the first part of the movie (Baahubali the Beginning). The statement "*Why did Kattappa kill Baahubali?*" attracted the audience and the curiosity played a role in bringing people back to theaters when Baahubali 2 was released.

Baahubali had created history showing what the audience exactly wanted and stood out with their Digital Marketing Campaigns. With its second film too, there has been a positive buzz online with *hashtag* and shares for which the digital marketing team should be applauded. Their innovative campaigns at various stages should get the credit for keeping the audience engaged and ever-interested in the happenings related to the film.

The film's co-producer, Karan Johar of Dharma Productions, posted videos of long queues outside theaters for advance booking and tweeted the reviews that the movie is getting from the film fraternity, and leading national and international publications. This ensured that no stone was left unturned in the movie's promotions.

The **Marketing Funnel** for the movie would look like this:

## 1. AWARENESS

### Special Dates Releases

The teasers that released on YouTube on the occasion of the birthdays of the movie's lead actors, attracted great attention from the viewers and went viral on Facebook, Twitter, and other social media platforms.

### Initial step- live videos

Posting videos of the actors' birthday celebrations recorded during the shooting of the film, followed by the videos of anniversary celebrations (A Glimpse into Our One Year Journey, right from the commencement of the shooting a year ago to the present day) built the buzz around the movie gradually and steadily.

### Hashtags

The use of hashtags **#BaahubalionJuly10th**, **#Baahubali** and **#LiveTheEpic**, and minimalistic images on Twitter, generated curiosity and built the desired anticipation in the minds of the audience. This was a card well played by the marketers of the movie.

### Animation series on Amazon Prime

Amazon Prime is an unexplored arena for movies but Baahubali marketers did not leave it so. They planned an animation series on Amazon Prime named "Baahubali: The Lost Legends" to increase talk ability of the movie.

### Planned a TV series

The team also planned a TV series along the lines of the movie, focusing on Mahishmati and the rise of the Queen Shivagami. It was aired soon after the release of the movie. For the TV series, the team paired up with Star Plus which has a huge and loyal fan base.

### Created a game

Aiming to capture the young minds, the marketers also came up with a game. It was designed with the help of Moon frog studio and was made available on both the Google Play Store (4.4 star rating out of 5) and the Appstore for iOS users (3.9 star rating out of 5). It was an astounding step which attracted the tech savvy youth.

## 2. CONSIDERATION

### Campaigns

The casting team of Baahubali used social media to call out interested and eligible individuals ("*Casting call for Baahubali with SS Rajamouli and Prabhas*" on Jan 16th, 2013) for the war sequence in the film, which featured hundreds of people. This strategy was adopted for the second part of the film too.

## 3. EVALUATION

The prudent use of social media by the Baahubali team can be credited for its success. The statistics below prove the statement above. They created pages on Facebook, Twitter and YouTube and kept the audience glued to their screens by posting relevant content, pictures, news related to the movie and interesting trivia from time to time.

- The trailer of Baahubali 2 became the most watched trailer of all time in Indian cinema and crossed 100 million views on the Internet.
- The first Telugu hashtag was created on Twitter by Baahubali team.
- Baahubali has over 36 lakh likes on the Facebook page, 2.54 lakh followers on Twitter, 4.52 lakh subscribers and 60 million views (before the release of the movie) on YouTube and still increasing day by day.
- "Baahubali: The Beginning" has ranked No.4 in Facebook's Top Topics of 2015 after Prime Minister Narendra Modi, E-commerce Boom, and late President and scientist APJ Abdul Kalam.
- "Baahubali: The Beginning" has landed in the second place in Google(India) in the list of the trending searches of 2015 & First place in Google (India) in the list of trending movies of the year 2015.

- Glimpses of Baahubali making (*The Making of Baahubali- A Glimpse Into Our One Year Journey*) were put up in the form of a video on YouTube- a first ever for an Indian movie.
- The filmmakers also created history by making it available on YouTube in 4k resolution, making it the first Indian film in YouTube with 4k resolution.

#### 4. SALES (REVENUE)

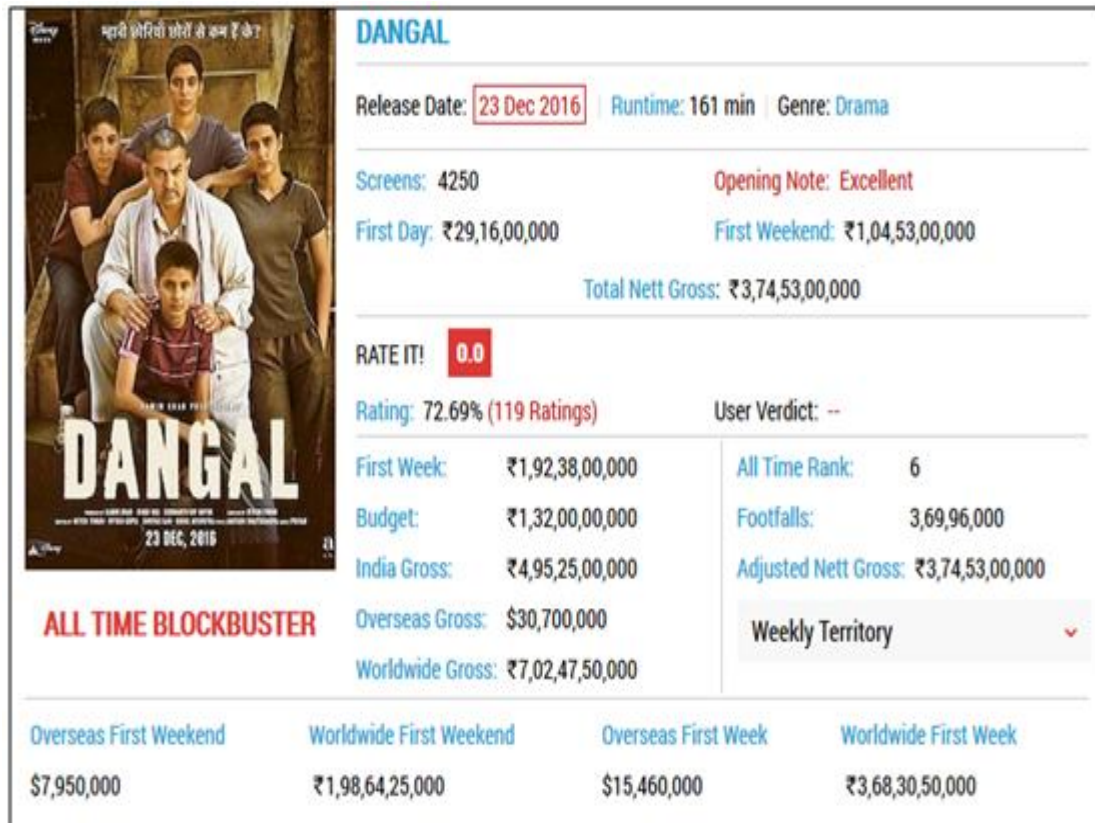
INDIA TERRITORY COLLECTIONS	
<b>INDIA</b> Total Nett: ₹5,10,36,00,000   Share: ₹2,51,39,00,000	<b>Mumbai</b> Total Nett: ₹1,86,51,00,000   Share: ₹90,81,00,000
<b>Delhi / UP</b> Total Nett: ₹98,64,00,000   Share: ₹47,87,00,000	<b>East Punjab</b> Total Nett: ₹53,28,00,000   Share: ₹25,14,00,000
<b>Rajasthan</b> Total Nett: ₹29,91,00,000   Share: ₹15,58,00,000	<b>CP Berar</b> Total Nett: ₹33,74,00,000   Share: ₹17,88,00,000
<b>CI</b> Total Nett: ₹24,51,00,000   Share: ₹12,71,00,000	<b>Nizam / Andhra</b> Total Nett: ₹12,02,50,000   Share: ₹5,79,00,000
<b>Mysore</b> Total Nett: ₹15,98,00,000   Share: ₹7,07,00,000	<b>Tamil N / Kerala</b> Total Nett: ₹1,15,00,000   Share: ₹54,00,000
<b>Bihar</b> Total Nett: ₹15,00,50,000   Share: ₹8,21,00,000	<b>West Bengal</b> Total Nett: ₹26,57,00,000   Share: ₹12,95,00,000
<b>Assam</b> Total Nett: ₹5,31,50,000   Share: ₹2,76,00,000	<b>Orissa</b> Total Nett: ₹7,72,50,000   Share: ₹4,08,00,000

- Due to extensive digital marketing and promotions, within just five days at the theatres, Baahubali 2 collected an amount close to Rs 600 crores.
- By reaching this figure, the film has broken several records for Indian films, and also set some new ones.
- Due to the pre-release hype, it was predicted that the film would touch Rs 1000 crore at the box office. Because of the crowds pouring into theatres, the distance between the film and the 10 billion marks does not seem much.
- The film also set a record in the number of advance bookings (tickets in core markets like Hyderabad were sold out till Tuesday, 2 May, as soon as bookings opened) and Book My Show reported 3.3 million ticket sales - which comes to around 12 tickets every second – over Friday.
- The occupancy rates were 90-95 percent at theatres in non-core territories and houseful shows in the target areas of Andhra Pradesh, Telangana, and sections of Tamil Nadu, Karnataka and Kerala.
- And on Saturday, 29 April, it was declared that *Baahubali 2* had made more than Rs 100 crores on its opening day alone.
- Baahubali 2 overtook its predecessor in the race of collections. Baahubali: The Beginning had earned Rs 6.5 billion and Baahubali 2 earned that amount (Rs 6 billion) in its first week at the box office. Unofficial figures are closer to Rs 700 crores.
- Currently, *Baahubali 2* stands at the top raking the third-highest box office collections by an Indian film.

Baahubali has used social media in a refreshing way and has managed to grab the attention of various types of audience using different and unique techniques to cater to each section of the audience, which is ever eager to see something new related to the film on popular social media platforms like Facebook, Twitter and YouTube. This fresh approach has helped in the promotion of the second part of the film.

## CASE STUDY 2: DANGAL (2016)

Dangal was one of the highest grossing movies of 2016 whose focus was on “Women Empowerment” and which was made with a budget of around Rs.75 crore. Filmed with a stellar star cast, it is based on the real-life story of Mahavir Singh Phogat, who taught wrestling to his daughters Geeta Phogat and Babita Kumari and has been involved with two of the biggest production houses in the industry. Aamir Khan, the lead actor playing the role of the father (who was also the producer), devised a brilliant marketing strategy for the film.



The Marketing Funnel for the movie would look like this

### 1. AWARENESS

Aamir Khan, who is known as a perfectionist in Bollywood, had a few marketing campaigns up his sleeve for Dangal. During the **post launch** of the movie, official trailers were launched in the month of October where **six videos** were released to promote the movie. Two of the videos were based on Aamir Khan's weight gain and weight loss in 5 months, which was named as **“Fat to Fit”**.

In a kind gesture to involve the differently-abled audience too, Zee Entertainment Enterprises came up with a unique strategy where it used a voice over the narration to explain to the visually-challenged audience about what is taking place on the screen, including the characters' actions and gestures on-screen. For the hearing-impaired, the production house used subtitles to convey what was going on, on the screen.

Zee media has associated itself with the Visually Impaired, National Association for the Blind and on August 15, it became the **first broadcast in India** to premiere “Dangal” **with audio description** on its channel, Zee Cinema, which was a one-of-a-kind gesture in Indian Cinema.

### 2. CONSIDERATION

The video named “FAT to FIT” was a major source of buzz and later, it even inspired people to get in shape. As a result of this, it garnered millions of shares on social media platforms such as Facebook and Twitter, making it more viral across the digital platforms.

The star cast of the movie were shooting short videos and posting them on social media which was found appealing by the fans and it led to the promotion of the movie in an effective way online. The team also



incorporated **“Influencer Marketing”** in its strategy. Several celebrities were invited for the first screening of the movie. Various hashtags such as **#Dangal** and **@aamir\_khan** was used by famous personalities such as Salman Khan, Ranveer Singh, Karan Johar, Arjun Kapoor, Tusshar Kapoor, and Komal Nahta.

### 3. EVALUATION

The teaser of the video **“Fat to Fit”** fetched around **80,000 views** on **YouTube**. The main 5 minutes and 16 seconds video of Aamir Khan physical transformation over the period of 5 months; clocked around **60,000 views** in just **4 days** and around **10.5 million views** till 22<sup>nd</sup> December on YouTube. As the release date of the movie was coming closer, two more promos were rolled out which included television promotion on 23<sup>rd</sup> December.

After the release of the first two videos, two more videos showing the making of the movie were released by the team. While the making of Dangal garnered over **3.5 million views**, Sakshi Tanwar’s entry into the picture gave an even further push to the movie leading to **2 million views** on the online platforms.

The movie used social platforms very well. **Facebook** pages of Aamir Khan reached **16 Million viewers** and **UTV Motion Pictures 5 million followers**. Whereas in Twitter the pages of Khan reached **19.2 million followers** followed by **UTV Motion Pictures 602K followers**.

### 4. SALES

Aamir Khan's Dangal becomes first Indian film to earn more than 1,900 croresn at worldwide box office.

### RELEASE IN CHINA

Dangal was screened in Hong Kong where the movie opened across 46 screens, with an opening of 2.95 crore the widest so far made by an Indian movie. The movie was dubbed in Mandarin as “Shuajiao Baba” which means “Let’s Wrestle, Dad”. The film was able to collect 1,000 crores in China. Overall the movie was able to make over 2,000 crores. The film was screened on 9,000 screens in China.

INDIA TERRITORY COLLECTIONS	
<b>INDIA</b> Total Nett: ₹3,74,53,00,000   Share: ₹1,82,95,00,000	<b>Mumbai</b> Total Nett: ₹1,04,26,00,000   Share: ₹50,25,00,000
<b>Delhi / UP</b> Total Nett: ₹80,22,00,000   Share: ₹38,78,00,000	<b>East Punjab</b> Total Nett: ₹44,35,00,000   Share: ₹20,98,00,000
<b>Rajasthan</b> Total Nett: ₹20,32,50,000   Share: ₹10,50,00,000	<b>CP Berar</b> Total Nett: ₹19,27,00,000   Share: ₹10,03,00,000
<b>CI</b> Total Nett: ₹14,18,00,000   Share: ₹7,32,00,000	<b>Nizam / Andhra</b> Total Nett: ₹21,12,00,000   Share: ₹10,34,00,000
<b>Mysore</b> Total Nett: ₹27,81,00,000   Share: ₹13,19,00,000	<b>Tamil N / Kerala</b> Total Nett: ₹13,39,00,000   Share: ₹6,54,00,000
<b>Bihar</b> Total Nett: ₹6,72,00,000   Share: ₹3,67,00,000	<b>West Bengal</b> Total Nett: ₹17,14,00,000   Share: ₹8,35,00,000
<b>Assam</b> Total Nett: ₹2,68,00,000   Share: ₹1,39,00,000	<b>Orrisa</b> Total Nett: ₹3,06,50,000   Share: ₹1,61,00,000

### DANGAL VS BAAHUBALI 2

Aamir Khan’s “Dangal” left SS Rajamouli’s Baahubali 2 way behind with the latter at around 1,700 crores in the worldwide box office collections. Baahubali 2 was released in September in China. However, Baahubali 2 was released in 4,000 screens whereas Dangal was released in 6,000 screens. Even though the movie was released later, Dangal was able to earn more revenue than Baahubali 2.



These reports became the basis of the research and due to time constraints in finding of primary data we resorted to case study approach using two movies and doing a comparative study of the same.

This approach helped to understand the platforms used to promote the movies and how visual content impacted and created hype for the movie.

Also, the official figures and social media platforms were observed for the particular movie to track the activity done by the films on such platforms and what kind of response it got in the form of impact and creating hype for the movie.

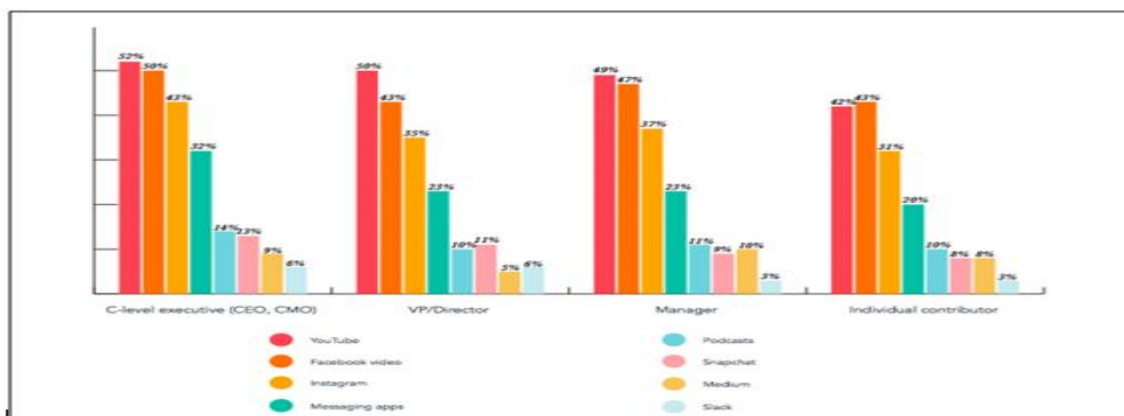
With the reference to the sources we came to know about the digital spending on the movies in contrast of video marketing in Dangal and Baahubali 2 which was shown in the Pre-launch and Post launch of the movie. Video marketing in terms of viewing, sharing and liking of the videos across various digital platforms aided in grabbing the attention of common people towards the movie.

### METHODOLOGY AND DESIGN

In order to carry out this research, we adopted the Case Study approach as we wanted to compare two Bollywood films in particular, and their success at the box office due to the contribution of digital marketing (especially online video marketing) in carrying out the promotional activities of the films.

### FINDINGS AND FUTURE TRENDS

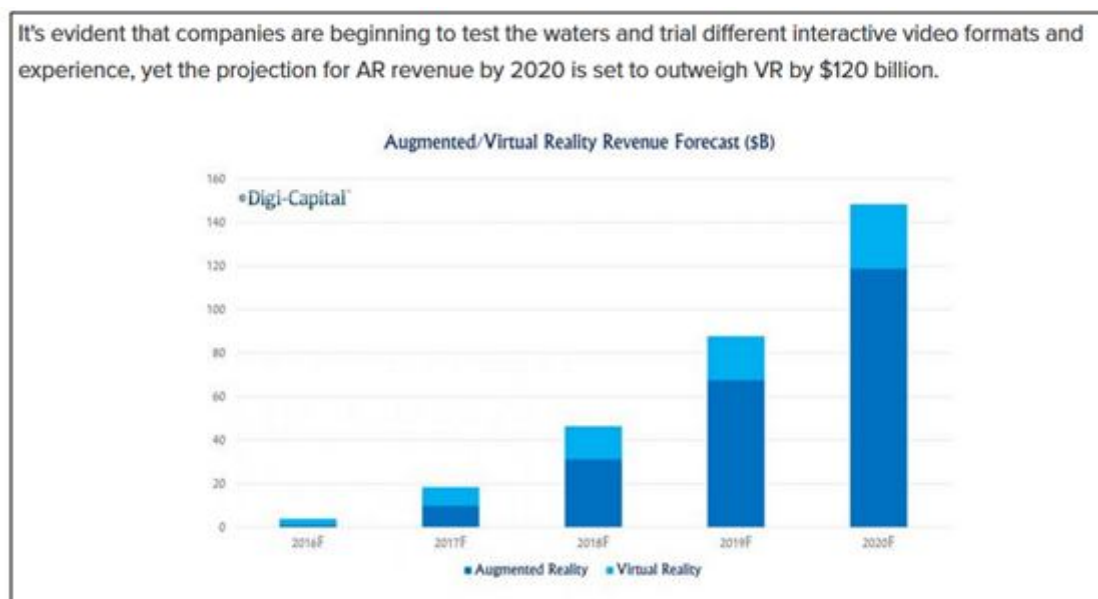
The current scenario in the film marketing arena is that of online video marketing which we have evaluated so far. We now proceed to analyzing what the future has in store for film marketing through online videos.



One pattern that we have noticed from time-to-time is the utilization of intelligent video content like 360 recordings, Augmented and Virtual Reality - the dynamic advance from video giving an intelligent and imaginative client experience. Currently, with Apple making animojis, it looks like we are on the initial step of this ladder of video marketing advancement.

Following the lead, brands have already started experimenting and exploring interactive video on desktop and mobile, including 360 videos. Brands like IKEA are, however, proceeding to the next step and launching product AR apps and social platform AR lenses to capture audience's attention. The future of VR, though, remains in the dark.





### Video First

"Video First" is a term authored by Facebook to refer to a developing wonder where customers need to consume video, as well as deliver it. That is, the favored method to get data and to communicate is moving from the traditional content to the video content.

As a result, informal communities and different media make it less demanding for us to consume and communicate through video. When it comes to Facebook, this idea has turned out to be fruitful because of its live video stage, Facebook Live. Digital Marketers need to exploit this platform for conveying and getting nearer to your crowd now, then at any other point in time.

### Live video (or live streaming)

Live recordings account for no less than 13% of web activity from video. People have taken a liking for this new pattern off late and we trust it's setting down deep roots. For brands, this type of video advertising presents clear points of interest: Live recordings are more conservative, as it isn't important to put resources into the generation and altering stages. Likewise, once the desired interaction (viewing) between the video and the consumer is finished, the video remains on the stage so that you can continue sharing.

Live spilling is appealing to clients, as it transmits suddenness and realness which provides an honest and fresh feel to the content in the video. Live video expands the nature of perspectives. Clients spend their time three times longer observing live recordings as opposed to observing pre-recorded recordings.

### Video as part of the Conversion funnel

Promoting content can help you to influence clients (consumers of Bollywood films, in our example) to travel along the funnel directly to the transformation stage itself (buying the movie tickets, in our example). Usually, while considering content, we tend to overlook the video format. Showcasing your promotional videos produces much deeper engagement with the customer and can turn out to be the only device that you have to accomplish your objectives.

### Mobile video, social and 360 degrees

One reason why video is winning like never before is its coordination with versatile and interpersonal organizations, and technological advances in the form of smart phones that enable us to capture anything, anywhere, at any time. Also, there are many more different types of videography that give us different encounters. One case is the 360 degrees recordings. Recording a video and sharing it online with friends over social media has become a norm and it has enabled us to consume and also produce a lot of video content, hence the affinity towards video content. This affinity has become the trump card for digital marketing teams of films seeking to make it big at the box-office.

### **Voiceover and Subtitles catering to differently-abled audience**

Making the film accessible to people with hearing and visual ailments has been a mandate abroad but in India it was never heard of, until Dangal did it. It has been a first in Bollywood and more films should adopt this approach in order to cater to a wider audience, thereby increasing the reach and ensuring that the message of the movie is delivered not only to the regular audience but also to the special audience. Through this thoughtful gesture, the Dangal team has exhibited their responsibility as filmmakers to the society at large.

### **CONCLUSION**

From our study of Baahubali 2 and Dangal, we have inferred that video marketing has played a major role in promoting the films on the online platforms and these types of promotions are here to stay, as they have helped in increasing the revenue manifold than what it would have been without involving in online video marketing.

This has been possible due to the buzz created in all stages of production- pre, during and post, and also the engagement with the audience on a regular basis with the help of social media and a variety of innovative strategies of film promotion. The figures of revenue generated for both the films, clearly show the impact of online video marketing in film promotion and prove that it is a critical part in reaching out to the audience in today's Digital Age.

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## MOBILE: BEST DIGITAL POWERHOUSE IN REACHING CUSTOMERS

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### ABSTRACT

*The new frontier of communication is the little glass rectangle in your coat pocket: your smart phone. Smartphones have taken over the digital world. It's not just happening; it's done.*

*Today, there is no doubt that mobile has become the primary digital touchpoint for many consumer-facing companies. Mobile phones are indisputably the most widely used device: We keep them on our bedside table when we sleep, and in our pocket or purse when we're awake. We check our mobiles constantly for a variety of reason, and they can be seen as an extension of our hands, our brains.*

*The omnipresence and proximity of the mobile device in today's modern culture demonstrates why mobile has become and will continue to be vital to marketers. This brought in the new era of marketing and emergence of new strategies termed as "mobile marketing". Marketing via mobile devices is about unlocking the potential of a huge, expanding, captive, and engaged audience.*

*Mobile marketing is a relatively new branch of marketing, referring to the two-way marketing communication between company and customers that takes place via mobile devices. The effectiveness of marketing campaigns has been greatly increased when mobile devices are used in conjunction with the traditional media and results in potential customers showing more intention to purchase.*

*Mobile marketing offers complete control over pricing and distribution and provides great promotional activities through mobile devices such as advertising, sales promotion and direct market. Mobile marketing provides customers with time and location sensitive, personalized information that promotes goods, services and ideas.*

*The statistic shows, for 2017 the number of mobile phone users in India is expected to rise to 730.7 million. In this same year the number of smartphone users in India is predicted to reach 340 million. Different strategies are used to encounter different masses of population. Many offline and online strategies are used e.g.: SMS marketing, mms marketing, push notification, app-based marketing etc. Indians spend 28 hours on mobile phones every week reported by Mary Meeker, Forbes. This clearly shows how the Indian masses can be reached easily and how this power can be advantageous to the businesses.*

*Hence mobile unlocks powerful opportunities for marketers on a scale never before seen. Unlike any other engagement and communication channel, mobile allows marketers to reach larger audiences in a way that is real-time and personal.*

*The purpose of this paper is to explain how mobile has created a new era in marketing and how it has intensively reached customers, its impact, the challenges faced and the different strategies used in encountering the different masses of consumers globally and in India and the future trends.*

*Keywords: Mobile marketing, Strategies, Mobile penetration, Importance, Present scenario, Challenges.*

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### INTRODUCTION AND EVOLUTION

Everywhere we go we can see a mobile phone almost everyone we meet has a mobile phone. It has become the main component of our lives, leaving home without our mobile phone is almost like leaving a part of ourselves at home. Almost 90% of mobile phone users have their mobile phones within arm's reach all the time. there's a reason for that, mobile phones have made so many things in our lives easier. It's made communication so much easier, accessing information irrespective of the geographical region isn't impossible anymore, organizing our day won't be so hard, and it keeps us connected with everything around us whether its people, events or something you're passionate about. This has brought in a new era of marketing and enhanced the scope of reaching the consumer. No medium can be more beneficial, better and easier to reach consumer other than a medium called "mobile"



Increased demand and use of mobiles by the consumers has proven to be a boon for the market players. Digital platform brought in a new dimension to marketing- an easier, better reach and a cost-effective approach. The sources for marketing have rapidly increased and implementing of different strategies has been a game changer for the companies in their success.

In the recent years, the time from which mobile phones penetrated rapidly into the market and the intensive use by the customers history of marketing changed. Traditional sources of marketing like the television, radio, newspapers have been complemented by the rapid game changer “MOBILE”. It is the next frontier in the digital marketing industry.

The report by the International Journal of Advanced Research Foundation revealed that India is getting to see the golden period of the Internet sector between 2013 to 2018 with incredible growth opportunities and secular growth adoption for E-Commerce, Internet Advertising, Social Media, Search, Online Content, and Services relating digital marketing.

### **MOBILE MARKETING STRATEGIES**

To reach the digital volume, marketers use different strategies. The different closely observed mobile marketing strategies are- mobile applications- shift towards apps, YouTube channel, email, in-stream ads (short length videos), free coupons (varied services-movie tickets, gift vouchers), SMS, MMS, push notifications, location-based targeting, and in-game marketing. All of these can provide advertisers with unique ways of reaching consumers.

#### **SMS Marketing**

SMS Stands for Short Message Service which is sent to or from a mobile phone. It is a technique that uses permission-based text messaging to spread promotional messages. It can be used as a form of marketing strategy in which the text message is carefully written to communicate companies offers and information with a large group of people easily and quickly from an online platform. As SMS marketing is a permission-based, each customer must have given permission to the company to send text messages. However, it is one of the traditional and prominent ways of marketing.

#### **App-based marketing**

App-based marketing refers to the advertising which is done through a software called apps. This strategy of advertising involves mobile apps. While most of the mobile time is spent engaged with apps. This can be brought into action by either creating an own app or through third party advertisers where, Services like Google Ad mob help advertisers to create mobile ads that appear within the third-party apps. While using the third-party apps ads will be popped for which they will get paid by the advertisers. It is the new technique of encountering the masses after the rapid penetration of smartphone.

#### **Location-based marketing**

It is a marketing strategy which uses a mobile device's location that notifies the device's owner about an offering by a nearby business. Location-based alerts are delivered to smartphones through SMS texting. This strategy requires the end user to opt-in, this opt-in usually takes place when the device user agrees to the request to use device's location. The text message can include information about a local business' deal of the day or include a purchasing incentive etc. The goal of this strategy is to capture end-user attention and convert him into a customer. This is still gaining popularity and in the stage of execution to all different segments.

#### **Social Media Marketing**

It is a form of internet marketing that uses social networking websites as tools. It is one of the most actively used and a popular tool of marketing. One of the important content of SMM is search media optimization this is a strategy for pulling new and unique visitors to the website. It can be done by two ways adding social media links to content such as sharing buttons or promoting activity by updating statuses or tweets or blogs on social networking sites. SMM became more common in websites such as Facebook, Twitter, LinkedIn. The goal of SMM is to produce content that users will share with their social network. As per a survey, 87% of Facebook's advertising revenue comes from mobile.

### QR Codes

QR code is an abbreviation of Quick Response code, these are similar to the barcodes used by retailers to track and price goods, these funny black and white boxes are revolutionizing the mobile marketing. These codes are activated when they are scanned or read by a mobile device. A smartphone with a camera and an installed barcode reader app are the requirements of QR codes. Using QR code is not only convenient generating it is also free. In marketing QR codes are used by printing them on posters, brochures, business cards, product packaging etc. By scanning a QR code one can view a mobile site or landing page, send a text message, dial a number, send an email, view a social profile and view google maps location. It is the new hero of the show called “marketing”

### Push notifications

It is a message that pops up on a mobile device which was started by Apple in 2009. App publishers can send them at any time, users need not be using their devices to receive them. Push notifications look like mobile alerts and SMS, but they only reach to the customers who have installed your app. Every mobile platform has support for push notifications. It is used for promoting products or offers to increase sales, improving customer experience converting unknown app users into known customers, driving users to other marketing channels like social media and sending transactional receipts right away.

### Instream videos, free coupons etc

These are some of the latest strategies being used by the modern marketers to target the different segments of the markets. Marketers attract the existing consumers and create new customers through their short length videos and different free coupons, vouchers and various offers. Marketers encash the increased time being spent by the individuals upon the various apps and browsers. As per the survey by ComScore, 50% of the time individuals spend on digital media is on mobile apps. The revolution created through the various offers given by TEZ during its launch is the example.

### ADOPTION AND ACCEPTANCE BY THE CONSUMERS

Consumers have been adopting the technology and continue to update to stand in pace with the latest technology. The transformation to the digital media is possible when its adopted. This transformation can be divided into two phases- The Pre-Smartphone Era and The Post Smartphone Era.

The Pre-smartphone era, where the main means of marketing communication was via text or SMS. Messages have shown that consumers perceive mobile marketing communications to be variously irritating, an invasion of privacy. However, SMS and Email had the broadest reach and highest adoption among mobile users, which are still in existence and a chosen indirect medium.

The Post Smartphone Era, the use of smartphone has changed the fate of marketing. The penetration of smartphones is going on increasing. With the existing market players like Reliance Jio and Airtel offering 3G 4G data at affordable rates, internet users have drastically increased. As per the survey by ComScore, Users spend on average 69% of their media time on smartphones. According to the survey by BOSTON CONSULTING GROUP (BCG)- consumer adoption of 3G and 4G standards has outpaced that of all other technologies, growing to nearly 3 billion connections in less than 15 years, and projected to exceed 8 billion connections by 2020. This clearly shows the level of adoption by the consumers.

### SURVEY ON MOBILE MARKETING

A survey on the consumer choices in the regard to Mobile Marketing

1. On which of these do you spend more time?	<ul style="list-style-type: none"><li>• Tv - 8.7%</li><li>• Mobile – 83.7%</li><li>• Desktop – 7.7%</li></ul>
2. Which type of mobile do you use?	<ul style="list-style-type: none"><li>• Feature phone – 4.8%</li><li>• Smart phone – 95.2%</li><li>• Tablet – 0.0%</li></ul>
3. Which advertisements have you come across the most in the recent times?	<ul style="list-style-type: none"><li>• Online – 91.3%</li><li>• Posters, hoardings – 5.8%</li></ul>



	<ul style="list-style-type: none"> <li>• Print media – 2.9%</li> </ul>
4. Which of these sources grabs your attention or interests you the most?	<ul style="list-style-type: none"> <li>• Short length videos (instream videos) – 64.4%</li> <li>• Television ads(classic) – 18.3%</li> <li>• Apps – 17.3%</li> </ul>
5. If you had to buy a product (of any type) which source do you use to know about it?	<ul style="list-style-type: none"> <li>• Online research – 71.2%</li> <li>• Go to the retail store personally – 15.4%</li> <li>• Ask your friends or family – 13.5%</li> </ul>
6. Just before 5 years on which one did you spend most of your time comparatively with the other options?	<ul style="list-style-type: none"> <li>• Tv – 55.8%</li> <li>• Mobile/smartphone – 26.9%</li> <li>• Desktop/computer – 17.3%</li> </ul>

The questionnaire was open to students, working professionals and users of mobile phones aged between 18-30 years. It was sent to 300 people out of which 234 responded. According to the survey, the key conclusions are:

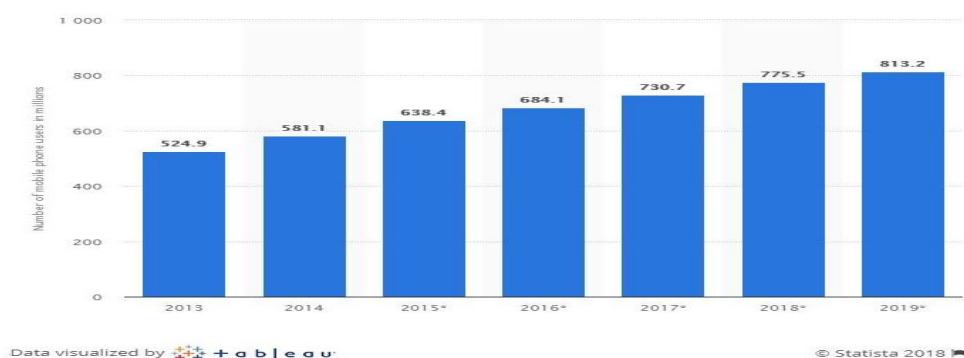
- Respondents spent more time on mobiles compared to TV and computers
- Most of them used smartphones, nearly 96% of the respondents in our survey used smartphones.
- The prominent source of advertisements came across in the recent times is online advertisement leaving behind the traditional sources like print media and hoardings etc.
- Short length videos grabbed the interest of the respondents, nearly 65% of people voted for this option. However, a portion of the people are still attracted to the traditional form of advertisements- television.
- The preferred source to get information about the new products is the online source.
- People spent more time on televisions and desktops earlier, this got replaced and being revolutionized with mobile phone.

This questionnaire gave us the insights about the use of mobile phone, the preferred consumer choices about marketing and how the market and people are adopting this change for a step towards the digital world.

### SCENARIO OF MOBILE MARKETING IN INDIA

Mobile marketing is an opportunity for marketers taking the facts like, the incomes of Indians are rising, Indian youth are turning into decision makers at early age they are also becoming opinion maker for their families. By this marketers are getting a fantastic opportunity to reach youth so thus marketers not only made contact with today's decision makers but tomorrow's high net worth influencers. This has caught the attention of marketers and mobile marketing is now emerging as one of the best platforms for advertising, brand awareness, promotions and reaching the customers in a way that have much bigger impact than the conventional method of marketing communication.

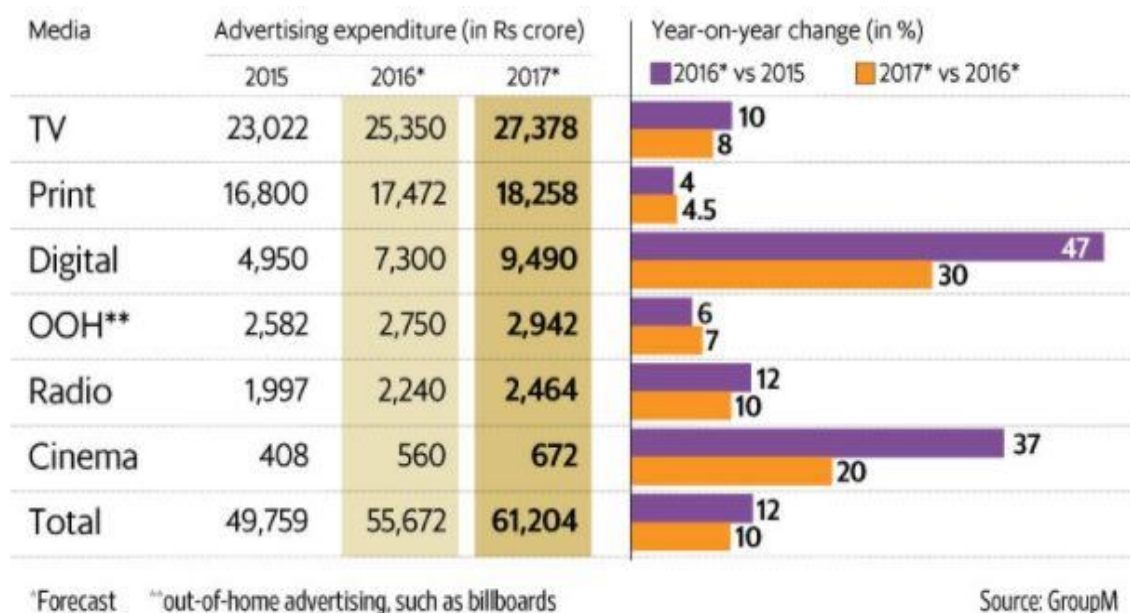
The below figure shows the gradual increase in the mobile phone users from 2013 and the expected increase in mobile phone users till 2019



B2B marketing leaders are using mobile to capture customers, and it is having a visible impact, including reduced purchasing time and higher customer loyalty. A research shows that for these leaders, mobile is already driving, or affecting, an average of more than 40% of their earnings in industries that traditionally have depended much more on sales than marketing to generate revenue. As per the survey by Salesforce, 83% of B2B marketers said mobile apps were important to content marketing and 71% of marketers believe mobile marketing is core to their business.

Apps, short length videos, free coupons etc. are the new players. They are relative newcomers but gaining fast in popularity, offer more innovative and engaging outreach options to the consumers. According to google 60% of searches and 55% of content consumption is done through mobile devices and 91% of people access Facebook through mobile. Now this means that marketers should engage users through new and new mobile marketing channels by use of technology increasing creativity and the way of presenting marketing content.

As per the research by Live mint, Digital media continues to be the fastest medium registering a 30% ad spending growth rate, while television remains the medium with a growth rate of 8%. The below picture shows the expenditure being spent in ads increasing at a high rate in digital media. Other sources like cinema is also next emerging source of advertisements. However, the expenditure on television, print media being high depicts that the traditional sources are still in existence and they continue to exist because of existence of different segments of people.



## CHALLENGES

Like all boons have their own flaws, Mobile technology also presents companies with challenges as well as opportunities.

- There are three main types of devices—feature phones, smartphones, and tablets. It's a challenge and important to know the difference between them when marketers are deciding what types of offers to run. Marketers should apply different mobile schemes depending on the size and demographics of the audience they want to reach and the type of message they want to send. With all schemes, marketers need to respect the nature of the mobile device and frame in the strategies.
- Brands are focused on the wrong aspects of mobile and are looking at narrative and storytelling rather than branding. Reposting of tv ads on mobile doesn't work out. Creativity is the factor that's missed. Ads are judged within seconds, the challenge to marketers lies in retaining the interest of the consumer. With the increased interest and attention of consumers in the instream videos it is essential to catch that nerve of the audience.

- Prior to the advent of smartphone technology in 2007 mobile marketers were limited to SMS and MMS communications to engage consumers but now with the entrance of many other preferred sources, has dragged in the need of understanding consumers and their changing needs. Marketers fail to use the data as a guidepost and fail to make decisions based on the consumer segment.
- Since mobile plays a big role, slow-moving companies are in danger of being eliminated from consideration before they're even aware that buyers are contemplating a purchase. Hence marketers should consider all the emerging challenges and function accordingly.

## **CONCLUSION**

It can be concluded from the research that mobile phones now have a much greater penetration in common man's life and can act as a very important tool for the marketers and a platform for mobile marketing communications. The marketers now have an opportunity to reach newer markets and customer target segments, where it was really difficult and expensive to carry on effective marketing activities. It is reaching much deeper in the Indian population where a desktop or laptop has never reached. Companies should focus more on creative marketing so as to target the right class of customers, increase sales and create brand awareness. All efforts should be taken so as to involve the customer in a much better way and for this the limiting factors and barriers are needed to be identified and removed or minimized.

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## **NEURO MARKETING**

**Thakur Akash Singh and B. Shravan kumar**

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**1.0 PURPOSE OF RESEARCH:** To make people more informational and knowledgeable about Neuro Marketing and its efficient uses.

### **1.1 MEANING**

Neuromarketing is the application of neuroscience to marketing. Neuromarketing includes the direct use of brain imaging, scanning, or other brain activity measurement technology to measure a subject's response to specific products, packaging, advertising, or other marketing elements. In some cases, the brain responses measured by these techniques may not be consciously perceived by the subject hence, this data may be more revealing than self-reporting on surveys, in focus groups, etc.

Neuromarketing is a new field of marketing which uses medical technologies such as functional Magnetic Resonance Imaging (fMRI) to study the brain's responses to marketing stimuli. Researchers use the fMRI to measure changes in activity in parts of the brain and to learn why consumers make the decisions they do, and what part of the brain is telling them to do it.

### **1.2 ABSTRACT**

Neuro marketing has recently generated controversies concerning the involvement of medical professionals, and many key questions remain-ones that have potentially important implications for the field of psychiatry. Conflicting definitions of neuro marketing have been proposed, and little is known about the actual practices of companies, physicians, and scientists involved in its practice. This paper reviews the history of neuro marketing and uses an exploratory survey of neuro marketing. Neuro marketing, as currently practiced, is heterogeneous, as companies are offering a variety of technologies. Media coverage of neuro marketing appears disproportionately high compared to the paucity of peer-reviewed reports in the field. Companies may be making premature claims about the power of neuroscience to predict consumer behavior. Overall, neuro marketing has important implications for academic-industrial partnerships, the responsible conduct of research, and the public understanding of the brain. We explore these themes to uncover issues relevant to professional ethics, research, and policy. Of particular relevance to psychiatry, neuro marketing may be seen as an extension of the search for quantification and certainty in previously indefinite aspects of human behavior. Therefore, the purpose of the present paper is to evaluate upon the influence of neuromarketing tools on traditional marketing inputs in order to complete the understanding of consumer behavior. Yet, no available neuromarketing study provided an detailed overview of neuromarketing's influence on traditional marketing inputs while considering technical as well as ethical issues. The paper uses the approach of an in-depth literature review in order to do so. After an evaluation of Outside reflexes, input-/Output models and Inside reflexes to analyze brain activities, the current paper evaluates upon the influence of neuromarketing on different relevant marketing inputs, followed by the consideration of its ethical defensibility.

### **1.3 PRACTICES**

Psychiatry is increasingly embracing functional magnetic resonance imaging (fMRI) and other neurotechnologies, psychiatry is increasingly embracing functional magnetic resonance imaging (fMRI) and other neurotechnologies, Psychiatric is increasingly embracing functional magnetic resonance imaging (fmri) and other neurotechnologies which carry the promise of revealing the underpinnings of emotions and social interactions. Similarly, various domains have acquired the prefix neuro as brain science increasingly informs our daily lives, social practices, and intellectual discourses. This collection of new fields—for example, neuroaesthetics, neurotheology, and neuroeducation has been labeled neuroculture, and the brain-based explanations arising from it are progressively influencing public notions of personal identity, responsibility, and causation. Neuromarketing, which can be tentatively defined as marketing designed on the basis of neuroscience research, is one manifestation of this new neuroculture. The field offers insights into the development of brain-based narratives and into the potential problems that they might pose for medical ethics and the public understanding of science. Neuromarketing has attracted increasing attention, but critical aspects of it remain underexplored, including what exactly it is or includes, and how it is used in practice.

The field has already generated controversy. For example, the popular press has reported on the perceived dangers of neuromarketing, including concerns that advertisers might find.

#### **1.4. WHY IS NEUROMARKETING IMPORTANT?**

The issue of the effects of neuromarketing for companies and society is important since it is assumed that there is potential to discover implicit and automatic processes which determine the decision making process, and that it will reveal secret information about consumer behavior which was not obtainable by the traditional marketing methods. Although there are also critical arguments against neuromarketing's intervention into the privacy of customers, it is expected that with this method, more effective customer segmentation can be carried out, which in turn leads to improved marketing of products by considering individual product and brand preferences as well as consumer behavior in general.

#### **1.5 METHODOLOGY**

In order to identify the influence of neuromarketing on the marketing input tools, the present paper systematically analyzes numerous relevant scientific literature concerning the topic of neuromarketing, its mechanisms, namely outside reflexes, input-/output-models and inside reflexes, and its influence on the key marketing inputs. In regard to the topic, a literature review is chosen as a method since in this way, it is possible to combine discovered findings of previous research and condense the experiences and findings of other researchers. The raw data of the literature review has been mainly gathered by making use of electronic search engines like Google, online libraries and searching relevant literature in offline libraries. Basically one can say that an in-depth content analysis was applied to the literature discovered.

#### **1.6 TECHNIQUES**

##### **1. See Through Your Consumer's Eyes With Eye Tracking**

As the name suggests, eye tracking consists of measuring the eye movement patterns of your research participants. It's a tool that lets you see your brand, store or commercial through the eyes of your customers. Because modern eye tracking equipment is very light and portable, it's possible to create real time scenarios and register the natural eye gaze of consumers. How eye tracking is used? How about letting consumers take a walk in a retail store equipped with eye tracking gear to analyze how they view the store.

Do they look at the promotion articles near the entrance? Is the signage actually being read? What kind of viewing patterns do consumers show when browsing a product category? In short, eye tracking offers a great way to find out things that are hard to discover using traditional marketing research. Besides in-store possibilities, eye tracking can measure the eye-gaze of consumers online as well. For example, it can be used to measure if product placement during TV programs actually makes people look more at a product.

##### **2. Taking a Look Within the Consumers' Brain: Eeg and Fmri**

If we want to know a bit more about what people think rather than what people see, there are some other techniques we could use. There are certain devices out there that you may know from a medical context that can read brain activity, such as fMRI and EEG equipment.

These brain scanners are nowadays used by neuromarketers to look at people's brains in order to create alluring ads, websites and packaging that press the customer's buy buttons. That might sound a bit unethical, but it's far less scary than it seems.

It just means that scientists can read, quite globally, if consumers like or not like a product, if they feel more like approaching or avoiding a product, or if they get excited or bored by a certain advertisement. Seems a lot like the kind of stuff you would ask in traditional marketing research, right? It just removes the process of deliberately thinking about the answers.

It can help them create products that really speak to the consumer, and it can help consumers get products that make them happy. Measuring these variables with EEG scans to analyze brainwaves provides great temporal resolution, meaning that the effects of a certain stimulus on brain activity can be read at incredible speed. For example, this is very useful to analyze which exact sequences in a commercial are viewed as positive and which ones are not. However, it lacks good spatial resolution, meaning the source of the brain signal recorded by the EEG is hard to locate exactly in the brain. On the contrary, fMRI scans offer great spatial, but poor temporal resolution. This means we can see clearly what's happening inside the brain, but we don't really know what caused it.

### **3: It's All In the Smile: Facial Coding**

You don't have to peek into people's brain to measure what they truly feel. Science has shown us we can learn a lot from their faces too.

The idea that we can learn from our facial expressions is an old one, dating back to Charles Darwin in 1872. It has since been explored thoroughly by numerous psychologists; with important contributions coming from Paul Ekman. But how do we use this knowledge to our advantage in marketing?

In the same line as equipment to measure the brain and our eye gaze, there are also sensors that can be attached to the face and measure tiny movements of muscles. When we display certain emotions, like smiling, we use specific muscles to achieve this. The same principle applies to other emotions such as anger or surprise.

Of course, a slight expression of a faint smile does not always mean that someone is happy. But the point is, facial coding equipment can measure subtle, oftentimes subconscious, reactions to stimuli that hold information about how we feel about something. Even better, it can predict what behavior will follow said expressions.

### **4: To Touch, Smell See and Hear: Sensory Marketing**

In contrast to research-oriented methods like the ones we discussed above, there are more practical forms of neuromarketing that give consumers a little push in right direction. We can dip into existing findings and principles to make marketing more effective. A great example of this in the retail sphere is sensory marketing.

There are several forms of sensory marketing, such as touch, sound, or smell, and they aim to influence a brand audience by sensory stimulation. So is it really possible that simply smelling something can make people buy more products? Sometimes.

With emotional products like the ones sold in a fashion store, a bit of pleasant smells will give customers a whole new experience and will make products seem more exclusive and high end. However, fairly neutral environments like hardware or office retail shops are better off limiting noticeable smells.

And how about sound? As it turns out, consumers will pay more attention to light objects when they hear more high pitched sounds, and more to dark objects when hearing low pitched sounds. Studies have discovered that these subtle changes in the in-store environment can have quite dramatic impacts on sales.

### **5: Mind Tricks? Psychological Methods**

While all the methods mentioned above might seem a bridge too far for the average marketing professional, there are also some purely psychological 'tricks' that will give the brand audience that little push that's often needed to make a sale.

Psychological techniques can be quite subtle. A speaking example, though perhaps more commonly known these days, is that merely removing the dollar sign listed for your products can increase your sales. Seeing a dollar sign – or for the European reader, a euro sign – subconsciously shifts people's attention to loss and not gain. Of course, we do get something we want in return for our hard-earned euro's or dollars, but it's still a bit unpleasant that we're spending money in the first place. Removing the sign really works too, as studies have found that people spend significantly more cash on products and food when a money sign is absent.

There are many nudges like these that influence people in very subtle ways. Did you know that people are more likely to choose healthy menu options when displayed on the left side of the menu and unhealthy items on the right? Or that large, open spaces in luxury stores are associated with high social status? All of the methods discussed above offer useful and valuable tools and insights to neuromarketers. But not all methods are effective in all contexts. The key is knowing when to use which techniques.

## **1.7 HERE ARE A FEW WAYS THAT MAGICIANS EXPLOIT OUR MENTAL PROCESSES THAT CAN BE USED BY MARKETERS NOT TO TRICK CUSTOMERS, BUT TO BETTER ENGAGE THEM AND HOLD THEIR ATTENTION:**

### **1. People Focus on Only One Thing**

I consider myself a multi-tasker, and no doubt most Neuromarketing readers would say the same about themselves. But the success of stage magicians show that we can only REALLY pay attention to one thing at a time. Many illusions are based on the magician showing you something with one hand while doing something you don't notice with his other hand.

Neuroscientists compare our attention focus to shining a spotlight on something – we see what is lit, and lose focus on everything else. The term “tunnel vision” is particularly apt to how people focus on one small area at a time.

Marketers need to be sure they have their target's attention where they want it. If the customer is distracted by something external, or worse, by something else the salesperson is doing (or that is happening in an advertisement), the key point of the pitch will be missed. Don't let (or make) your customer multitask when you need his attention on your message!

### **2. Motion Attracts our Attention**

Ever wonder why doves are such popular props with magicians? I'm sure their docile nature and willingness to tolerate being stuffed in a pocket are important, but the explosive burst of white, flapping wings as they fly off is guaranteed to draw every eyeball in the audience. The ability of the birds to hijack the viewers' attention gives the performer a window of opportunity to set up the next stage of his illusion.

Our brains are wired to respond to motion – in prehistoric times, movement might be a threat, or perhaps food. Whether you are presenting to a group, selling one-on-one, or designing a TV commercial, use motion to grab the attention of your audience and focus it where you want it.

### **3. Big Motions Beat Little Motions**

If you were watching a magician standing on the stage and he made a small, quick move to his pocket, you would certainly notice it. Magicians know that, and prevent you from seeing their small moves by distracting you with a big move – pulling a colorful scarf out using a sweeping gesture with their other hand. They know the audience will tune out the small move in favor of paying attention to the big one.

Particularly if you are dealing with an audience that may be distracted, use BIG motions to snap them to attention.

### **4. The Unexpected Attracts Us**

When I watch a magician, I'm always trying to pay close attention to spot any shady moves. So is the rest of the audience. It's rare to spot a skilled magician's tricks, though, not just because of the distraction techniques described above but also because he is disguising some moves as “expected” actions. For example, if he scratches his ear, shoots his cuffs, or makes another move we are familiar with, our brains tune it out as expected and uninteresting. That move may well mask a transfer of a prop or some other preparation step. On the other hand, if he placed his palm on top of his head or raised his left arm for no apparent reason, we'd all be watching carefully.

Much as our brains focus on motion, they also focus on novelty. Surprising your customer with an unexpected move, a novel sound, or unfamiliar image will get her to look at and analyze what she is seeing. That's true even with text – “New!” is one of the most attention-getting words in advertising (See The Power of New!).

### **5. Mirror Neurons Engage Us**

One reason we don't notice when a magician scratches his nose but slyly palms a coin that was hidden in his mouth at the same time is that we KNOW what it feels like to scratch our nose. When he is performing that action, if we notice at all, our mirror neurons are lighting up as if duplicating that action ourselves. Magicians exploit this phenomenon with “decoy actions” – appearing to take a drink, for example, but really

passing an item from mouth to hand in the process. Our brains aid the deception by playing along with the decoy activity.

Even though marketers aren't normally trying to disguise sneaky actions, there is a lesson here. When people see someone performing a familiar action, either in person or by video, their brains will engage as their mirror neurons kick in. Selling soft drinks? Let people experience opening the bottle, raising it to their lips, and taking a drink. Magicians know how familiar physical actions engage our brain, and you should too.

## 6. Cut the Chatter

If you've ever been to a magic show, either on a stage or close-up, you know that the magician often keeps talking. Good magicians will talk about what they are doing, why it is difficult, and so on, while their hands are busy with the trick. Their purpose, of course, is not to give you real information about their technique but rather to distract you. In essence, the magician's patter is another stream of information for your brain to process, and the overload makes it less likely that you will spot what is really happening.

While a stream of chatter serves the magician's purposes, excessive verbiage may distract your customers from your selling points. Have you ever had a salesperson who wouldn't shut up while you were examining a product? It's hard to look at, say, a car's control panel while a salesperson is spouting a stream of inane babble. Salespeople should be trained not just what to say, but when to say it. And when not to. And in other media, like commercials, be aware that the voiceover shouldn't conflict with important information on the screen.

Death by Bullets. Even Powerpoint jockeys can learn from magicians' patter – lengthy text bullets in a presentation are a perfect example of distraction. Trying to read the text while the speaker is making the same point verbally causes low comprehension and recall because the brain is too distracted to do a good job with either task.

Magic has likely been around in some form at least as long as marketing, and we marketers would do well to learn from its practitioners!

## 1.8 EXAMPLES

Neuromarketing is taking the world by storm and has been utilized by almost every major company and university in some way or form. Despite such a widespread influence on the marketing world, many people do not know exactly what neuromarketing is, or how it can be used effectively. The following articles outlines 15 fascinating examples of neuromarketing in action.

### 1. The Importance of Eye Gaze

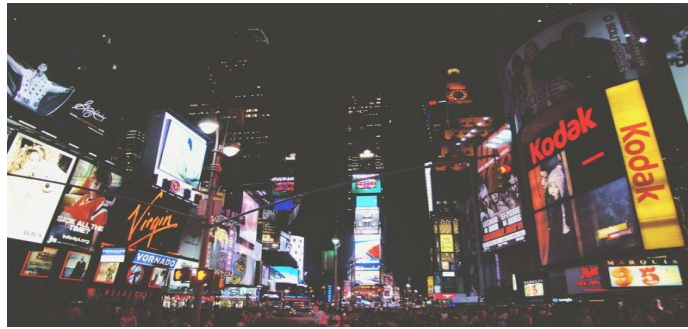
It is old news that ads that include people are much more effective than those that do not. In particular, images and videos that include babies tend to attract longer and more focused attention from potential customers. Advertisers have long attempted to boost sales for baby products using close ups of adorable baby faces – with the help of eye tracking technology they have identified that this alone is not enough.



Researchers discovered that when the infant looks face on, viewers will be far more focused on the baby's face to the detriment of focusing on the ad content. However, if the infant is directing its gaze at the product or text then the viewer will in fact focus on the advertising content.







One example of how neuromarketing has made use of fMRI is to compare advertising campaigns before releasing them to the general public. In one particular study, three different ads for the National Cancer Institute's telephone hotline were viewed by participants. The ad campaign that elicited the highest amount of brain activity in a particular region, led to significantly higher calls to the hotline. This novel approach is a new avenue for identifying ad campaigns that will genuinely engage the public.

**Takeaway:** fMRI has incredible potential for enhancing marketing strategies, increasing engagement and action.

### 5. Decision Paralysis

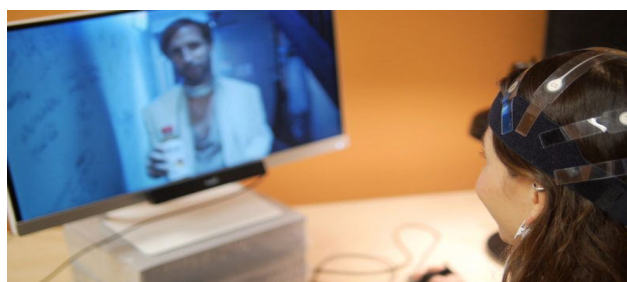
Sometimes, consumer behavior research goes against what we may have previously believed. A study by Columbia University revealed that too many choices may actually be a deterrent for potential customers. Using different types of setups, they found that displays containing a wide array of options were less likely to get customers to stop.



**Takeaway:** Less is more and sometimes customers can be overwhelmed by too many choices. Interested in learning more about decision paralysis and what to do about it? Take a look at this great article.

### 6. Evaluating Satisfaction

Emotion Response Analysis (ERA) uses EEG imaging to identify the emotional response an individual has to a product, advertisement etc. Our level of engagement or emotional arousal in relation to a product is invaluable to the advertiser. If, for example, the consumer experiences high levels of frustration in response to your product then there is evidently an issue with usability you may wish to address. EEG may be used to evaluate consumer satisfaction. In one study EEG was used to evaluate satisfaction with a dermatological treatment. They found that customer satisfaction correlated with activation in the neural circuits involved in evaluating facial beauty.



**Takeaway:** Like fMRI, EEG can shed light on the most effective ways of advertising (amongst other uses).

### 1.9 ETHICAL ISSUE OF NEUROMARKETING AND CRITICAL EVALUATION

There are several ethical concerns, which need to be taken into account when talking about the research method of neuromarketing. On the one hand, there is a scientific point of view stating that there does not exist anything like a marketing strategy, which would be able to enhance the elimination of an individual's free will. However, numerous other opinions that were considering neuromarketing see potential risks, as explained in the following. First of all, several parties are concerned that by the use of neuromarketing techniques, the so called —buy button, which is expected to completely eliminate consumers free will and to turn customers into —buying robots who are unable to resist attractive offers. One has to keep in mind that nowadays, with the enormous amount of different but yet similar products and the affluent society, the free will of consumers and their ability to make individual choices is one of their main powers. In case this would be taken away or manipulated, the idea of a free market would disappear. If this should become the case, the entire focus of trade would be commercial gain, without considering the fact of customers actual desires, and therewith a big problem concerning the free will would occur. Additionally, the trustful aspect, which nowadays is necessary in order to establish a good customer company relationship, presupposes certain privacy policies. Put differently, the withholding of information or intentional manipulation of consumer behavior by making use of technology that probes the internal brain activities clearly represents an ethical concern, which is why there should be preventions made. When taking the ethical aspect of neuromarketing into account, one also has to consider the opinion of Murphy, Illes, and Reiner. According to them, there are two key ethical issues concerning the research of neuromarketing: on the one hand, the protection of affected parties who may suffer or get harmed by the research itself or by the application of neuromarketing, and on the other hand, the independence and autonomy of the consumer in regard to decision making, especially when the efficiency of neuromarketing will make further developments. Evidence for this ethical concern can be provided by the rapid growth of firms who offer neuromarketing services.

The Lancet already discusses the urgent need and ideas of the prevention of the exaggerated interference into personal privacy. As suggested by Murphy, a —code of ethics could be introduced. A further opportunity would be the invention of new and enhanced techniques and a more responsible use of these, while at the same time fixing the problem with the lack of regulation by for example introducing industry-intern standards.

### 1.10 NEUROMARKETING: ETHICAL AND POLITICAL CHALLENGES

#### 1. Internal and External Manipulations of Behavior

The first experiment examined the effects of the hormone oxytocin on people's behavior. It was found that administering the hormone (via a nasal spray) increased people's trusting behavior, as measured by their willingness to cooperate in a bargaining game in which cooperation carries the risk of loss (Kosfeld et al. 2005). The second study was an imaging experiment, comparing the brains of subjects drinking Coke and Pepsi, with and without the knowledge of which brands they were drinking. When subjects were ignorant of the brands, only the ventromedial prefrontal cortex was active. But when the brands were identified, subjects exhibited additional – dorsolateral prefrontal and hippocampal– responses to Coke alone (McClure et al. 2004).

Now, it is not so much the content of these experiments that interest me here as the *responses* to them. In their book *Affluenza*, Clive Hamilton and Richard Denniss label the Coke experiment 'disturbing' (Hamilton & Denniss 2005: 41-2). It shows, they conclude, that 'We have not so much been brainwashed into drinking Coca-Cola: we have had our brains rewired to want it' (42). Now Hamilton & Denniss are surely right in thinking that due largely to Coke's effective advertising and cultural saturation strategy, the company has been successful in getting people to make the association between the drink and a host of other things which are in fact unrelated to it. But the *fMRI results* do not tell us that. Well, largely people's behavior; their verbal behavior as well as their buying behavior. What the fMRI results tell us that is that people have memories and visual percepts associated with Coke. Surely, though, we didn't need neuroscience to tell us that (suppose that people failed to experience hippocampal activation in the experiment. What would we conclude? Well, probably that the equipment was faulty). Now, we are not saying that we can't learn new

and surprising things from neuroscience. We are saying that we should not be impressed with images of brains *just because* they are images of brains.

The internal is not privileged. If anything, it is the other way round: we look to behavior to validate neuroscience, not the other way round. Worries expressed over the oxytocin experiment are better founded. Some people have expressed the worry that oxytocin might be used to bolster trust in speakers at political rallies (Damasio 2005). It's easy to see how this worry might be extended to a sales context. Trust will greatly facilitate the job of a salesperson. But notice that salespeople already engage in activities designed to facilitate trust. Indeed, it is likely that they engage in actions which have the effect of facilitating trust *by way of* increasing oxytocin (though of course they don't think of what they do in this way).

## **2. The Challenge of Neuromarketing**

Now, what has this got to do with marketing? Recently, there has been a great deal of talk, and worry about, neuromarketing. Neuromarketing would apply the methods of neuroscience to moving products. For instance, rather than ask focus groups what they think of a product, we could place them in fMRI machines and measure their neural responses to products. Why do that? Well, perhaps subjects are not always honest: they may tell people what they think they want to hear, rather than what they really believe. Or perhaps even subjects who are trying to be honest are unable to be sure what they think of a product. They may be deaf to the signals that intimate that their infatuation with a new drink is likely to be short-lived (or whatever the case may be). By peering directly into brains, the hope of some (and the fear of others) is that we could cut through this messiness. We could focus directly on signals of pleasure in subjects, for instance, avoiding worries about insincerity. We could know more about subjects than they know about themselves. In that way, we could very finely attune products and marketing campaigns to target audiences and their desires, thus making products well nigh irresistible. We do not think we can rule out the possibility that these methods could prove useful to marketers. But we think there is very good reason to be skeptical, for the moment and for the foreseeable future. First, consider dishonesty. We see no reason to deny that subjects might not exhibit neural signals of, say, pleasure, which they can attempt verbally to dissimulate. fMRIs might be a way of detecting such signals. It's a pretty expensive way, though, and others that are cheaper are available. We can observe subjects behavior covertly; we can measure physical responses (psychophysiology is probably a more reliable guide of arousal than fMRI). In any case, we can rest assured that most subjects attempt to be honest most of the time. Similar points apply to ambivalence. For the moment, at least, verbal response and overt behavior is a much better indicator of how subjects are feeling than are brain scans. Moreover, it is far from certain that fMRI will always detect dissimulation. Independent testing of neuroscientific technologies specifically designed for lie detection has not been very promising (Miyake, Mizutani & Yamamura, 1993); it would be surprising if techniques developed for other purposes were more successful. Moreover, when subjects are motivated to 'beat' neural lie detection technology they appear able to succeed (Rosenfeld et al. 2004); successful countermeasures are surprising simple and easy to implement. Investing in neuroscience to detect dissimulation is likely to be ineffective; in any case, it is unlikely to be necessary. For the most, I suspect, neuromarketing will prove an expensive waste of time. It is also, and much worse, risky – not in itself, but insofar as it diverts attention from external ways of manipulating behavior that are more effective, and therefore far more in need of regulation.

These ways of manipulating behavior build on the techniques that marketers have been using for many decades now, of controlling consumption by controlling space. They work, they are scientifically validated, and they are likely to be refined in the future. We don't worry about them because they focus on the environment around us, rather than on our brains. But we ought to be more concerned about them than the internal manipulations which might, one day, prove practicable. First, let me mention some of the techniques that marketers use today to encourage consumption (that is, to encourage people to buy more than they need, as well as to shift their buying preferences). It has long been known that how goods are positioned affects consumer behavior. Putting the most popular goods in the middle of aisles maximizes exposure to the products – if they are placed at the ends, people may grab them and head to the checkouts without passing the products they did not intend to buy. Similarly, essential items are often placed at the back of the shop to increase traffic past non-essential goods. Products may be ordered in terms of price, with more expensive goods placed where they will be encountered earlier. The result is that cheaper goods are perceived as good

buys, in comparison with more expensive goods. More counterintuitively, pricing in multiple lots can encourage greater buying, and once the buying pattern is established, it tends to be maintained (Wansink et al. 1998). Now, marketers might tell you that all these techniques are merely designed to expand consumer choice. By making consumers walk past goods, they are made aware of their existence. Special offers give people choices to buy in multiple lots, thus expanding their options. It should be admitted that these responses have some degree of plausibility. Certainly, these techniques don't look particularly threatening. Unlike internal manipulations, they leave the agent, with her powers of resistance and choice, unaffected. I believe that this distinction between the agent and her environment both philosophically suspect and practically dangerous. Let me now tell you about some techniques currently being explored to encourage consumption behavior which work on agential powers from the outside. These techniques build on a well-established paradigm in social psychology called the ego-depletion hypothesis. The ego depletion hypothesis is, roughly, this: willpower is a limited resource, which we draw upon to resist temptation. That is, when we judge that we ought to act in some way, but are tempted to act in a way that conflicts with our judgment, we draw upon our willpower to overcome temptation. All too commonly, of course, we fail to act as we judge we ought in these kind of circumstances: we continue to smoke when we judge that we ought to give up, we eat or drink more than we believe we ought to, we spend more than we think we should. But sometimes, in what seems to be exactly the same circumstances, we manage to bring our actions into line with our judgments. Moreover, some people seem to be better at this than others. What explains our success at getting ourselves to do what we judge we ought, when we succeed? And what explains why some people are better at this than others? We often answer this question with just the word 'willpower'. Proponents of the ego depletion hypothesis say that we are exactly right. Willpower, they argue, is resource-like inasmuch as we use it, we use it up (that is what the word 'depletion' means in ego-depletion). Of course, we don't use it up permanently, just until we get an opportunity to replenish it. What replenishes it is rest. This is sometimes referred to as the muscle model of self-control. How much we can lift at any one time depends upon the state of our muscles. Muscular strength is used up in the short term: if I have just done 20 push-ups, I find it very difficult to do more. But this strength returns with rest. Moreover, muscular strength increases with us; similarly, proponents of ego depletion suggest that willpower can increase with regular exercise (Baumeister et al. 1998; Baumeister 2002). Let me briefly sketch the evidence for the ego-depletion hypothesis. It comes from a large set of studies. In these studies, subjects are divided into two groups.

Once the ego depletion hypothesis is deployed by marketers, we can expect a more precisely targeted use of the strategy. One possibility is to ensure that consumers are exposed to low value but tempting items – eg. chocolate bars – early, to ensure that when they are exposed to high-value items later, their self-control resources are at a low-ebb. Sellers of large consumer items might find it profitable to get into retailing confectionary as a side-line; credit card companies might find arrangements with such retailers profitable as well. To my knowledge, no one has tested the hypothesis that repeated shopping opportunities are ego-depleting, all by themselves. However psychologists have tested whether ego-depletion affects the propensity to consume, as well as whether it affects subjects' evaluation of consumer items (Vohs and Faber 2002). Egodepleted subjects are more willing to buy, and will pay higher prices, at least in the laboratory. Marketers seeking ways to control our behavior are far more likely to use this kind of technique than to resort to the use of more invasive techniques. They can structure the environment to produce the behavior they want, and they can do so more effectively in this manner than they can using the tools of neuroscience.

### **1.11 FUTURE TRENDS RELATED TO NEURO MARKETING**

By tapping into the brain's conscious and unconscious reactions, neuromarketing -- also known as "consumer neuroscience" -- can help marketers, creative agencies and publishers potentially find the answers.

Major brands and publishers such as Coca-Cola, Campbell's and Turner have begun using eye tracking and facial coding, functional magnetic resonance imagery (fMRI), biometrics that measure heart rate, and galvanic skin response (GSR) to understand how a person reacts to visual and audio stimuli. And this past year, copious signs suggest neuromarketing is exiting its hype cycle. Who ever imagined seeing a session titled "Cognitive Marketing: The Rise of the Super Intelligent Marketer" at a martech conference? Amid the barrage of consumer neuroscience research and fantastical, synaptic-based insights, marketers must maintain a discerning eye. Vaughn Bell, a neuroscientist and senior lecturer at University College London, wrote,

"The holy grail of neuromarketing is to predict which ads will lead to most sales before they've been released, but the reality is a mixture of bad science, bullshit and hope."

#### **Pre-testing with eye-tracking**

Next March, at the Neuromarketing World Forum in London, Thom Noble, founder of neuromarketing consulting agency Neurostrata, is dedicating a session to discussing test-and-learn automated neuro-tools that creative agencies can use for fast, affordable insights.

In 2017, eye-tracking will gain ground with marketers as a dominant precursor to vet campaigns because it's fractions cheaper (by hundreds to thousands of dollars). Moreover, eye-tracking promises less clunky hardware, versus larger fMRI or EEG studies, which cost tens to hundreds of thousands of dollars. Krister Karjalainen, former head of digital at P&G Nordic, said eye-tracking could "increase our ROI on digital marketing investments in some campaigns up to 25 percent." But with dozens of firms claiming eye-tracking capabilities, brand advertisers should ask hard questions, probing potential partners' strategic and technical approaches

#### **Personalizing virtual reality content based on biometric engagement**

According to Time Warner's CMO Kristen O'Hara, there's "an unparalleled opportunity to integrate both the biometrics part of research and also the neuroscience piece to help us understand how consumers are really engaging with the VR experience."

As brands like Post increasingly explore immersive branded experiences in virtual reality, neuromarketing sits at a prime position to help marketers build mission control-like capabilities, dynamically changing content based on consumers' eye and biometric patterns. For example, Google's recent acquisition of Eyefluence could enable an automotive company like BMW to dynamically alter, in real-time, the featured car's make, model, color, or other design features based on the simple blink or motion of someone's eye. Add connected fitness trackers and smart watches, and the same scenario could involve an individual's increased heart rate when viewing different car models.

### **1.12 FUTURE TRENDS IN INTERNET MARKETING**

#### **1. Virtual spaces**

Technological advances in virtual reality will open up to new opportunities for marketers. Virtual shopping areas or Virtual stores, may be accessible from wearable devices like Google Glass or VR platform headsets, Mobile phones and Computers. Marketers will be able to simulate a virtual-shopping store that will showcase their products in three-dimension and at the same time get customers make their purchase decisions to buy the product.

#### **2. Artificial-intelligence search**

Search engine optimisation will become obsolete as search engines will continue to change and modify their algorithms. Also, text-based content that is displayed on websites and webpages will become the least important media that will be produced. Search engines will strengthen its artificial intelligence abilities with improvement on context or relevance.

#### **3. 24/7 Webcasting channels by popular Brands**

To boost exposure, popular brands will start live-streaming their channels online to the world every minute of the day and will keep their followers entertained, by capturing their attention with an uninterrupted viewing experience. Through webcasting, brands will use technology to showcase and promote their products/services and announce their product launches.

#### **4. Automation tools**

Automation tools in marketing will give marketers an incredible intelligence layer in order to sift through Big data and draw insights. Also, the rise of predictive analysis platforms will help Digital Marketers to do what every sales person will want to achieve - but at a larger marketing scale.



## APPROACHES TO SEARCH ENGINE OPTIMIZATION OF A WEBSITE FOR INTERNET MARKETING

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### ABSTRACT

*Search Engine Marketing is an art of using search engines as a channel for increasing number of visitors to our website. It can be optimized effectively and efficiently through Search Engine Optimization (SEO). It is a technique which helps search engines find and rank the website higher than the millions of other sites in response to a search query. The whole cycle of SEO depends on Crawling, URL indexing, Search Engine Algorithms and Retrieving. A brief analysis with proper approach to have a perfect SEO of any website will be value addition for customer & maximization of business for them. In this paper we try to give interesting approaches how SEO can help optimize and rank the websites better than others with targeted key words.*

*Keywords: Search Engine Optimization, Organic, Crawling, URL indexing, Search Engine Algorithms, Retrieving*

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### 1. INTRODUCTION TO SEARCH ENGINE OPTIMIZATION

In today's business world, Internet Marketing through the use of website has become one of the cheaper tools. Each website should be an integral part of its business plan. It may be the first view that visitors have on a business. Companies should update and maintain it regularly so that the visitors will want to revisit and keep doing business with them.

In trending Digital environment, business has moved from the offline to online world. There are more than a few approaches that can help in directing a great traffic to the company's site and develop brand awareness. With the objective of getting the most advantage from the online marketing, companies have to be aware of how their users try to search information; they like to know about their services or products.

It is important to remember that in order to bookmark any site, a visitor has to know about it, and the first time they find it through a search engine. Search engine marketing must therefore be an essential part of the business strategy.

Search Engine Marketing is an art of using search engines as a channel for increasing number of visitors to our website. It can be optimized effectively and efficiently through Search Engine Optimization (SEO). It is a technique which helps search engines find and rank the website higher than the millions of other sites in response to a search query.



Whenever users enter a query in a search engine and hit 'enter' they get a list of web results that contain that query term. Users normally tend to visit websites that are at the top of this list as they perceive those to be more relevant to the query. If we have ever wondered why some of these websites rank better than the others then we must know that it is because of a powerful web marketing technique which is SEO. It is the process of getting traffic from the “free,” “organic,” “editorial” or “natural” search results on search engines.

The whole cycle of SEO depends on Crawling, URL indexing, Search Engine Algorithms and Retrieving. A brief analysis with proper approach to have a perfect SEO of any website will be a value addition for customer & maximization of business for them. In this paper we try to give interesting approaches how SEO can help optimize and rank the websites better than others with targeted key words.

## 2. BACKGROUND

In search engine industry Archie was the first search engine, which was used to search for FTP (File Transfer Protocol) files and in the other side the first text based search engine is known as Veronica. Because large search engines contain millions and sometimes billions of pages, many search engines are not only just searching the pages but also display the results depending upon their importance. This importance is commonly determined by using various algorithms. There are currently different types of search engines available like Google, Yahoo, Ask.com, Bing, Alta vista etc.

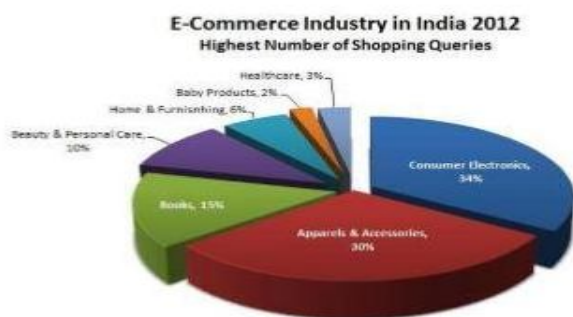


## 3. INTERNET MARKETING THROUGH E-COMMERCE AND ITS GROWTH PROJECTION IN INDIA

e-Commerce can be defined as the buying and selling of products and services by businesses and consumers through an electronic medium, without using any paper documents & the products belonging to E-Commerce are called E-Commerce products. In other words E-Commerce products are the products meant to be facilitated in web sites so that users to do online shopping.

- e-Commerce is subdivided into three categories: business to business or B2B (Cisco), business to consumer or B2C (Amazon), and consumer to consumer or C2C (eBay), also called electronic commerce.
- e-Commerce products are the products meant to be facilitated in web sites so that users to do online shopping.
- e-Commerce (electronic commerce or EC) is the buying and selling of goods and services, or the transmitting of funds or data, over an electronic network, primarily the Internet. e.g. – flipkart, snapdeal etc.

India is on route to becoming the world's fastest growing e-commerce market, if current projections are anything to go by. This growth story is being driven by robust investment activity in the sector and the rapid increase in internet users. Internet users in India have gone up from 200 mn in 2012 to 700 million in 2018, so the e-Commerce business will grow exponentially in the coming years and will touch 30 Bln \$ by 2020.



Reference : <http://dazeinfo.com/>





#### **4. SEARCH ENGINE AND ITS PURPOSE**

Search Engine provides the gateway for most of the users trying to explore the huge information base of web pages. Search engines are programs that search documents for specified keywords on search for information on the World Wide Web and return a list of the documents where the keywords were found. A Search Engine is really a class of programs; however, the term is often used to specifically describe systems like Google, Bing and Yahoo. Search that enable users to search for documents on the World Wide Web. The sole purpose of a search engine is to provide users with relevant and useful information.

**There are three primary kinds of search services on the Internet.**

- **Organic Search Engines** are crawler based such as Google, Yahoo and Bing.
- **Search Directories** are human reviewed category listing that rely on submissions from site owners via webmaster tools of SE. e.g. Yahoo directory, Open Directory (Google directory), Looksmart and others.
- **PPC (page per click)** search engine is the name for the ads which users see at the top or on the right of the organic results in most search engines. Services such yahoo marketing solutions, Google AdWords, Bing Ads and Microsoft adCenter allow users to pay to show ads on search engine results pages.

#### **5. OPERATION OF SEARCH ENGINE**

Search Engines have two major functions - crawling & building an index, and providing answers by calculating relevancy & serving results.

- A spider or crawler which is a component of a SE gathers listings by automatically "Crawling" the web.
- The spider follows links to web pages, makes copies of the pages and stores them in the SE's index.

**Based on this data, the SE then indexes the pages and ranks the websites.**

Search engines are answer machines. When a person looks for something online, it requires the search engines to do two things – first, return only those results that are relevant or useful to the searcher's query, and second, rank those results accordingly.

#### **6. PAGE RANKING**

When users search any keyword using a search engine then it displays thousands of results (SERPs) found in its database. SERPs means Search Engine Result Pages. A page ranking is measured by the position of web pages displayed in the search engine results. If Search engine is putting your web page on first position then your web page rank will be number 1 and it will be assumed as with a high rank.

It is not difficult to get your website to index and even rank on the search engines. However, getting your website to rank for specific keywords can be tricky. There are essentially 3 elements that a search engine considers when determining where to list a website on the SERP: rank, authority, and relevance.

**Rank:** It is the position that your website physically falls in on the SERP when a specific search query is entered. If you are the first website in the organic section of the SERP then your rank is

1. If your website is in the second position, your rank is 2, and so on. Page rank is an indicator of how relevant and authoritative your website is in the eyes of the search engine, as it relates to the search query entered.

**Authority:** Search Engines determine how authoritative and credible a website's content is by calculating how many inbound links (links from other websites) it has. The search engines also look at how authoritative the websites that link to you are, what anchor text is used to link to your website, and other factors such as the age of your domain.

**Relevance:** It is a one of the most critical factors of SEO. The search engines are not only looking to see certain keywords, but they are also looking for clues to determine how relevant the content is to a specific search query. Besides actual text on webpages, the search engines will review the website's

structure, use of keywords in URLs, page formatting (such as bolded text), and what keywords are in the headline of the webpage versus those in the body text.

## 7. ON –PAGE AND OFF-PAGE SEO

**Conceptually, there are two ways of doing SEO.**

**On-Page SEO** - This includes providing good content, good keywords selection, putting keywords on correct places, giving appropriate title to every page etc.

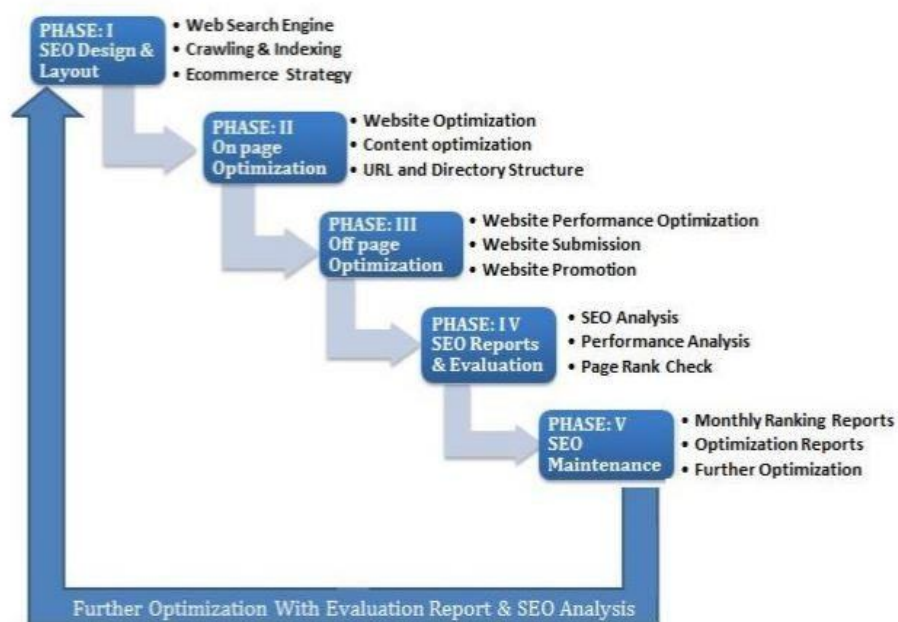
**Off-Page SEO** - This includes link building, increasing link popularity by submitting in open directories, search engines, link exchange etc.

## 8. TOOLS FOR SEARCH ENGINE OPTIMIZATION

**SEO tools are the operators that optimize the search engine functionality. The basic tools of SEO are -**

- **Keyword Tool**- Include keyword research tools, keyword density analysis tool, and competitor analysis tool. It can be used for website classification and regulate keywords deployment columns. Example – Keyword selector tool, keyword external tool.
- **Link Tool**- These tools include link popularity spider simulator, by which ranking of website can be increased.
- **Usability Tool**- This tool tests pages display effects in different resolution, different operating system, and different browser. These include HTML and CSS validation, Firefox extension, and Page speed test.
- **Keywords Strategy**- When choosing keywords, it must be related with products, area and service.
- **High quality incoming Link**- Submit the website to search engine directories, find websites to exchange links. In it import link, outbound links, internal link are used.

## 8. SEO METHODOLOGY FLOWCHART



## 10. SEO LIFE CYCLE DEVELOPMENT

### 10.1 SEO Design & Layout

A web site design and layout gives strong foundation to web site. Search Engines are very smart but after all they are software and not human being who will read the content of their interest. So to make the website SEO friendly, search engine and its crawling and indexing algorithm has to be analyzed along with a preplanned strategy.

### 10.1.1 Web Search Engine

Crawling & building an index and providing answers by calculating relevancy & serving results is the basic mechanism of the SEs. Google is the world's most popular search engine, with a market share of 68.69 per cent. Baidu comes in distant second, answering 17.17 per cent online queries. Below is the list of most popular search engines.

Search engine	Market share in October 2014	Search engine	Market share in July 2014 <sup>[14]</sup>
Google	58.01%	Google	68.69%
Baidu	29.06%	Baidu	17.17%
Bing	8.01%	Yahoo!	6.74%
Yahoo!	4.01%	Bing	6.22%
AOL	0.21%	Excite	0.22%
Ask	0.10%	Ask	0.13%
Excite	0.00%	AOL	0.13%

### 10.1.2 Strategy for e-Commerce Web Page Design:

Here is SEO strategy for eCommerce website which should be considered while designing a web page. Website should have more text content than HTML elements.

- **No frames.** They are the enemies of Search Engines and Search Engines are Enemies of Frames.
- **No ads** if possible. Because most of the ads uses Java Script which is not advised to be used.
- **No JavaScript.** If developer needs JavaScript, it should be called from an external file rather than dumping the code in the HTML file. JavaScript drop down menus prevent spiders from crawling beyond the homepage. Text links should be used at the bottom of the page.
- Nothing should be included, that does not fit perfectly into the page topic. There should be no doubt in the search engine's mind what web page is about.
- No unnecessary directories. Keep your files as close to the root as possible.
- No fancy stuff (Flash, Splash, Animated Gifs, Rollovers etc.) unless absolutely necessary.

### 10.2 On page Optimization

This includes providing good content, good keywords selection, putting keywords on correct places, giving appropriate title to every page etc.

#### 10.2.1 Web Site Optimization

**SEO Optimized Keywords:** In web context so in web terminology a keyword is a term that a person enters into a search engine to find specific information. Such phrases may be called search phrases, keyword phrases, query phrases, or just keywords. Good keyword phrases are specific and descriptive.

There are following concepts related to Keywords which helps in optimizing keywords on a web page.

Keyword Attributes	Definition and Optimization Tips
Keyword Frequency	<p>This is calculated as how often does a keyword appear in a site's title or description. You don't want to go overboard with frequency,</p> <p>however, since on some engines if you repeat a word too many times, you'll be penalized for "spamming" or "stuffing".</p> <p>In general though, repeat your keyword in the document as many times as you can get away with, and up to 3-7 times in your META tags.</p>
Keyword Proximity	<p>This refers to the placement of keywords on a web page in relation to each other or, in some cases, in relation to other words with a similar meaning as the queried keyword.</p> <p>For search engines that grade a keyword match by keyword proximity, the connected phrase. "Personal loan" will outrank a citation that mentions "HDFC Personal Loan" assuming that you are searching only for the phrase "Personal loan".</p>
Keyword Prominence	<p>A measure of how early or high up on a page the keywords are found is called keyword prominence.</p>

Here is a list of places where you should try to use your main

	<p><b>keywords</b></p> <p>&lt;Title&gt; tag(s), &lt;meta name="description"&gt;, &lt;meta name="keyword"&gt;</p> <p>&lt;H1&gt; or other headline tags, the anchor, alt tags.</p> <p>URL or site address, e.g.</p> <p>http://www.keyword.com/keywordkeyword.htm</p>
Finding Keywords	<p><b>There are many different ways to find keywords for your website.</b></p> <ul style="list-style-type: none"> <li>• Keyword tags on competitors websites.</li> <li>• Visible page copy on competitors' websites.</li> <li>• Related search suggestions on top search engines.</li> <li>• By analysing website carefully and using an online tools.</li> <li>• Pay attention to stemming for your keyword.</li> </ul>

**SEO Optimized Meta tags:** There are two important Meta Tags and they are the Meta description and meta keyword tags. Some search engines may display the Meta description as part of the search results, but the meta keywords tags should not appear in search results.

Meta tags can be added in the head section of the web page:

```
<meta name="keywords"
      content="KEYWORD1 KEYWORD2 KEYPHRASE1 etc.
      about 30 to 40 unique words">

<meta name="description"
      content="An accurate, keyword-rich description
      about 150 characters">
```

Meta Tag Attributes	Optimization Tips
Meta Description Tag	Use keywords in meta-description tag. Don't repeat the words. Try to use multiple syntaxes of key words. Use a different Meta description tag for each page.
Meta Keywords Tag	Use synonyms, unique keywords. Don't repeat unless until its part of a different phrase.

**SEO Optimized Anchors:** Descriptive anchor text should be used for all text links. Most search engines consider anchor text of incoming links when ranking pages. Here is an example of anchor:

```
<a href="site.html" title="Anchor Title">Anchor Text</a>
```

**Here are following important points to notice about anchors:**

The Anchor should have appropriate keywords.

The Anchor Text should be selected very carefully because this text will be used not only of search engines but also for the navigation purpose.

The site.html is the link to another web page. This link could be to external site. But here care should be taken that this web page should exist otherwise it will be called a broken link and broken links give very bad impression to Search Engines and to site visitors.

**Content Optimization:** Content includes what one see on the site: the text, graphics and even links to outside world. Original Content (meaningful text about product, services, articles, images, info-graphics, videos, presentations, comments etc.) has no copies, duplicates or re-writes of existing articles.

### Tips for Content Writing

The content should be directed for the specified target audience.

Keyword density is strictly adhered as per search engine guidelines.

Titles should always be eye-catchers, compelling your visitors to read on and want what you have to offer in your website.

Don't use confusing and complex language. Use small statements to make your content more understandable.

Keep your web pages short and don't put all the content on a single page.

Divide your web page content also into short paragraphs.

If web site is having unique content, user would like to suggest it to their friends. Other webmasters would like to create a link of the site on their sites. Site visitors will start trusting on the site and they will look forward for the next content and will keep coming again and again. This will increase PR of the site.

### **10.3 Off-page Optimization**

Off page optimization is the process of increasing the website's performance and building up articles, blogs, information, links and comments that increase the amount of content online that is linked or related to the company, organization or brand.

#### **10.3.1 Website Performance Optimization**

Performance of a web-site depends on the degree of accessibility. Page load time and data fetching time decide the degree of accessibility.

##### **Page Loading Optimization**

Web Page Performance Improvement is one of the most reliable ways to improve traffic and is to achieve a high ranking on search engine return pages (SERPs). Ditch the below points to get the web page loading quickly.

Tracking codes: hyperlinks (use in the bottom of the page).

Video embeds (avoid as it uses iFrame which cause page load delay, it tries to open a whole page in the main page).

Share buttons: it helps to increase the traffic.

##### **Search Engine Submission**

Website and its corresponding robots.txt & sitemap.xml should be submitted to the most popular search engines like Google, Yahoo, MSN, Altavista, Alexa, Alltheweb, Lycos, Excite, etc., to get listed for free.

##### **Directory Submission**

Submit the websites to the topmost quality directories like DMOZ, Yahoo Directory, Zoom-Info, One Mission, Pegasus, etc. Nowadays many web directories may offer paid listings but don't go for it.

It is based on how effectively developer is selecting those directories and how efficiently developer is choosing the category for submission.

##### **Classifieds Submission**

Do some classifieds submissions to advertise the e-Commerce products for free.

Try Craigslist and other major classifieds sites like Kugli, Myspace, iMadespace, Vivastreet, etc.

##### **Link Exchange**

Exchange links with service-related websites (this is commonly termed as Thematic Link Exchange).

This will increase link popularity, which is a major factor of search engines' PageRank algorithm. Beware of Black-Hats while doing exchanges.

##### **Link Baiting**

Mention the website link as reference if news or content has been published in the blog/website from the original.

If the content of the website is trustworthy, let others do it. This is another way to increase the link popularity.

##### **Cross-Linking**

- Link to internal pages within the web site wherever necessary is termed Internal Linking.
- This increases internal link popularity, which is another major factor of Page Rank algorithm.

The best known example of successful internal linking is Wikipedia.

Also try to get a content link from websites/blogs that are related to the web-site theme. Try getting a link from within their site content using a targeted keyword as anchor text (much like Wikipedia does)



### **Article Submission**

Write articles of your own and submit them to popular article sites like Ezine, Go Articles, Now Public, Buzzle, etc.

This will help you to attain some deep links for your website (though it's usually a slower process).

### **Social Shopping Network**

Submit the e-commerce products to Google Product Search, Yahoo Online Shopping, MSN Online Shopping, and other major social shopping network sites like Kaboodle, Style Feeder, Wists, Five Limes, Buzz Shout, Ohmybuzz, etc.

This is a good strategy for advertising and easily branding the products for free.

### **Document Sharing**

Share your website documents like business documents, information brochures, and slides in Google Docs, Slide Share, etc

This will help to brand the e-commerce website.

### **Community Creation in Social Networking Sites**

Also known as online reputation management, this is the first and foremost step with which you have to initiate your process.

Try to become a member of the most popular social networking sites like Orkut, Myspace, Twitter, Facebook, Linked In, Ecademy, etc., and create a profile of your own.

By doing this you can extend your network online, get connect with your friends, share things with each other, and promote your company/website to build an online reputation. It means you have to show your active participation on a regular basis.

### **Blogging & Forum Postings**

This is one of the most powerful ways to promote the company/website online. Write a blog of your own for the company/website and include lots of unique content.

Be precise in what you're trying to convey for the users in your blog entry and promote your blog in blog directories and blog search engines.

You can also promote your blog/website by posting comments in other service-related blogs which allow links in the comments section that are crawl able by the search engines.

Create a forum/online discussion board of your own and start a discussion or share topics with your friends.

### **Photo / Video Sharing**

Publish/share your website product pictures and make them public. Let your friends see them and comment on them too, which will help drive traffic towards your website.

Do this in major photo sharing websites like Flickr, Picasa, Photo Bucket, Picli etc.

Like with photo sharing, you can publish/share your product videos, expert opinions, and reviews of your product and make them public in YouTube, Metacafe, Dailymotion, etc.

### **Local Listings & Yellow Pages**

Instead of going global and facing huge competition, make your website local so that search engines can easily view your website and fetch the content.

This will help to reach a targeted audience. Submit your website to Google Local, Maps, Yahoo Local, Yellow Pages, Superpages, Hotfrog, etc

### **Widget / Gadget Development**

Develop some interactive and innovative widget/gadget applications (such as an online poll or game widgets) for your website and publish them on your blog/website or in other popular social networking sites like Facebook and Myspace.

Let your friends and others vote/play/use the widget/application, which will help you increase your branding and website visits.

### **11. BENEFITS OF SEARCH ENGINE OPTIMIZATION**

An important aspect of Search Engine Optimization is making your website easy for both users and search engine robots to understand. Although search engines have become increasingly sophisticated, in many ways they still can't see and understand a web page the same way a human does. SEO helps the engines figure out what each page is about, and how it may be useful for users.

- Increase Site ranking.
- Increase traffic and optimizing traffic handling mechanism.
- Increase Conversions.
- Search engines grabbing more market share.
- Rise of mobile bandwidth and local search optimization.
- Not having a healthy content profile is damaging.
- SEO Will Help People Find the Website.
- SEO makes the ecommerce site Ubiquitous.
- SEO Helps Build the Brand of Ecommerce Site.
- SEO Attracts Relevant Traffic with High Conversion Potential.

SEO have the potential to bring it thousands upon thousands of visitors to your website a day. This may put an ecommerce company in a position of needing to expand to a larger web server to accommodate the traffic and sales to the website. SEO is a really great investment for an e-Commerce Company in Internet Marketing.

### **12. CONCLUSION**

While nobody can guarantee top level positioning in search engine organic results, proper search engine optimization can help. Because the search engines, such as Google, Yahoo!, and Bing, are so important today it is necessary to make each page in a Web site conform to the principles of good SEO as much as possible.

#### **To do this it is necessary to**

- Understand the basics of how search engines rate sites.
- Use proper keywords and phrases throughout the Web site.
- Always Include: Robots.txt, Sitemap.xml.
- Use well-formed alternate attributes on images.
- Keywords are Prominent in the Title, META tags, & Headings.
- ALT Tags and Title Tags should not be forgotten.
- Have good incoming links to establish popularity.
- Make sure the Web site is regularly updated so that the content is fresh.

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## POWER OF BRANDING IN PRESENT MARKET SCENARIO

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### ABSTRACT

*Branding is the promotion of a particular product or a service by identifying it with a specific brand in particular. It is the marketing practise of creating a title, logo or a design that identifies and differentiates a product from other similar products in the market. A brand is more than just a name, it is the sum total of a consumer's experiences with a recognizable product. An effective brand strategy gives a firm a major edge in increasingly competitive markets. It is a promise to the customers which makes them aware of what they can expect from a product or a service and it differentiates one's offering from that of others. A brand is delivered from who a person is and who people perceive him/her to be.*

*This paper helps in understanding the brand awareness among people and analyse the level of demand for branded products taking into consideration various demographic factors such as gender, age, tastes and preferences, area, income level and living status. . In this research paper primary data is compiled using structured questionnaire method along with reference of secondary data from various. The sample population for the present study is general public (students, professionals, households, corporates and others). The primary data collected is analysed using selected statistical tools.*

*The results of the study would indicate a significant analysis on the consumer's preferences towards branded and non- branded products in different types of commodities and why.*

*Keywords: Branding, marketing practise, competitive markets, brand awareness, demographic factors*

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### INTRODUCTION

Branding is the most distinctive skill of the marketers to promote their product or service which help the customer to identify the products that might benefit them. It is a marketing practise of creating a title, logo or a design that distinguishes and discerns a product from other similar products in the market. A brand is more than just a name which will build a strong relationship with the customer. An effective brand strategy gives a firm a major edge in increasingly competitive markets. It is a promise to the customers which makes them aware of what they can expect from a product or a service and it differentiates one's offering from that of others. A brand is to provide a legal security for distinct product features that otherwise might be copied by the competitors. Branding can help to stand apart from your competitors, add value to your product or service and intrigue with your customers. Branding is a way of highlighting what makes your offer different from, and more desirable than anyone else's. Effective branding enraptures a product or organisation from being a common commodity amongst many identical commodities to become something with a unique character and trust worthy. Branding creates an emotional resonance in the ideology of consumers who elect products and services using both emotional and pragmatic decisions.

### LITERATURE REVIEW

Evolution of branding-Branding has evolved through a number of stages over its relatively short history, reflecting the economic, social and political environment. In the late 1890's with the advent of railways and long distance product distribution, branding emerged as a way to identify the manufacturer and was largely limited to the use of logos. For the first time, consumers were able to choose from a wider selection of goods from companies outside of their local economy. To cope with this great choice, logos were used to not only indicate the manufacturer but also to signal the quality of the product. The industrialisation that followed brought an extraordinary wave of life changing innovation and introducing new products. At this point of time, it was believed that good products sold themselves and advertising's primary role was to make sure everyone knew the product existed. There was another major shift in branding after World War II. This led to the need for differentiation of products and focus of branding shifted again to the communication of superior features, unique ingredients and their functional benefits. In successful organisations, the brand revolves around a small set of values that are experienced by the entire firm and radiate outwards to all key stake holders.

According to Jerry McLaughlin, a contributor of the Forbes business magazine, building brand is the most crucial level every company has to hurdle up and achieve a positive response from its stake holders or customers and also improve profitability against competitors. He says brand building is neither easy nor tough but requires a good smart planning strategy to have an edge over others in the market. He stresses on saying that brand is just a perception in others mind about your product. Giving a positive or a negative structure is a result of one's strategies and abilities of implementing the right plan at the right time in the right place.

According to Andrew Beattie's publishing in Investopedia, Power of branding is a tale of caution for investors who are already paying a premium because of brand equity. Brands are fickle minded varlets that can be hard to nurture and easy to annihilate. A strong brand and the pricing premium it brings can be very attractive to investors, and with relevant reason. The power of branding can help a company coup in a price war, flourish in a recession, or simply tend operating margins and catalyse shareholder value. The premium that investors are inclined to pay for the stock with a branding edge is completely a psychological choice. A stock with a large amount of brand equity is, of course, always "worth" whatever someone is willing to buy it for.

According to Shawn Parr, when a brand is spoken of, it often means different things to different people. Despite the famous books, number of courses and conferences regarding brand, there is still no clarity in reference to its meaning and how it should be operationalized even within the most cosmopolitan companies.

According to Scott DeMenter, A symbolic brand identity includes a brand name, positioning statement, category description, organizational values, brand prototype and the brand's eminent purchase factors with their substantial and emotional benefits of association with the brand. A good brand name gives a wholesome initial impression, it is easy to remember and elicits positive associations with the brand. The positioning statement mentions, what business the company is in, what benefits it furnishes and why it outclasses the competitors in the market.

According to Michel Dunn, Branding is a combination of reputation, strategy, track record, vision, philosophy, personality and values along with an established set of components such as product, logo, advertising, sponsorship, public relations, marketing and naming. Brand is a demand driver and it is the conduit between trust and demand for funds to implement strategies. Brands are implacably relevant on four main components being customer obsessed, pervasive innovation, ruthlessly pragmatic and distinctively inspired.

According to Paul Hague, there are various stages of brand recognition starting with unbranded products- recognition of products in the market- brand positioning- brand personality- brand promotion- global view on the brand- company and its brand policies. Most of the companies in the current scenario are still in the stage of brand recognition of products. The best features that a good brand should possess are

- Something customers demand for by name
- The name people mention when addressing about the product to someone else
- When people think of the brand rather than the product
- Something which develops a personality beyond the product
- Something people would readily pay a premium for under that and no other name

## **METHODOLOGY**

The research paper was carried on by compiling primary data in the form of structured questionnaire survey and secondary data from various other reliable sources like journals, magazines, newspapers and websites related to marketing management.

Participants who are a part of the survey conducted as primary form of data collection are students pursuing undergraduate and post graduate courses, professionals like investment bankers, doctors, lawyers, professors, households, employees of various organisations and general public of different age groups, belonging to various areas, earning different levels of income and varied living status. The population size taken for

research was one hundred and fifty. The sample size was calculated and the number of participants to be assessed and interviewed was 80 which is more than 50% of the total population. These 80 responses were selected through simple random sampling method using random table.

In the study of the power of branding in the current market scenario, the age composition of the respondents is in the age group of 16-25, 26-35, 36-45, 46-55, 56 and above. With regard to gender 60% of the respondents were male and 40% were female. The average relation with brands was desirable. Following the collection of data, the data was processed by applying descriptive statistics and hypothesis was derived...

## **RESULTS AND CONCLUSION**

As per the references from secondary data availed, there is a considerable saving of time and energy in choosing goods because a brand renders product identification much easier. The money value of this saving is significant in the industrial buying. It is easier to lodge complaints and claims against marketers when a branded product fails to live up to its proclaimed value satisfaction. There is more visibility for a brand and more awareness among consumers. The scope for higher sales is due to top of the mind brand recall and higher aspiration towards the brands prevailing in the market.

The key findings from the primary data compiled demonstrate the important effects that branding has on consumer attention and memory. Given the significance of these psychological processes in decision making and consumer behaviour, the results from this study could have far reaching implications for brand owners, policy makers and legal professionals.

From the responses of structured questionnaires distributed, we can assume that consumers in the present market scenario are basically more concerned about quality and availability of the product rather than its range of price and quantity. Infact, consumers choose brands also as a status symbol. It is observed that most of the customers prefer brands for durable and heavy goods like electronics and clothing but go for non-branded in the case of commodities like accessories, footwear, kitchenware and other perishable commodities.

### **Gender wise analysis**

<b>GENDER</b>	<b>BRANDED</b>	<b>NON- BRANDED</b>	<b>TOTAL</b>
MALE	28	20	48
FEMALE	15	17	32
TOTAL	53	37	80

From the above table it is observed that 58.33% of the male consumers go for branded products and 41.66% go for non-branded products and the male respondents form about 60% of the total respondents.

It is also observed that 46.9% of the female consumers go for branded products and 53.2% go for non-branded products and the female respondents form about 40% of the total respondents.

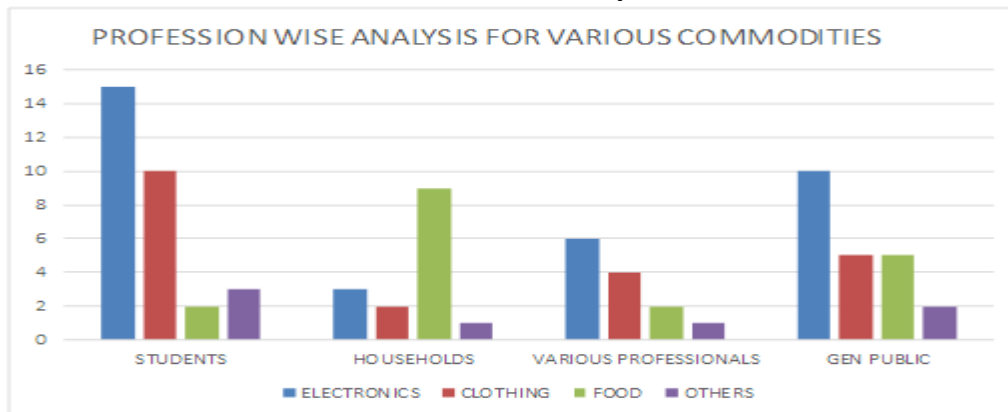
### **Age wise analysis**

<b>AGE</b>	<b>BRANDED</b>	<b>NON-BRANDED</b>	<b>TOTAL</b>
16-25	23	7	30
26-35	7	3	10
36-45	7	8	15
46-55	5	8	13
56 & above	2	10	12
TOTAL	44	36	80

From the above table it is observed that 37.5% of the total respondents are in the age group of 16-25 and out of which 76.66% of them go for brands.

It is also observed that 15% of the total respondents are in the age group of 56 & above (least %) go for non-branded products when compared to other age groups on the whole.

### Profession wise analysis



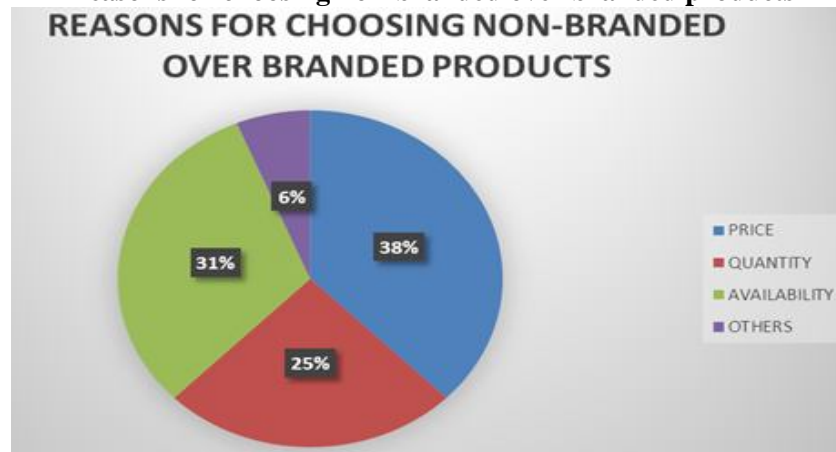
From the above analysis it is observed that all the respondents of various professions choose electronics in the category of branded items and give next level of importance to clothing. An exception to this hypothesis is that households prefer branded items in the case of food and the reason mentioned by the respondents is that health comes first for any individual to stay fit and extend his capability to earn and lead a comfortable life.

### Reasons for choosing brands over non-branded products



From the above pie chart it is observed that maximum percentage of respondents have chosen brands for quality and durability in comparison with the rest of the components.

### Reasons for choosing non-branded over branded products



From the above pie chart it is observed that a maximum percentage of respondents opt for non-branded items for a reason being lower price and availability of the product and then quantity offered.

Caselet showing how brand can impact the value of a product or service-OLA CABS

Ola (ANI technologies) previously known as Ola Cabs was started in Dec 2010 by 2 IIT Bombay graduates. Ola serves as an efficient taxi aggregator and bridge the gap between cab owners and commuters. Instead of buying and renting out their own cars, Ola partners with a number of taxi drivers and owners, add a touch of modern technology to the whole set up, where people could book cars at short notice through their app.

Ola is India's largest ride-hailing app with about 60% market share in India.

### **OLA – Product**

Over the last one year, Ola has been expanding its range of services —offering a range of ride options from budget to luxury, subscription deals, and more recently in-cab entertainment — to outmatch Uber on strategies beyond pricing.

### **OLA – Business Model**

The business model works on a very simple concept. OLA acts as a facilitator in providing cab-booking services. Customers can book their cabs through the app. OLA does not own any of the cabs. Only those drivers with valid permits duly authorized and verified by transport authorities can sign up with OLA and they could be either self-employed or work for an operator who owns multiple cars.

Just like how we use an OLA App, the drivers get access to a driver mobile app on their Smartphone once they register with OLA. This is done only after a thorough check of authenticity and conducting due diligence of commercial papers and personal papers of driver and operator. The drivers have flexibility to decide their own time to login to OLA Application and accept requests for rides from customers. They may choose to remain logged out of the system as per their convenience.

Ola takes a commission of about 15% on all the booking done through the app.

### **Users are charges for the following things:**

The Bill for OLA Cabs consist of following elements

- 1: Base Fare [Charged Flat]
- 2: Distance Fare [Charged Kilometer Wise(different for different cities)]
- 3: Ride Time Fare [Charged time taken to travel]
- 4: Peak Pricing [Direct Ratio depending on demand for cab]
- 5: Service Tax [5.6 %]
- 6: Swach Bharat Tax [0.2%]
- 7: Toll Charges [Toll Collection in case you cross Toll Junction on roads.

Ola announces its first ever Brand Campaign: "Chalo Niklo"

Ola, mobile app for cab booking has launched its first nationwide marketing campaign titled 'Chalo Niklo'. Created by Happy Creative Services, the multi-channel campaign aims to position Ola as the go-to transport platform of choice for immediate and spontaneous city travel needs across cabs, autos, taxis etc.

Launched in 2011, Ola is currently present across 60 cities with over 60,000 cabs on its platform. Ola has also added Mumbai's iconic Kaali-Peeli taxis and India's ubiquitous auto-rickshaws across Bengaluru, Chennai, Pune and Delhi to their burgeoning roster. These additions have been very well received and continue to gain traction

Chalo Niklo is a theme that the smartphone generation will relate to. We believe personal transportation is like any other daily use product or service. Traditionally, cabs were being considered by customers for one-off or planned travel but with Ola's mobile app available, consumption patterns have significantly changed. Customers can get a cab, taxi or an auto when there is an immediate need to leave, with just one touch on their smartphone. The Chalo Niklo campaign captures this very insight, highlighting the fact that the need to leave can arise any time. This is brought to life with a 360 degree integrated marketing approach. They are excited about this campaign and are confident, this will strike an instant chord with our consumers.

Ola is a home grown revolutionary service that makes life so much easier in a country like ours. We are proud and excited to launch Ola's first brand campaign and with their presence in over 60 cities now, we think this is just perfect timing! Chalo-Niklo is a simple yet a very interesting and colloquial way to connote how Ola addresses a consumer's need to leave in an instant from just about anywhere! The brand has many plans in the months to come and we hope to create more exciting work to help Ola achieve its goals.

The campaign is being run across TV, Radio, print and outdoor with a special focus on social media through Ola's media agency, Motivator World.

This portrays how a simple service like a road transport has gained equity and market position through its branding.

### **LIMITATIONS OF THE STUDY AND SCOPE FOR FURTHER RESEARCH**

This research has been carried on in a general sense and has taken into consideration certain scope of factors such as age, profession, gender and commodity wise analysis.

There is scope for further research taking into consideration factors such as income levels of individuals, geographic factors, changing tastes and preferences, market influences, utility of commodities, level of need and requirement of the commodities in specific.

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## AN OVERVIEW ON CHANGES IN INDIAN CONSUMER DEMOGRAPHICS

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### ABSTRACT

*The consumer plays a vital role in the study of marketing. The needs of customer are catered by changing demographics which categorizes the potential customers on the basis of age, gender, geographical location, education level, marital status, household income, occupation and hobbies. The peer group of buyers are also identified in the market by their attitudes, purchasing power and awareness of the product. It is very important for every business man to provide best product service in convenient mode. The changes in Indian consumer demographics are influenced by purchasing power of consumers, increasing income of consumer, market culture and availability of branded goods in the market. The Demographics are the major strands of customer segmentation where competent marketing resources are used for business breaks. The study of this paper is to understand the trends in buying behavior in a particular market scenario like retail market. The purpose of the paper talks about the changing scenario of Indian consumer demographics in the business world relating to various consumer goods. Although every consumer has distinct feature influenced by the demographic factors, the paper also deals with challenges faced by retailers with changing demographics and how are they been utilized for business opportunities. The increasing prospects for business in the retail industry in India is creating employment opportunities as per the changing trends. Even the online shopping strategies are bringing the world on one platter with emerging global markets, franchises, merchandisers etc. This is making the customer to visualize various products which are available in different brands and with different price tags that fit into their budget. This will help to understand the means to create the demand for goods in order to increase the sales, as well as lead for expansion of their business. It is a future path for producer to make brand image in the market. The large business houses are benefited by segmenting the market domestically and internationally in rendering services and offering goods to consumers at different prices. Similarly, small marketers are benefited with geographic segmentation to target specific customers and saves their advertisement expenditure. It is even easy to identify the targeted customer as the personal information is collected through database. The research paper is developed based on reviewing related literature of consumer demographics, customer choice, growth of the retail sector and the challenges faced in India. The information is collected from secondary sources like books, journals, various research articles; relevant documents magazines and analyzing retail business. The result of research is focused on growth of retail markets, its contribution to economy, changing lifestyles, the consumer purchases and key factors of Indian consumer behavior. We can say that the consumer's perception is towards price and quality sensitive than looking for brand loyalty. There is a substantial increase in the buying power and greater ease in customizing or placing orders of their choice. With the growing population to cater the needs of customers the consumer markets expanded their services through digital marketing such as online, social media and internet in the present competitive situations.*

*Keywords: Retail market growth, trends in consumer demographics, contribution to economy, online marketing, challenges of retailers.*

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### INTRODUCTION

The most demanding thought in the changes in Indian consumer demographics in marketing is to understand the buyer behavior. The attitude of Indian consumers has undergone a major transformation over the last few years. The buyer today wants to lead a life with luxury and comfort without concentrating on speculation. The market reformation has enlightened the consumers with market information at their fingertips, enabling them to compare and shop wide range of goods and services anytime, anywhere. This trend is been increasing with mobile apps, internet, online shopping etc. The Post economic liberalization policies in Indian market made huge opening for sale of many variety of new local products and foreign goods. At present Indian consumers are buying products such as clothes, books, low value white

goods, stationery, electronics, and educational material through internet/online and smart phones. The retail market in India is also influenced by brand ambassadors to promote the products. The celebrity endorsements (Actors of Hollywood and Bollywood, cricket players etc.) in market increases trust factor and promote the brand to all consumers in India. The consumers in India are generally interested to buy the consumer goods such as tooth paste, soaps, detergent, cooking oil, cash back, USB, headphones, speakers, mobile covers, etc. if are offered with free charge of delivery, discounts, etc.

The impact of changing consumer purchasing behaviour and increasing income of the consumers brought revolution in Indian Retail market to change since 1997. This resulted with expansion of retail sector. Even the digital medium has influenced retail market with reshaping customer behaviour and expectations. Overall change in consumer demographics led to the growth of retail business is in a constant need to retrospect their strengths, reinvent their contributions across the buying patterns of consumers. In India the major contribution to national income is from the three fourth of population who live in rural areas. After digital reformation of retail industry, India is in 3rd position with 37.4% of internet dispersion. Several rural markets were established to sell basic consumer goods and India is lucrative markets for costly products even though their per capita income is low. There is a considerable growth in ecommerce market from \$11 billion in 2014 per annum to \$20 billion in 2015 per annum. With the introduction of e-Commerce portals like Flip-kart, Amazon, Snap-deal, etc the purchasing patterns of Indian consumers has increased considerably by satisfying their shopping requirements.

The emergence of E-Commerce in India is due to the facilities provided to customers such as EMI options, Cash on Delivery, Huge discounts to buy online, Cheaper than brick and mortar stores, Increase in usage of internet through smart phones, Social reviews etc. because, the nature of Indian consumers is always to choose quality and expensive brands as they feel that price is an indicator of quality. The consumers are also keen on the services given by the branded company as buyers believe that only branded companies can ensure the service centers. In the retail market, it will be difficult to sell those products which are without service outlets to Indian buyers.

The urbanization in India is also one of the reasons influencing the life style and buying behavior of the consumers resulting in bulk purchases from hyper stores rather than purchasing from neighbourhood store. At present the urban middle and upper class Indian consumer buying behaviour has changed their perspective towards western trends. In retail market more of international branded products are purchased. The major reason for growing rural and urban markets are due to the increasing literacy in the country, exposure to the west, satellite television, smart phones, Bollywood movies, social media and newspapers etc. This significantly increased consumer awareness in purchasing goods. This market knowledge made the Indian consumers to purchase more qualitative products. On other hand there is expansion of organized retail chains and other corporate businesses. India became a world's top sourcing by 2016-17 and with a share of 55 per cent. The most attractive nucleus for Indian retail market is the middle class people for all the retail giants across the globe. The other major reason towards the varieties of goods produced.<sup>1</sup>

### **OBJECTIVES OF THE STUDY**

1. This article focuses on the changing consumer demographics related to retail market in India
2. It studies about influence of consumer behaviour and changes in market growth in India
3. It studies the changes in consumption expenditure and contribution to economy

### **LIMITATIONS OF THE STUDY**

1. The research article deals only the 'An overview on Changes in Indian consumer demographics'
2. The article is not a comparative study between various Indian consumer demographics in Retail markets of the countries.
3. The area of the study is limited to the short period only.
4. As the study is based on secondary data, the findings and conclusions are given based on the data.



## RESEARCH METHODOLOGY OF THE STUDY

To fulfil the objectives of the present study, the following research methodology has been used:

1. The topic was chosen to study the 'An overview on Changes in Indian consumer demographics'
2. **Collection of data:** The main sources of secondary data are manuals, news papers, books, journals, articles, business magazines and other research papers.
3. **Analysis of data:** The collected data has been analyzed to the objectives in the form of tables and diagrams by using statistical tools such as percentage and growth rates.

## INDIAN CONSUMER DEMOGRAPHICS

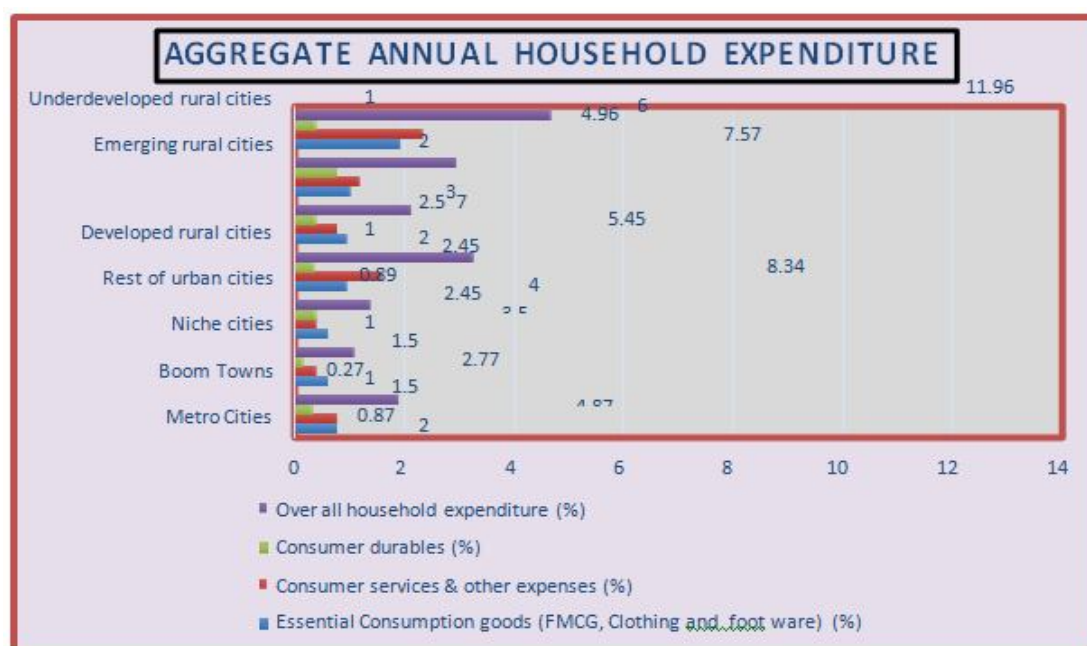
The market is one of the most dynamic fast growing aspect with changing lifestyles, demographics, income levels, easy credit facilities and aspirations. The aspirations for an Indian consumer traditionally (before pre-liberalization) lie in 3S concept. That is (1) Savings (2) spirituality (3) safety, for consuming goods. The genuine reasons were the invaders ruled over centuries and finally left devastated while leaving only to start everything from scratch. He would spend each rupee of money wisely and did not have much risk appetite, as he understood the value of money earned. This made the Indian consumer appear more orthodox in his life style and thinking process. As the time being changing the evolution of markets, industries and innovation of technology paved way for varieties of goods and services produced in the country.<sup>2</sup>

In 1990 the liberalization and its policies provided opportunities to emerge a new Indian consumer with changing lifestyle, preferences and consumption of goods. Liberalization brought growth in economy and lead to a net disposable income, which made the consumer think more materialistically. The standard of living improved with satisfaction of social status needs. The consumer is armed with higher income, credit cards, exposure to multiple markets. These are resulted in increasing consumption expenditure and the same is shown in the below table1 and Figure1. According to the below diagram how the aggregate house hold expenditure in various cities is spent by consumers is explained. We can observe that overall the consumption on FMCG, clothing and foot ware products are consumed more in other urban cities the consumer services expenses are more and comparatively durable goods consumption is less in metro, Boom, Rural and other underdeveloped cities. Similarly the consumption is more in emerging rural areas. The study of aggregate annual household income is shown in the Table 1 and depicted in the Figure1. The chart is used to explain the aggregate annual consumption expenditure spent by consumers on FMCG and clothing products in Metro, Niche, Urban and undeveloped cities. It analyzed the household expenditure made on consumer services and consumer durables in various cities.<sup>2</sup>

**Table-1: Aggregate annual household expenditure**

Cities	Essential Consumption goods (FMCG, Clothing and foot ware) (%)	Consumer services & other expenses (%)	Consumer durables (%)	Over all household expenditure (%)
Metro Cities	2	2	0.87	4.87
Boom Towns	1.5	1	0.27	2.77
Niche cities	1.5	1	1	3.50
Rest of urban cities	2.45	4	0.89	8.34
Developed rural cities	2.45	2	1	5.45
Emerging rural cities	2.57	3	2	7.57
Underdeveloped rural cities	4.96	6	1	11.96

**Figure-1**



Source: Journal published Thu, Dec 08 2016.

From the table 1, it is observed that the most of the consumer's annual house hold expenditure is spent on necessary goods like FMCG and clothing. Very little amount is spent on consumer durable goods. The household people of this city are spending on consumer services equally along with other consumer goods. The overall household expenditure is more in urban areas and Metro cities and it is low in Boom towns. In Boom towns even the money spent on consumer durables is also low. The same is shown in the above Figure 1.

### CHANGING TRENDS OF CONSUMER DEMOGRAPHICS

The changing consumption of goods is also due to the increasing awareness for youngsters. We can say this is because of internet facilities and other availabilities to know the trends of the market. The ever flowing MNCs' establishment and the tremendous growth in the IT sector, the employment opportunities for the youth have increased drastically in aspiring. The internet, television and smart phones and the advertising campaigns are influencing the young to a large extent to spend most of their income on apparel, electronic gadgets and accessories.<sup>3</sup>

### INCREASE IN INCOME OF CONSUMERS

The increasing opportunities of income earnings of people due to huge expansion in IT sector, MNCs, telecommunications, marketing, management, banking etc., after liberalisation which opened the gates to target the consumer goods market as well as durable goods market such as electronic, vehicles, furniture, apparels etc also increased. More markets have come up to meet the demand.

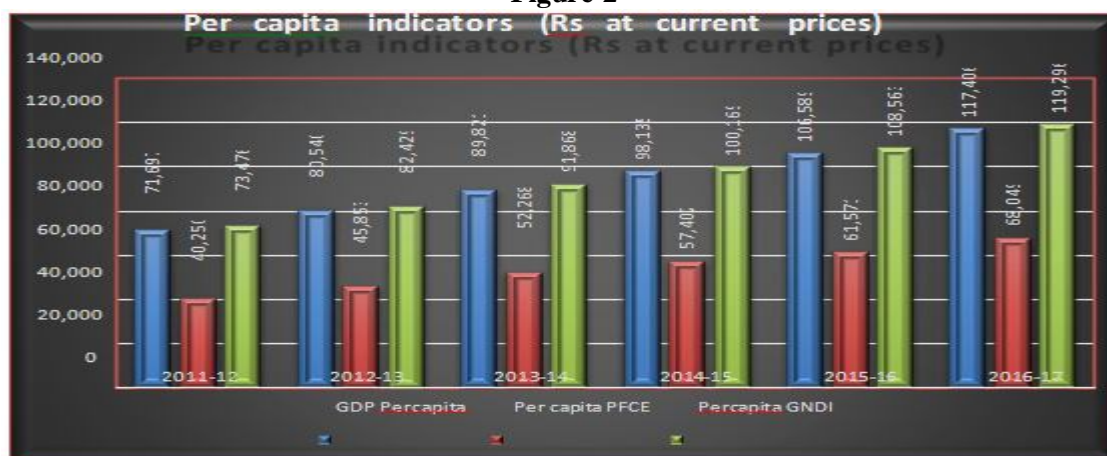
With personal ambition to achieve more and live better with comforts, an average Indian works for more than 50 hours a week. This was revealed by a recent Gallup poll of more than 30 countries. It was shown that, India ranks among the hardest working nations globally with an average work week of 50 hours, where as 42 hours in United Nations, and around 40 hours in European nations. The increase in income is resulted in the consumption of consumer goods. The increase in income is influenced the consumption of goods and services. It is studied that the major contribution in the market by high income group people are made on Food and Beverage products (69%). The clothing and textile is around 11%, Beauty and personal care is

8%, and consecutively spent low Home décor and furnishing items. <sup>4</sup> During 1980's there is a considerable growth in the Indian economy with respect to per capita income from Rs. 71,607 in 2012 to Rs. 117,406 in 2017. The per capita personal disposable income also increased from Rs. 73,476 in 2012 to Rs. 119,296 in 2017. The per capita private final consumption is Rs. 40,250 in 2012 to Rs. 68,049 in 2017. The same is depicted in the table 5 and shown in the Figure 4.

**Table-2**

Per capita indicators (Rs at current prices)			
Year	GDP Per capita	Per capita PFCE	Per capita GNDI
2011-12	71,697	40,250	73,476
2012-13	80,540	45,853	82,429
2013-14	89,821	52,268	91,868
2014-15	98,135	57,402	1,00,169
2015-16	1,06,589	61,571	1,08,563
2016-17	1,17,406	68,049	1,19,296

**Figure-2**



Source: CARE Ratings

### CHANGING THE MARKET SIZE

The consumers market is primarily classified into organised markets, unorganised markets, Traditional markets and modern markets. The Indian consumer's market size started to increase by generating revenue of US\$ 641 billion in 2016. The overall growth was resulted at the rate of 12% per annum. The traditional trade growth rate per annum was 9% which concentrated in groceries and FMCG products. The organised retail market growth is at the rate of \$60 billion from consumer goods. The Therefore the Indian Business to Business (B2B) market expected to earn revenue at the rate of US\$ 700 billion in near future. This will result in online retailing well matched with physical stores throughout the country. According to Indian Chambers of Commerce and Industry (FICCI) and Indian Institute of Foreign Trade (IIFT) the total potential growth of Business to Consumer (B2C) earned at the rate of US\$ 26 billion and expected to achieve more \$3 billion in near future. India took the place of china in retail market expansion with booming consumption rates, urbanizing population and growing middle class.

India is the world's best ever growing e-commerce market, driven by vigorous investment in the sector and rapid increase in the number of internet users. Various private organisations promoted and worked hard for increase in sales, which resulted to attain US\$ 30 billion in the year 2016. There is a simultaneous growth in telecom networks, online services and other market services. According to the report of India Direct Selling Association (IDSA) the India's, retail direct selling market size increased by US\$ 3.54 billion by 2016. The Indian exports of domestic lifestyle products also increased to 10%. Hence, the consumer purchasing attributes and their lifestyle is resulted with vigorous expansion of market in the country. 5

### LIFE STYLE OF CONSUMERS IN INDIA

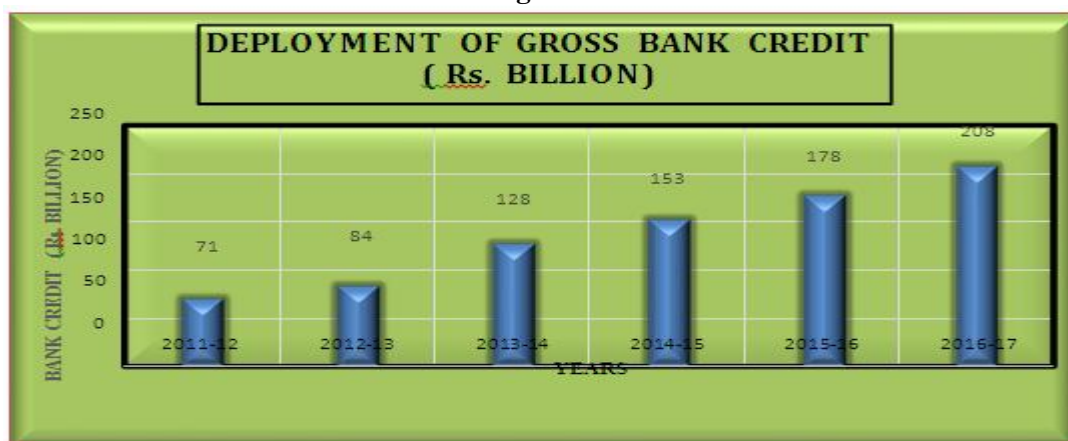
Increase in materialism is growing more rapidly in Indian consumers as life's pleasures have gained more importance over the past decade. The purchase of electronics goods like TV and smart phones, music systems and home appliances like refrigerators, micro ovens, along with the apparels, foot wear, cosmetics, furniture, vehicles etc has grown so dramatically because of the huge expansion that has been taken up in the financial sector. Previously, a decade ago, it was difficult to purchase high end goods as there were neither loans nor credit cards. Short term loans and credit cards have changed the consumer mentality. Today the

consumer is ready to purchase any good of his choice with the huge financial options available in the market. The credit cards options along with the reward schemes, the flexible financing options from the financial institutions are tempting the consumers to purchase goods as and when they desire. From pin to car, the market is flooded with a variety of consumer goods of different ranges which cater for different income groups. Accordingly the financial options are also available for the consumers. From the Table 3 it is evident that the Gross Bank credit has increased over the years from 2011 to 2017. The same is depicted in the Figure 2.

**Table-3**

<b>DEPLOYMENT OF GROSS BANK CREDIT</b>	
<b>YEAR</b>	<b>BANK CREDIT ( BILLION Rs)</b>
2011-12	71
2012-13	84
2013-14	128
2014-15	153
2015-16	178
2016-17	208

**Figure-3**



Source: IBEF

### **GROWTH OF INDIAN MARKET**

The Indian retail market is solitary and longest growing in the world. The Indian Retail market is likely to meet the market growth of US\$ 1,100 trillion by 2020, as India's destiny is to be fifth largest retail market in the world in terms of per capita retail store availability. So the sector initiated development in all the major cities including II & III Tier cities in the country. This is resulted in changing standard of living, increase in disposable income of consumers, taste and preferences, economic growth etc. therefore these are the major factors for expansion of organised retail sector in India. The online services in the country was also taking in a big way contributing 7% to the economy at the rate of US\$ 17.8 billion to US\$ 60 billion and expected to grow by 10% by 2020. This was made possible due to private and foreign investors. The scope of Indian retail industry was widened and supported by global retailers such as Wal- Mart, GAP, Tesco and JC Penney. This also helped the franchising business in the country, where private investments increased. The government permitted 51% Foreign Direct Investment in multi-brand retail and 100 % in single brand retail through regular transmit. This resulted in emergence of E-commerce and make in India. In India the retail industry business started to produce consumer goods as well as Food Manufacturing consumer goods with 100% of Foreign Direct Investment (FDI). Urbanization an integral part of the growth process contributes about 2/3rd of economic output. The urban population is expected to grow from 282 million to 590 million in the next two decades. Meeting the needs of the soaring urban population in terms of basic needs and consumer durables has opened the gates for more markets and investments. The size of market growth is observed increasing from 2012 to 2016 considerably with increase in expenditure from \$518 to \$672.

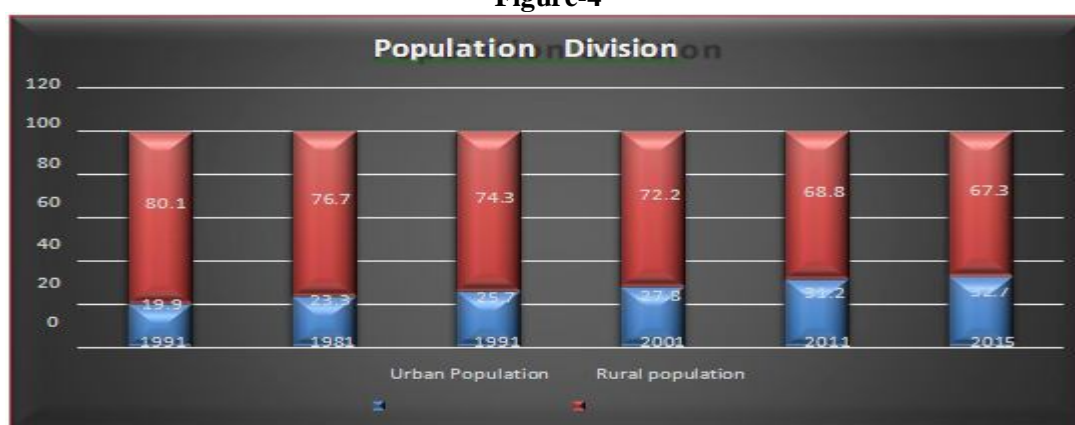
## INFLUENCE OF URBANISATION

Urbanization an integral part of the growth process contributes about 2/3rd of economic output. The urban population is expected to grow from 282 million to 590 million in the next two decades. Meeting the needs of the soaring urban population in terms of basic needs and consumer durables has opened the gates for more markets and investments. The urban consumers got converted from net savers to net spenders. With higher incomes, they expect quality and durable goods for affordable prices. Urbanisation is spreading beyond expectations and more and more small towns and cities are adopting the urban culture. From the below table-4 we study that from 1991 to 2015 the money spent on goods being increasing from 19.9% to 32.7% and the Rural people money spending in 1991 is 80.1% and in 2015 it is 67.3%. The consumption expenditure of Rural population was high than the urban population during 1991. The consumption of rural people started decreasing relatively to 67.3% and the urban people expenditure and the contribution increased to 32.7% respectively. The contribution of population of urban and rural areas was shown in Table 5 and the same is shown in the Figure 4. [7,8]

**Table- 4**

Population Division		
Year	Urban Population	Rural population
1991	19.9	80.1
1981	23.3	76.7
1991	25.7	74.3
2001	27.8	72.2
2011	31.2	68.8
2015	32.7	67.3

**Figure-4**



Source: CARE Ratings

With the ever-spreading urbanisation the consumer demography is becoming multidimensional due to large diversity in terms of culture and tradition. The size of market growth is observed increasing from 2012 to 2016 considerably with increase in expenditure from \$518 to \$672.

## CONSUMER'S CONTRIBUTION TO ECONOMY

According to CAGR it is observed that the country's per capita GDP per annum is been increasing from Rs 71,607 in 2012 to Rs. 117,406 2017. There is a consumption boom in the country. The per capita disposable income also increased from Rs 73,476 in 2012 to Rs 119,296 by 2017. There is an increase in the final consumption expenditure from Rs 40,250 in 2012 to Rs. 68,049 by 2017 in the country. The usage of credit and debit cards has increased to purchase goods. These were prominently accepted in the market. The usage of cards increased with because the consumers enjoy the pleasure of cash less shopping with provided incentives, cash back offers and discounts.

The participation of female workforce in the recent times has increased considerably. They started participating in the country's economic activities more actively. The female work force has increased from

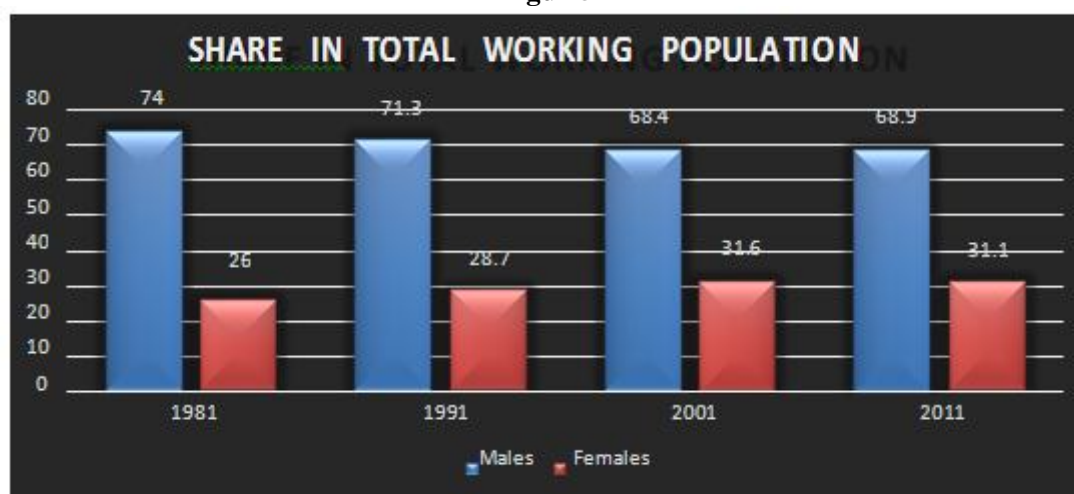


26% to 31% from FY81 to FY 11. Notably, involvement of female workforce in the organized industrial activities also has increased from 27% to 47% in FY 2011. It has increased purchasing power in the hands of working women class. With the higher purchasing power and the time constraint factors with the working women accounted to one- stop-shop concept. The one-stop-shop has all the house hold requirements ranging from food, grocery, apparel, cosmetics, foot wear, electronics, furnishings, furniture etc under single roof. This has given a wide scope for malls of different sizes and online shopping. The paper studies about that the consumption of goods being increasing due to increase in the working population of both males and females in the country. The below table 5 reveals that the working population in males is increasing from 1981 to 2011 from 74 million to 68.9 million. The Female working population is increasing from 26 million to 31.1 million by 2011 respectively. The same is shown in the Figure 5.

**Table-5**

SHARE IN TOTAL WORKING POPULATION (in Millions)		
Year	Males	Females
1981	74	26
1991	71.3	28.7
2001	68.4	31.6
2011	68.9	31.1

**Figur-5**



Source: Care Ratings

## RECOMMENDATIONS

With the urbanisation, higher income rates, young entering into the jobs at a very early stage, rapid growth in population, growing awareness of the technology and the gadgets, overflowing markets of different sizes, variety of goods at different prices, flexible loans and the credit card payments have changed the spending behaviour of the Indian customer.

There is a steady expansion of E-commerce in the country. Customers choices have increased. They prefer quality goods at cheaper rates with more reliability. In order to reach the Indian customer who is rigid and to gain an upper hand over the competitors, the companies have customised the products which can run in the Indian retail markets. Though India has opened its gates wide open for the international investments into the retail markets, there is about 67% of unorganised sector still remains untapped. The retailers, the online marketers, the digital retail channels are entering into the Indian markets in II tier and III tier cities to establish themselves. Both organised and unorganised retail companies have to work together to ensure better prospects for the overall retail industry, while generating new benefits for their customers. Supported by the rising incomes the industry has large scope with the favourable demographics, entry of foreign players and growing small and big cities.

Rural markets show high growth potential if tapped with the right set of products and pricing. With increasing investments in infrastructure, connectivity to such towns is now becoming easier. This helps the retailer to increase reach in such high potential markets.

The private label space in the organized Indian retail industry has begun experiencing an increased level of activity. The share of private label strategy in the US and the UK markets is 19 per cent and 39 per cent, respectively, while its share in India is just 6 percent. India's price competitiveness attracts large retail players to use it as a sourcing base. Many international retailers are increasing their sourcing from India and are moving from third-party buying offices to establishing their own wholly-owned/wholly-managed sourcing and buying offices.

## **CONCLUSION**

Indian retail industry is no doubt one of the largest and fastest growing industries. Like most developed countries, India's growth also relies on growth of its retail industry. India is becoming a dynamic market with many international brands entering India to capitalize on the growing consumption pattern shown by the country. With right reforms and government initiatives, India retail industry is surely inching its way towards becoming the next boom industry. The future of the retail industry looks promising, as more and more Government policies have come into play, making it favourable to do business.

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## REDEFINING CONSUMER BEHAVIOUR PATTERN WITH EFFECTIVE MARKETING STRATEGY IN FAVOUR OF SUSTAINABLE FASHION

**Pragati Sinha1**

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### ABSTRACT

*Apparel leads second in waste generation all over world and the problem looks grim in an over populated country like India. The Indian audience needs more awareness about eco- friendly, recycled and up-scaled products and overall awareness about how to restrain the household purchase to support responsible consumer behaviour. Consumer spending in India is undergoing a reform and according to a report published by BCG in March 2017, the consumer spending in India is expected to triple in the next decade. India is set to become the third largest consumer economy by 2025, trailing only the US and China, fuelled by an increase in consumption levels, changes in consumer behaviour and spending patterns. This trend of year on year rise in consumer purchase poses a serious concern for depleting natural resources. Consumer behaviour analysis involves issues like perception, comparative study, information search, attitudes, beliefs, decision making and categorization. Consumer behaviour is adaptive in nature: Consumers adapt to situations that surround them and they tend to get inclined by external forces. There is immense scope for marketers to mould the consumer behaviour in favour of industry and society at large. The purpose of this paper is to develop a strategic model that combines effective marketing philosophy and brand relationship with consumers for fashion brands that support ecological business models. The paper adopts an approach that aims to explore the preferences of fashionable consumers in favour of brands that support sustainable fashion. The modern day consumer in fashion segment is heavily exposed to fast fashion and dynamic marketing campaigns in the digital era. Despite this exposure and conspicuous consumption pattern, there is a rising awareness for recycle, up-scaled and sustainable fashion. The survey finds out that with effective marketing campaigns there can be an encouraging trend towards reduced spending, recycling and adopting brands which promote sustainable clothing.*

*Keywords: Marketing strategy, Sustainable clothing, Green positioning, Brand relationship*

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### 1. INTRODUCTION

India is a growing economy and consumer spending has been rising year on year. As per the report, The New Indian: The Many Facets of a Changing Consumer, published by BCG in March 2017, despite a conservative rise in GDP of mere 6% -7% a year, India's nominal year-over-year expenditure growth of 12% is more than double the anticipated global rate of 5% and will make India the third-largest consumer market by 2025. The report highlights that out of India's five household income categories (elite, affluent, aspirers, next billion, and strugglers), the top two income classes are the fastest growing. From 2016 through 2025, the share of elite and affluent households will increase from 8% to 16% of the total while the share of strugglers will drop from 31% to 18%. Increased penetration of organised retail, favourable demographics, and rising income levels are likely to drive demand for textiles. India is the world's second largest exporter of textiles and clothing.

Textile plays a major role in the Indian economy. According to report published by India Brand Equity Foundation (a trust established by the Department of Commerce, Ministry of Commerce and Industry, Government of India), textiles contributes 14 per cent to industrial production and 4 per cent to GDP. The industry accounts for nearly 15 per cent of total exports. The size of India's textile market in 2016 was around US\$ 137 billion, which is expected to touch US\$ 226 billion market by 2023, growing at a CAGR of 8.7 per cent between 2009-2016. The Indian retail market was worth Rs 41,66,500 Crore (US \$641 billion) in 2016 and is expected to reach Rs 1,02,50,500 crore (US \$1,576 billion) by 2026, growing at a Compound Annual Growth Rate (CAGR) of 10 per cent.

Indian apparel industry which is the second largest contributor in retail industry after food and grocery is seeing some major shifts. Entry of international brands, changes in preferences from non-branded to branded, the fast growing economy, large young consuming population in the country has made India a highly

lucrative market. India has the world's largest youth population, which is becoming fashion conscious owing to mass media and social media penetration. This has opened unprecedented retail market opportunities. The promising growth rate of 9.7 per cent makes the Indian fashion industry prominent in the retail sector. With a GDP growth rate of 7 per cent, India has an edge over developed markets of the US, Europe and Japan which are expected to grow at a rate of 2-3 per cent. Favourable trade policies and increased penetration of organised retail among other factors contribute in making Indian fashion industry attractive for investors. Within the retail categories, apparel retail has demonstrated comparatively high receptivity towards corporatized retail.

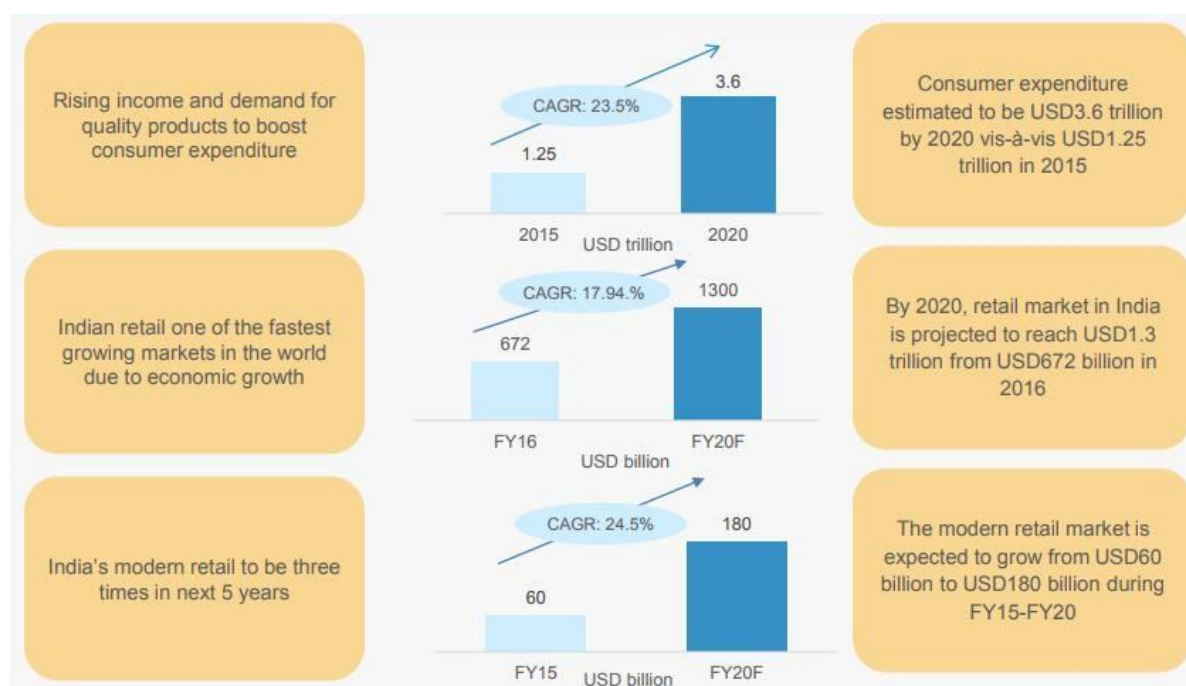


Fig 1-Source: Ernst & Young, Price Waterhouse Cooper, Economic Times, TechSci Research; IBEF

The shift in consumer buying and spending pattern in India is a resultant of the growing affluence, continuous urbanization, rise in nuclear households and digital penetration. This shift has led to aggressive and innovative marketing strategies over the years and there are increasing number of products and brands being introduced in the market. The modern society is often criticized as being a society of consumerism. In a marketing perspective, companies invest billions per year to study the customer behaviour and psychology. They conduct many surveys, interviews, observations to understand what the customer want and what he needs. This understanding drives them to know how to act to make the customer buying a product. With the research, companies are more proficient into controlling the market. In this way, marketing may propose some products that the customer did not imagine, did not ask for before. It proposes a product that was not expected by people and motivates the customer to buy it. This can be seen as controlling the customer in the company's advantage.

As compared to traditional marketing techniques when not many forms of marketing channels existed, the modern day marketing aggressively creates excess of demand, excess competition among producers, creates excess supply of products and overall creates an environment for conspicuous consumption. Many successful marketers regularly employ psychology in appealing to consumers. The clothing industry is the second largest polluter in the world, second only to oil. The overall impact that the apparel industry has on the planet is quite grim. Fashion is a complicated business involving long and varied supply chains of production, raw material, textile manufacture, clothing construction, shipping, retail and use and ultimately disposal of the garment. The integrated marketing approach adopted in today's competitive era which is majorly influenced by digital marketing and print ad campaigns assume aggressive role in pushing the consumers towards excessive buying. Fashion in clothing industry is heavily gripped with higher stock turn over in a given season and the pressure to churn more number of styles increases with the ongoing

competition of brick and mortar vs the online business model. Clothing industry has become increasingly glamorous in India over the past two decades. If we consider India, the concept of reuse and recycle which was once a household belief is now overwritten by the modern lifestyle requirements where bursting wardrobes are a sign of prosperity and affluence. International presence of brands who heavily endorse the fast fashion concept have given the urban society the urge to buy affordable fashion under influential brands. As a result, every year millions of garments are discarded as consumers ditch fast fashion styles for a new wardrobe. This is a global phenomenon but international markets have realised that globally the levels of production and consumption are forecast to increase as fashion waste becomes an environmental crisis to rival plastic pollution in oceans. This is a take of over-production and supply due to a shift in the dressing and clothing styles all across the globe. India is a populous country and needs to address the issue of waste generation from different perspectives. The rise in household consumption leads to rise in production and in turn leads to rise in generation of more and more unutilised, discarded and misused waste. According to a latest CPCB report, India produced 48 million tonnes of solid waste in 2008. By 2016, this figure had risen. India produced some 52 million tonnes of waste each year, or roughly 0.144 million tonnes per day, of which roughly 23 per cent is processed—taken to landfills or disposed using other technologies.

## **2. LITERATURE REVIEW**

Indian economy, one of the fastest growing economies of the world, is witnessing major shifts in consumer preferences, with a GDP growth rate of 7 per cent, India has an edge over developed markets of the US, Europe and Japan which are expected to grow at a rate of 2-3 per cent. This has opened unprecedented fashion retail market opportunities. Increasing disposable income, brand awareness and increasing tech-savvy millennial population are the driving factors of corporatized retail within the country. In the modern consumerist society, shopping has become a way of life, a weekly pastime and with the ease of online shopping for many it has become an addiction. Shopping malls, glossy fashion magazines, catalogues and internet ads lure consumers towards entertaining opportunities of spending money.

This paper relooks at understanding the consumer behaviour and promote the important role that marketers can play in influencing the consumer buying pattern by implementing effective marketing strategies. The role of marketers is like a catalyst in changing shopping patterns. The marketing campaigns and brand endorsements which make smart usage of impressive taglines, impressive visuals and brand ambassadors are designed with sole intention of winning larger segment of consumers. Fashion lovers are constantly fed with fashion news, runway looks, and references of celebrity dressing.

The stiff competition of fashion brands ranging from luxury to designer brands and mid segment brands throw open plethora of advertisements which push consumers towards conspicuous consumption. More media channels create more advertising. There is a gush of commercials, print ads, Brand labels, Facebook Ads, Google Ads, ads on phone or anything a business can produce to get consumers attention and compel them to buy. This outburst of information combined with higher disposal income leads to artificial demand especially in case of fashion clothing which is least need based. The insurgent demand pattern provides an opportunity for brands to manufacture more year on year, which in turn means excessive utilisation of available resources year on year. The role of marketer in apparel waste generation can be depicted as below

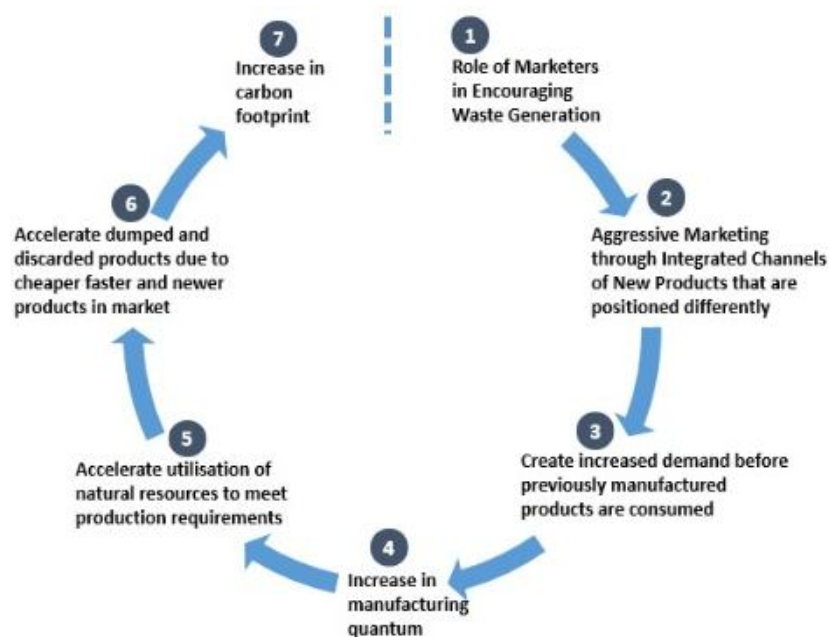


Figure 2.1

## MARKETING AND BRAND

Today brand marketing is a powerful instrument of change. Brands connect with urban consumers on a social, emotional as well as status chord. Consumers reflect with their choice of brands the philosophy of modern consumerism. The infusion of several brands in all segments of fashion and lifestyle categories leads to excessive competition. The marketers assume pertinent role in creating varied perception of brands for varied class of customers. Brands and consumers are interdependent and marketing acts like an agent in connecting the two. A brand encompasses the consumer's complete experience with both the product and the company, making it a powerful tool for gaining market leverage. In today's open and volatile market structure, brand preference can shift at the click of a button. An integrated strategy for marketing and branding is most effective in increasing market share and winning over consumers who search for increased attributes in brands. Strategic marketing helps in creating values and trust for an admirable brand.

## SUSTAINABILITY, MARKETING AND BRAND

Marketing is an institution which maximises individual choices and stresses individual satisfaction. It is time to consider marketing as one of the social institution which can create a meaningful impact on the society. Marketing should be assigned the social responsibility to create awareness about the limited environment in which an individual resides. If marketing benefits brands and leverages the business earnings, it can also benefit the society at large. The methodology remains same – to make the consumer aware of how they can contribute towards social benefit. Marketing should undergo a profound change by shifting the emphasis to non-material consumption and societal consideration. Marketing is often no longer just selling; it's about making connections and solving problems that improve people's lives. The brands that win tomorrow will potentially require working on mutual progression model. The socially aware consumers' worldwide like to associate with brands who work for society and implementing, assessing and spreading constant awareness in society. Sustainability marketing, also referred to as green marketing, is when a company focuses social and environmental investments as a marketing strategy. Companies are often criticized for waste, price mark-ups, and misleading advertising. Sustainability marketing is a way to build relationships with consumers while letting them know that they are important and so are future generations. Effective marketing can encourage sustainable ways of consumption and influence consumers to contribute to environment by changing their behaviours.

Consumers may experience obstacles in making a shift due to lack of information, unavailability of brands which make sustainable goods and inadequate outlets to purchase recycled and up-scaled commodities. Indian urban audience need to be addressed with a strategic and streamlined approach adopted by marketers.

Marketing campaigns must focus on promoting the benefits of responsible purchase, benefits of producing durable products; promote services of fixing the damaged products rather than fast replacement of goods. Marketing campaigns can work on 5 point agenda; spread awareness for sustainable products among users, encourage demand for eco-friendly products, encourage producers to adopt ecological ways of manufacturing, encourage delay in discard and towards the end of the product life cycle, effective marketing can promote ways of waste treatment as part of community development.

### FASHION BRANDS AND SUSTAINABLE CLOTHING

In recent years consumer interest in environment-friendly alternatives has risen, and so the expectations of brands. Sustainable attributes are becoming increasingly important identified in many studies, linking brand performance and image with sustainability. As mentioned in Sustainable marketing calls for socially and environmentally responsible actions that meet the present needs of consumers and businesses while also preserving or enhancing the ability of future generations to meet their needs. There are five common strategies for sustainability marketing. These include:

1. Consumer-oriented marketing
2. Customer-value marketing
3. Innovative marketing
4. Sense of mission marketing
5. Societal marketing

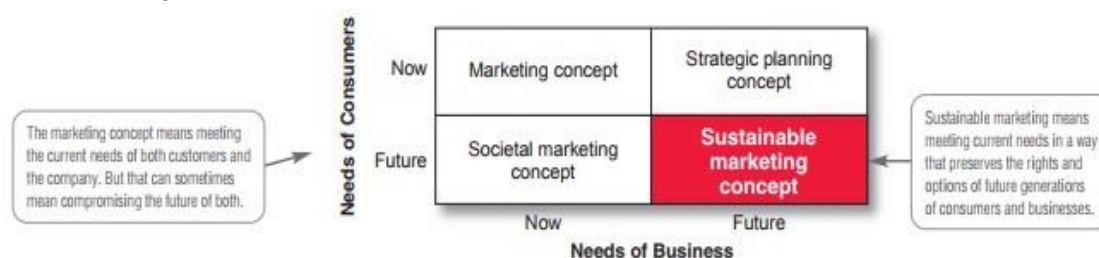


Figure 3 – Sustainable Marketing

Source: Chapter 4 Social Responsibility and Ethics: Sustainable Marketing, Kotler

The alarming rate of unaccounted consumption which leads to unaccounted heaps of garbage in landfills calls for effective communication to encourage and promote the slow fashion culture. The triad of three strategies of sustainable marketing which combines consumer-oriented marketing, customer-value marketing and societal marketing can be used to spread initial layer of awareness for responsible shopping.

Big fashion brands are starting to think about sustainability. Last year, Adidas collaborated with Parley for the Oceans to create a trainer made entirely of yarns and filaments reclaimed and recycled from ocean waste and illegal deep-sea gillnets. Nike made socks, shorts and jerseys from shredded, recycled plastic bottles for the United States' 2015 Women's World Cup uniforms and since 2010 the company has diverted more than two billion plastic bottles from landfills into recycled polyester. Patagonia, a manufacturer of upscale outdoor clothing, is known for various environmental sustainability efforts. The privately held company's marketing program was unconventional and known to promote used wear and ask consumers to think twice before buying products from the brand. Patagonia marketing campaigns were seen to be rebel from the business economics culture. Patagonia has leveraged its position as a top outdoor gear and clothing brand to advocate for environmental causes. In spite of what looks like an anti-marketing effort, the company has actually seen its revenues grow in the last few years--despite the recession. The advertisements released to match the sentiments of the target audience helped the company's environmentally friendly efforts. More of these people are buying Patagonia products as they see the company's long-lasting wares as a way to express their values.

Indian designers have also adopted the "fashionable yet ethical" value system. The fashion brands Pero and Behno have reinvented traditional styles to modern customer's aesthetics and work on 100% handloom textiles. The waste from their collection is recycled to produce patchwork pieces. Péro encourages



consumers to recycle existing garments and fabrics through their up-cycling project. Behno's western silhouettes for ethical collection is worn by celebrities and gaining popularity with the young women of India. 100% organic brands like Upasana, Bhusatva, No nasties and Red forty bangles range from minimalistic designs, rich hand woven fabrics to technologically improved processes where bamboo, bananas and soya bean fibres are blended with silk, khadi and cotton. Jewellery brand Vintage brings the elegance of vintage costume jewellery, as it carries a sense of nostalgia with each customer. Their collection comprises of luxury costume jewellery from the early 60s to the late 80s. The brand deters consumers to believe in seasonal fashion, and endorse true classics that can be passed onto generations. Vintage products made with superior materials, lend a lasting factor. Doodlage is an up-cycling brand that believes in the art of recycling waste fabrics into beautiful, eco-friendly patchwork clothing and home furnishings.

The market share of fashion sustainable brands mapped to apparel industry might be insignificant. India is ranked 116 out of 157 nations on a global index that assesses the performance of countries towards achieving the ambitious sustainable development goals (SDGs). According to the SDG Index and Dashboards Report produced by the Sustainable Development Solutions Network (SDSN) and the Bertelsmann Stiftung, one of the greatest obstacles to achieving the global goals for high-income countries are poor performances regarding sustainable consumption and production. This situation calls for better communication about sustainable fashion, spread more awareness campaigns, greater visibility for green brands, offers and benefits to customers who patronage recycled and environmental friendly brands. The role of marketer can be relooked from a new perspective, that which encourages responsible buying behaviour and contributes in reducing carbon footprint on earth.

The figure below explains how the social marketer can contribute towards reduced carbon footprint:

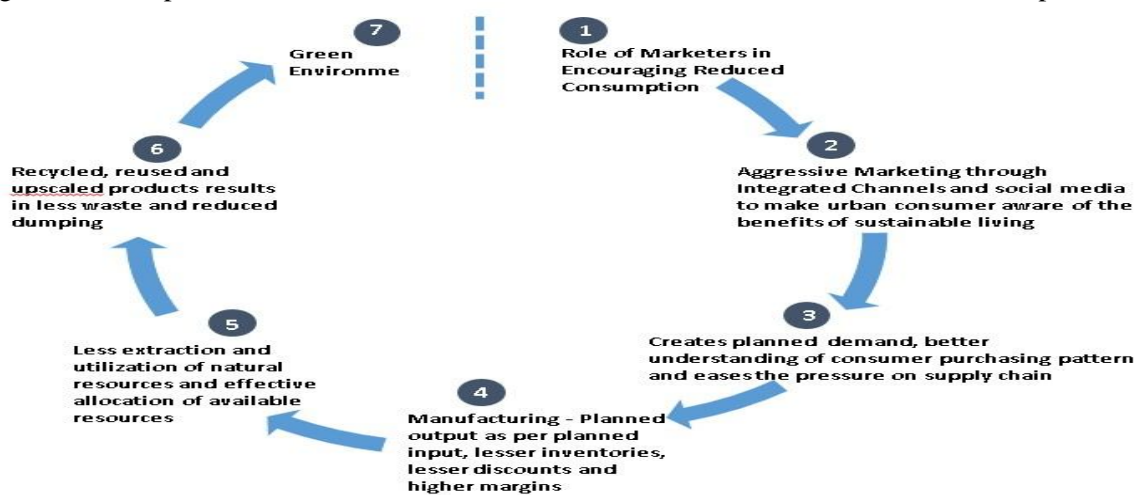


Figure 2.2

### 3. RESEARCH METHODOLOGY

The research involved a survey to understand whether the fashion consumers are ready to adopt the sustainable fashion culture and whether socially driven marketing campaigns can influence urban consumer towards reduced spending and recycled clothing. The objective of the survey was to assess if consumers from the rich and affluent class respond to marketing campaigns which encourage less spending and exhibit signs of responsible purchase decisions for fashion and lifestyle products.

The sample segment: the questionnaire was sent to 50 consumers of fashion products (backed by strong purchasing power) comprising of students, designers, teachers, working professionals from IT industry and homemakers. 35 responses were received. Respondents' age ranged from 23-45 years. The survey questions were designed to understand whether the fashion conscious consumers feel social conscious towards adopting green fashion. The interview and focused group discussion was framed as one on one conversation with fifteen individuals, identified as fashion forward clients who represent the fast fashion shopper group in India. The feedbacks from respondents highlighted that 51% of the sample audience are aware and willing to know more, while 29% of respondents believe strongly in the concept of responsible consumption. 60% of

respondent are aware of brands who work on recycled clothing and 55% of respondent shared strong urge to connect with brands or organisations which support less spending and sustainable clothing. The research also reconfirmed the popularity of social media as the most influential emerging marketing channel. 82% of the respondents shared support in favour of the statement “Effective marketing both (online and offline) can create social awareness for reduced purchase pattern, purchase of recycled and upscaled products and encourage brands which are working on eco fashion model.

#### **4. SUMMARY**

Strong marketing campaigns especially social media campaigns in favour of need based buying, reusing and fixing old and used garments, footwear, handbags and accessories can impact collective choices of consumer groups and affect the environment and people. Brands and businesses have diverse ideologies that are mostly profit centric, but marketing can build strategic positioning of ecological brands in the market, create demand for green fashion brands and pave way for more players to join in the competitive scenario. Consumerism and Environmentalism are to go hand in hand and consumer green perceptions and preferences, companies’ sustainable practices and brand equity have to strongly interrelate with each other. Sustainability can bring deeper meaning to a brand image and create stronger emotional bonds. Moreover, the “green corporate perception, eco-label, and green product value” attract consumers who are willing to pay higher. Effective positioning and brand image under green branding can drive the brand equity higher. Apparel leads second in waste generation all over world and the problem looks grim in an over populated country like India. The Indian audience needs more awareness about eco-friendly, recycled and upscaled products and overall awareness about how to restrain the household purchase to support responsible consumer behaviour. The business economics of fashion houses need to be reworked and strategically target the chosen audience who are ready but unable to adopt the new culture of “saving while during purchasing”. There is immense scope for marketers to mould the consumer behaviour in favour of industry and society at large.

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## ANNEXURE I

### QUESTIONNAIRE

#### SOCIAL AWARENESS TOWARDS RESPONSIBLE BUYING BEHAVIOUR

This survey is an attempt to understand role of advertising and promotional campaigns in spreading awareness for sustainable and slow fashion.

#### QUESTION NO 5

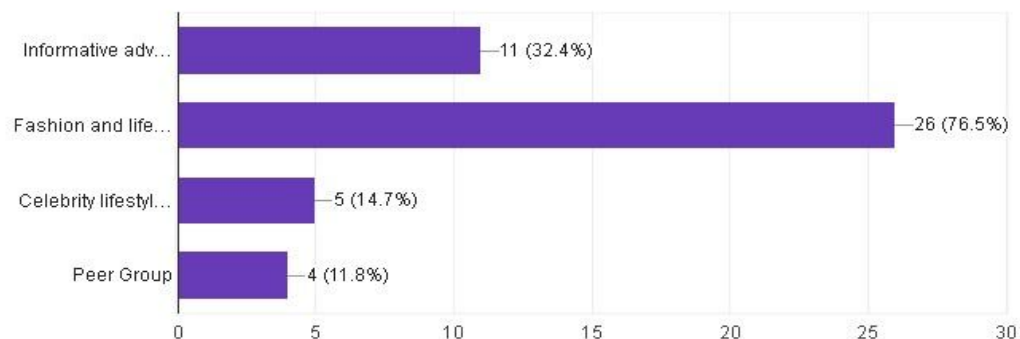
What influences your urge to buy more fashion and lifestyle products? Choose the most influential factor.

- ☐ Informative advertisements and promotional offers
- ☐ Fashion and lifestyle trends observed online and offline
- ☐ Celebrity lifestyles and trends that social icons set
- ☐ Peer Group

#### RESPONSE STATISTICS

What influences your urge to buy more fashion and lifestyle products?  
Choose the most influential factor.

34 responses



#### QUESTION NO 6

Which form of advertisement influences you the most. Choose the most preferred option from below:

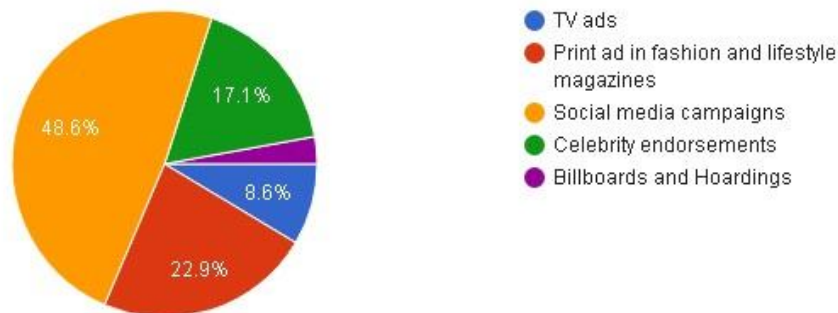
- ☐ TV ads
- ☐ Print ad in fashion and lifestyle magazines
- ☐ Social media campaigns
- ☐ Celebrity endorsements
- ☐ Billboards and Hoardings



## RESPONSE STATISTICS

Which form of advertisement influences you the most. Choose the most preferred option from below:

35 responses



## QUESTION NO 9

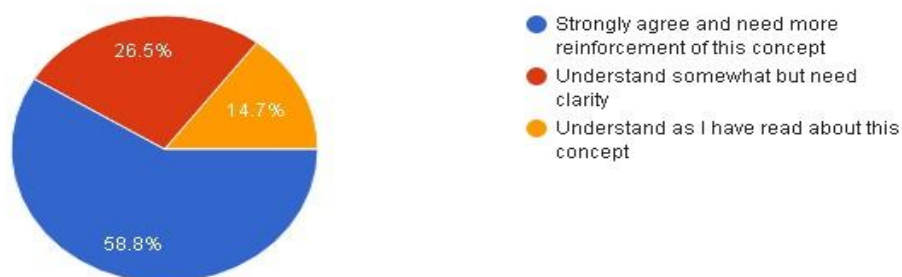
Share your response to the tagline - "Less now is more later". Reduce, Reuse and Save for planet

- ☐ Strongly agree and need more reinforcement of this concept
- ☐ Understand somewhat but need clarity
- ☐ Understand as I have read about this concept

## RESPONSE STATISTICS

Share your response to the tagline - "Less now is more later". Reduce, Reuse and Save for planet

34 responses



## QUESTION NO 10

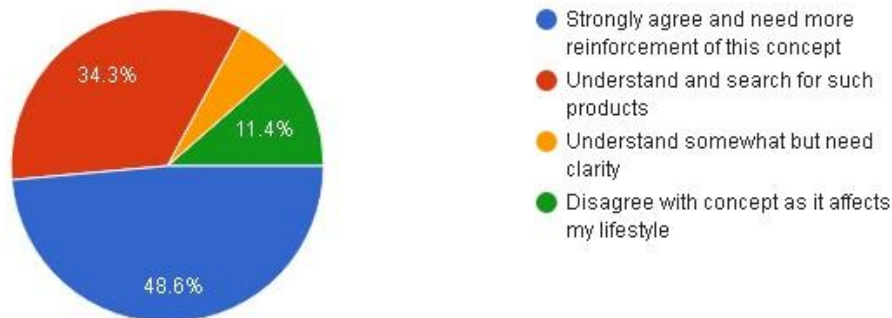
Share your response to the tagline - "Buy products that last long and not fast gone"

- ☐ Strongly agree and need more reinforcement of this concept
- ☐ Understand and search for such products
- ☐ Understand somewhat but need clarity
- ☐ Disagree with concept as it affects my lifestyle

## RESPONSE STATISTICS

Share your response to the tagline - "Buy products that last long and not fast gone"

35 responses



## QUESTION NO 11

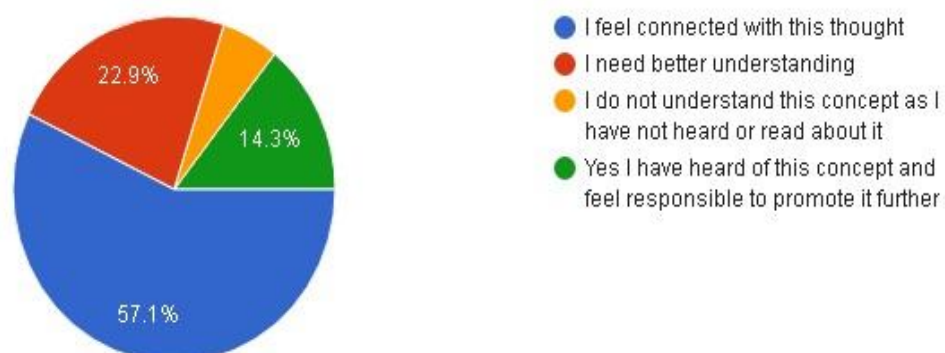
Share your response to the tagline - "Be responsible and not just fashionable. I support Slow Fashion!"

- ☐ I feel connected with this thought
- ☐ I need better understanding
- ☐ I do not understand this concept as I have not heard or read about it
- ☐ Yes I have heard of this concept and feel responsible to promote it further

## RESPONSE STATISTICS

Share your response to the tagline - "Be responsible and not just fashionable. I support Slow Fashion!"

35 responses



## ANNEXURE (II)

### QUESTIONNAIRE - FOCUSED GROUP DISCUSSION AND INTERVIEW SESSION

#### SOCIAL AWARENESS TOWARDS RESPONSIBLE BUYING BEHAVIOUR

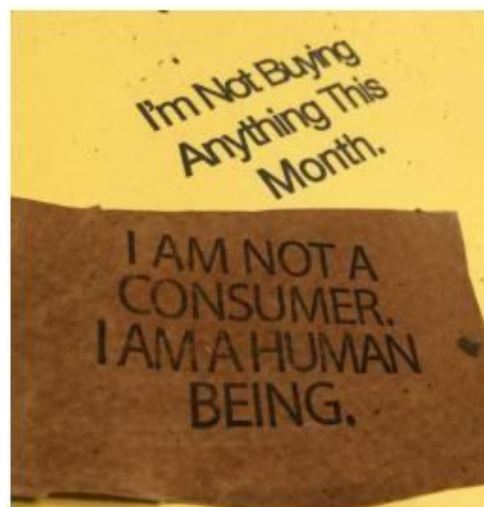
This survey is an attempt to understand role of advertising and promotional campaigns in spreading awareness for sustainable and slow fashion.

1. Do you believe that modern society is marked by a consumerist approach?
2. What can the socially aware citizen do to drive the “less is more” concept? Are you willing to join any such promotional campaign which is intended to work towards making the modern consumer aware about reduced spending and switch to ecofriendly products which last longer and leads to less wastage?
3. Marketers play an important role in driving more purchases? Please share your views on what kinds of advertisements and promotional campaigns attract you the most. Social media ads are most influential. Have you seen enough social media ads on waste management, responsible purchasing, and recycled clothing? Please share your views with regards to this scenario.
4. Which brands do you follow and why? (Apparel and lifestyle) What brands drive encouragement to you as a consumer?
5. You have shared feedback through questionnaire survey that you hold interest in concept of recycled and upscalad clothing or brands which patronise similar concepts. Please share you view on few Indian brands that are working on these lines.
6. Share your feedback for below images: Don’t you feel such strong advertisements work against the urban lifestyle concept? If not, what makes you interested and why would you still associate yourself with such brands?





*Image 2*



*Image 3*

## IMPACT OF ARTIFICIAL INTELLIGENCE ON INTERNAL MARKETING

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### ABSTRACT

*Artificial Intelligence (AI) is the happening thing all round, automotive industry is talking about the self-propelled cars, Customer services are being handled via chatbots and so on. Even our smart phones have got a little bit of AI say like the Apple Siri (iOS) and Ok Google (android) facilitates their intelligent voice personal assistants which are reasonably good at assisting users in setting up reminders, scheduling events and even calling a contact. AI in simple terms is automated human intelligence based on applied machine learning techniques such as deep learning. Having understood the context for sure one can sense and agree that AI is impacting the field of Marketing significantly which also is drawing lot of attention from both industry and academics. Also, this transition is creating a bit of confusion amongst the employees on their roles and future. It is the responsibility of the organizations to align the situation providing required and relevant information to its employees which will in-turn ensure the successfully blended implementation of the AI strategically.*

*In this dynamic scenario where technology is changing rapidly along with the fierce business competition, the application of the internal marketing in the organization can bring the required alignment, ensuring continued success. If we closely look at the change almost every industry is disrupted with the technological evolution, which further made organizations to realize that customer alignment is vital. Generally, the word marketing is synonymous with the external customer alignment with the appropriate information which will further boost the sales. Slowly organizations started appreciating the idea that internal customers (employees) alignment is also equally important as external customer alignment. In fact, it is much needed to provide the information related to strategies and company's vision well beforehand to the internal employees, so that the same will flow to the external world enhancing the organization's value. Further for any organization to foster in the future it need to constantly innovate, for which it must recruit, train, motivate and retain them, which is possible positively by the internal marketing implementation.*

*With this, the paper aims to conceptually elucidate the current scenario of AI and its evolution, impact on internal marketing with respect to individual parameters like Staffing, Training, Organizing, Supporting, Motivating, Evaluating, Rewarding and Retaining. Also, the paper provides the recommendations that can be considered for the smooth AI transition gaining employee confidence which are mutually beneficial for both employees and organization. The researcher in this paper has widely covered all the pertinent recent developments which can further serve as a ready reckoner for future studies in this area. Finally, the author proposed READ Model, R-Research, E-Educate, A-Adapt, D-Deploy is detailed for the benefit of forthcoming researches. Interested researchers in this subject are highly encouraged to refer this model for their studies.*

**Keywords:** Artificial Intelligence (AI), Internal Marketing, Automation, Machine Learning (ML)

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### INTRODUCTION

Aware or unaware we see automation day-in and day-out everywhere. To give a hint of it, say if you are on a shopping website or a mobile application the recommendations that you see are because of an AI algorithm. The organizations are slowly becoming reliant on the automation to make themselves relevant in the changing technological times. There is no doubt that via automation productivity is increased drastically. Though there is a bit of negativity floating around amongst the people as concept is due unwrapping, like too much of dependency etc., if we look at the positive aspects of automation, tasks are performed and completed with utmost accuracy. It is a proven fact already amongst the business community that machines are economical and cost-effective. The catch here is early adoption increases business margins and efficiency.

To improve Service Quality customer services in large organizations are being handled via chatbots and so on. Even smart phones users are experiencing a bit of AI say via the Apple Siri (iOS) and Ok Google (android), which facilitates their intelligent voice personal assistants and are practically good at assisting users in setting up reminders, scheduling events and even calling a contact. AI in simple terms is automated human intelligence based on applied machine learning techniques such as deep learning. With this is it now clear that AI is impacting the field of Marketing significantly drawing a lot of attention from both industry and academics. Also, this transition is creating a bit of uncertainty amongst the employees on their roles and future. Undoubtedly it is the key responsibility of the organizations to align the situation providing required and relevant information to its employees which will in-turn ensure the long-term success of the organization.

The below figure 1.1 gives a quick and crisp introduction of the terms Artificial Intelligence, Machine Learning and Deep Learning visually. AI which is shown as superset represents the human aptitude, machine learning is its application repeatedly with larger data sets enabling the computer to use the algorithms in all possible simple and complex scenarios. These days AI & Machine learning are used in the same terms whereas in reality Machine learning is subset of Artificial intelligence. Deep learning is further subset of machine learning where deep refers to the number of times it is reinforced or repeated to get the accuracy, say for example over ten million cat images are imaged for the Google brain learning to achieve the actual cat recognition. The important aspect for either of the AI or Machine Learning or Deep Learning to give the appropriate and desired results data used in the process should be of high quality, else there are possibilities for the flaws to crop-up in the overall logical approach.

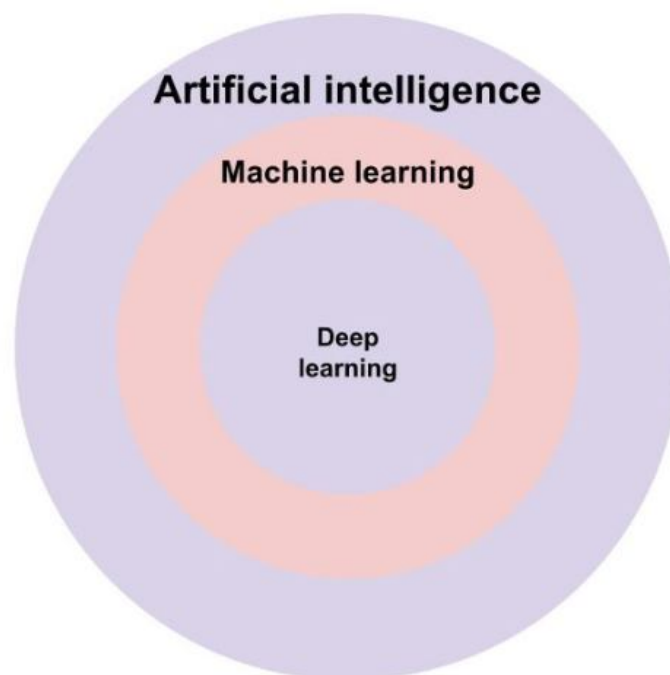


Figure 1.1 AI vs Machine Learning vs Deep Learning

Source: 2-minute explainer: AI vs Machine Learning vs Deep Learning dated Nov 7,2016  
<https://medium.com/@johnkoetsier/2-minute-explainer-ai-vs-machine-learning-vs-deep-learning-c5150fd1721e>

*“If a machine can think, it might think more intelligently than we do, and then where should we be? Even if we could keep the machines in a subservient position, for instance by turning off the power at strategic moments, we should, as a species, feel greatly humbled.” (Turing, 2004)<sup>1</sup>*

## OBJECTIVES OF THE STUDY

<sup>1</sup> Turing, A. M. (2004). *The Essential Turing*.



1. To elucidate the current scenario of Artificial Intelligence and its evolution
2. To review the concept of Internal Marketing
3. To examine the impact of AI on internal marketing with respect to individual parameters Staffing, Training, Organizing, Supporting, Motivating, Evaluating, Rewarding and Retaining
4. To provides the Managerial implications and Key takeaways that can be considered for the smooth AI transition gaining employee confidence which are mutually beneficial for both employees and organization.
5. To summarize the proposed READ Model for the benefit of future researches.

#### **LIMITATION OF THE STUDY**

1. The paper is a conceptual review based on a secondary database.
2. The author proposed READ model is appropriate for the current scenario and hence researchers in this area are encouraged to further the study empirically.

#### **METHODOLOGY**

- The Study is purely based on the secondary data base.

#### **ARTIFICIAL INTELLIGENCE – EVOLUTION AND CURRENT SCENARIO**

In our daily life, we are witnessing and experiencing the application of artificial intelligence knowingly or unknowingly, willingly or unwillingly. Every organization is trying to implement AI some way or the other but only few are applying it consciously. If we look at the history, it is understood that the thought was introduced as early as in 1950 by Alan Turing<sup>2</sup>. He proposed an idea, whether a computer can communicate as effectively as human being convincing a human, which later got the name Turing test. The word Artificial Intelligence seems to have come into existence<sup>3</sup> in 1955 in an academic conference at Dartmouth college. Despite of the concept coming into existence, the interest in it grew only in this century after the advancement of the computers. People from both the academics and business started investing time and money putting AI at work

Organizations across industries started realizing the successful results and benefits delivered by AI. As per the research, the articles that were published on AI were almost six times more in 2016 as against 2014, this shows the growing interest and expectations. With this automation and AI are no longer an option and it is a sort an optional mandate, whoever adopts early will benefit out it and the rest must participate in the race little later anyways. AI automated many of the unsafe and routine jobs augmenting efficiency and productivity. Below real-time applications give an insight on the current scenario or recent developments of Artificial Intelligence across areas.

- Automobile industry is focussing on improving the self-propelled cars
- Retail segment is targeting to automate the billing process for instore customer purchases, say for example Amazon Go.
- Search engines are constantly improving to fetch the exactly desired results based on related Key keyed-in.
- Transport or Logistics industry is trying to find the ideal routes for the cargo shipment deliveries
- Customer service industry is augmenting its service quality via chatbots and voice interfaces

#### **INTERNAL MARKETING – CONCEPTUAL REVIEW**

Organizations today, apart from handling the external competition also need to strategically compete with their own to sustain and continue long term success. Usually as we hear the word marketing, we relate it to the concept of facilitating and enabling the external customer with all the relevant information of the product or services. But the growth of the company is hugely dependant on the employees, if they are not aligned with the proper information to face the customer, no matter what amount of external initiatives are focussed the success might be relatively less. With this organizations realized to become successful in the long term,

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<sup>2</sup> Turing, A. M. (October 1950). Computing machinery and intelligence. *Mind*, volume 49, number 236.

<sup>3</sup> Jeremy Bernstein. (December 14, 1981.). A.I.," The New Yorker.

internal employee alignment is necessary. If we align the employees, treating them as internal customers, they will work for the mission and vision of the organization, and in turn become the brand ambassadors.

Especially in services industry, employees are the key resource for the growth. If the customer facing employees have got proper and up-to-date information, it will help them to gain the customer confidence and delight. Imagine a situation, where a customer reaches out for a service or information and after giving all the necessary details, if he has to wait or the customer service executive had to check back few confirmations before he commits, it is not a so nice situation for the both the customer and the executive. Customers expect immediately reply when they reach out for some help and hate getting redirected to other departments or employees. These situations can be avoided to a large extent by enabling employees providing them with all necessary information. Realizing this the companies started appreciating the concept of internal marketing where employees are treated as internal customers.

Internal Marketing (IM) implementation is an ongoing strategic initiative in an organization which creates an environment to align the employees to its mission and vision. It plays a vital role in improving the business performance. Without proper internal alignment, it is not possible to see the desired success in the market. Organizations are empowering the customer facing employees with enough training and support mechanisms. Internal marketing advices companies to sell the jobs as products to its employees defining clear roles and responsibilities which motivates them to perform better.

## LITERATURE REVIEW

This section examines the views of the different authors on Internal Marketing reviewing their respective articles published in reputed journals.

**A.R.Krishnan et al.**<sup>4</sup> discusses the internal marketing practices that are being implemented in travel industry in southern part of India. Customers in this space perceive service quality based on the interactions they had with the employees. This paper concludes IM as a tool to connect the internal (employees) and external customers effectively enabling internal customers first.

**K. Chandana and Dr. David T Easow**<sup>5</sup> advises, to be able to retain the best talent the organizations need to focus and take care of its performance appraisal process. The genuine feedback during the 360-degree appraisal process gives an opportunity to enhance the service quality addressing and enabling the employee concerns.

**Michael T. Ewing, Albert Caruana**<sup>6</sup> opines that the IM supports in recruiting, training and retaining the right talent who are customer focussed for the betterment of the organization. This paper lists all the relevant points both from technical and strategic points for the proper implementation of Internal Marketing.

**Leyland F.Pitt, Susan K. Foreman**<sup>7</sup> feels IM as a concept evolved to a greater extent, also to measure the results reliably the transaction and input costs are to be considered.

**Kameswari and Rajyalakshmi**<sup>8</sup> conducted study in State Bank of India to assess the association between internal marketing dimensions such as work content, training, support and recognition against the job

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<sup>4</sup> A.R Krishnan, P. G. (2014). A Study of Internal Marketing Practices of Travel Industry in Southern Region of India. *Middle-East Journal of Scientific Research*, 22 (9): 1308-1319, 2014 ISSN 1990-9233.

<sup>5</sup> Easow, K. C. (June 2015). Performance Appraisal Method Used in Top 10 IT Companies-360 Degree Feedback & Balanced Score Card: A Review. *Bonfring International Journal of Industrial Engineering and Management Science*, Vol. 5, No. 2,.

<sup>6</sup> Michael T. Ewing, Albert Caruana, (1999) "An internal marketing approach to public sector management: The marketing and human resources interface", *International Journal of Public Sector Management*, Vol. 12 Iss: 1, pp.17 - 29

<sup>7</sup> Leyland F. Pitt, Susan K. Foreman, (1999) "Internal Marketing, Role in Organizations: A Transaction Cost Perspective", *Journal of Business Research*, Volume 44, Issue 1, pp 25-36



satisfaction. The results confirm IM has a positive impact on Job Satisfaction, interestingly working conditions found to have significantly low impact on the employee job satisfaction whereas the career benefits and enhancement have a positive impact on the employee job satisfaction.

### **RAO'S MODEL OF INTERNAL MARKETING**

The figure 1.2 presents Prof.Rama Mohan Rao model of IM. He lectures that if the service culture in the organization is improved aligning employees, it will eventually streamline the service quality and customer consciousness. He also adds the main elements related to the Internal marketing overlap with the Human resources management as listed below.

- a) **Staffing**
  - a. Manpower Planning
  - b. Recruitment
  - c. Selection
- b) **Training**
  - a. Technical skills
  - b. Interactive skills
  - c. Social skills
- c) **Organizing**
  - a. Work Assignment
  - b. Empowerment
  - c. Service Culture
  - d. Team Work
- d) **Supporting**
  - a. Technical Support
  - b. Process Support
- e) **Motivating**
  - a. Promotion
  - b. Treating employees as customers
- f) **Evaluating**
  - a. Feedback to management
  - b. Feedback to Employees
  - c. Measuring performance
- g) **Rewarding**
  - a. Competitive Compensation
  - b. Extended benefits
  - c. Payment for excellence
- h) **Retaining**
  - a. Include in the company's vision
  - b. Retaining the best employees

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<sup>8</sup> Vijaya Kameswari Allada and Nittala Rajyalakshmi (2012) "Role of Internal Marketing in Job Satisfaction of Employees in Commercial Bank", Asian Journal of Research in Banking and Finance, Vol.2, Issue.7, pp. 16-33.

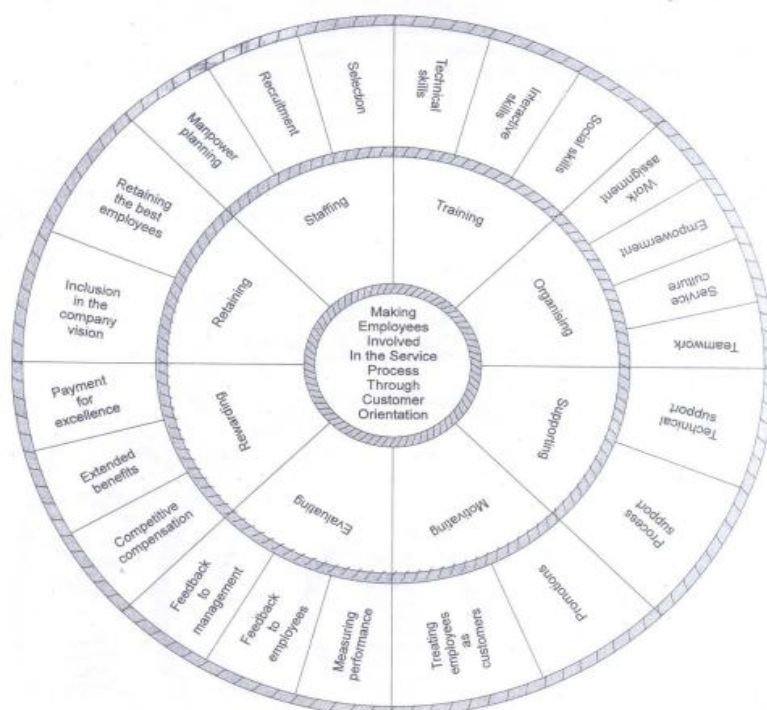


Figure – 1.2 internal marketing strategies; Source<sup>9</sup>

#### Impact of Various Internal Marketing Parameters on Artificial Intelligence

Staffing – In any organization, the forecast of resource requirement and skills forms the basis of the staffing activity. *Manpower Planning* deals with the load balancing of the resources depending on the demand fluctuations. *Recruitment* stresses on finding the right talent for the required vacant positions. *Selection* process handles finding the suitable resource based on the competencies needed.

Now the industry is looking towards the digital recruiters<sup>10</sup>, which is an intelligent AI tool that can help recruiters and employers evaluate candidates based on the parameters like experience, skills, expected salary, education etc. Even AI based digital recruiter can schedule interviews utilizing the real-time video calling and recording technology.

Training is a crucial and continuous activity which shapes the employees of the organization technically, culturally, socially and from process perspective. With the rapid growth in the technology, every industry is getting disrupted and the work force needs reskilling<sup>11</sup> to keep themselves relevant. Companies are looking at different ways in assessing the needs, customizing the training content, giving the access to the resources utilizing the automated tools. For example, the companies are using digital tutors to train the employees according to their aspirations and aptitude.

<sup>9</sup> .K, R. M. ((2007) ). “*Services Marketing*”. Pearson Education 1st edition.

<sup>10</sup> Jan, S. H. (2018, January 15). *Artificial Intelligence - The Future of Staffing*. Retrieved from [www.hrtechnologist.com: https://www.hrtechnologist.com/articles/recruitment-and-blue-collar-staffing/artificial-intelligence-the-future-of-staffing/?utm\\_content=65756938&utm\\_medium=social&utm\\_source=linkedin](https://www.hrtechnologist.com/articles/recruitment-and-blue-collar-staffing/artificial-intelligence-the-future-of-staffing/?utm_content=65756938&utm_medium=social&utm_source=linkedin)

<sup>11</sup> Jan, S. H. (2018, January 15). *Artificial Intelligence - The Future of Staffing*. Retrieved from [www.hrtechnologist.com: https://www.hrtechnologist.com/articles/recruitment-and-blue-collar-staffing/artificial-intelligence-the-future-of-staffing/?utm\\_content=65756938&utm\\_medium=social&utm\\_source=linkedin](https://www.hrtechnologist.com/articles/recruitment-and-blue-collar-staffing/artificial-intelligence-the-future-of-staffing/?utm_content=65756938&utm_medium=social&utm_source=linkedin)

Organizing stresses on well-defined roles and responsibilities of an employee. The Clarity in the job profile enhances the performance naturally. The companies have developed automated mechanisms which will advise the key performance indicators of the resource assigned to the specific job role. With this clarity and freedom in job, employee's capabilities to innovate improves considerably.

Supporting function primarily deals with the technical and process aids that makes the employee's work effective and efficient. With the advancement of the AI, say customer service responses are being handles by automated chatbots, acknowledgement customized emails, voice recognized reports on mobile facilitating business.

Motivating functions helps the organization to have the fully charged employees who are ready to go that extra mile and perform. Companies now developed the mechanisms and tools which will automatically trigger an alert to the HR and immediate manager, once an employee attains the role maturity. Also, companies started quick pop-up questions in the company's portal like 'how are you feeling today' via which employees opinion towards company's policies can be identified, which also gives an opportunity to strengthen IM related practices.

Evaluating helps the organizations to understand in which way they are progressing, it is necessary both for the employees and the management. Feedback mechanisms are automated via various AI related analytics like Text Analytics which will intelligently analyse the sentiments, opinions, trends of the employees, quality deviations. Along with the technological incorporations in this area, there are also fundamental changes that were introduced like a shift from the bell-cure to the continuous evaluation which helps employees and management to see where they are periodically and on an individual basis.

Rewarding revolves around the compensation benefits, extended benefits like the health insurance to parents and in-laws etc. Organizations started utilizing the AI algorithms to understand the pulse of the employees from the yearly results. AI will also help the management to recognize the right talent and reward them accordingly say like mapping them to the right tasks or allowing them to choose their own career path in the organization.

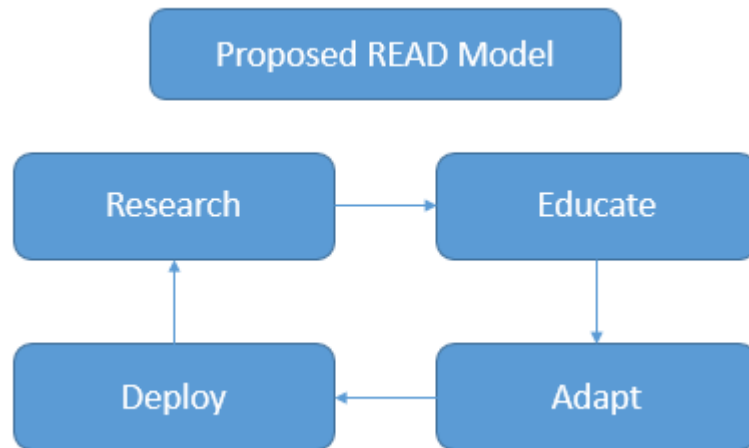
Retaining focuses on identifying the aligned talent and ensuring that they stay with the organization for longer periods including them in the vision and mission. Companies should focus on guiding the employees giving them the opportunity to upskill, so that they are constantly competing with themselves. AI algorithms help identify the employees pulse with the internally developed tools which records the extra tasks that they do both in the interest of the self and organization.

### **PROPOSED READ MODEL**

The author proposed model 'READ' is a pragmatic one which helps in implementing Internal Marketing systematically retaining its strategy. Figure 1.3 gives the pictorial understanding of the model. Below is the detail of the model with an accommodative example for reference.

1. Research – The primary step advised in the model is to conduct a relevant and detailed research across organization to understand the opinion of the employees covering all the internal marketing aspects or parameters. This enables the management to understand the opportunities to better the polices. Survey should be a continuous process though it takes time and effort, it has got its own benefits and advantages to support the employees as well as the organization in long term. Organizations right after consolidating the survey results are advised to incorporate all the possible changes as expected by the internal customers.
2. Educate: The desired results can only be seen once the employees get to know that their concerns are heard and are addressed appropriately. The management should send the communications accordingly with the changes made in the polices wherever possible. Also, the non-implemented ones are to be communicated as well with proper reasons so that the employees are aware and there are chances that they start owning the limitations as well.
3. Deploy: The next step after awareness is to deploy or implement the framed or amended polices without delay. This will boost the employee morale and will bring a sense of belongingness creating an emotional connect with the organization.

4. **Adapt:** Once the changes are implemented, it is the responsibility of the immediate management of the employee to see that they are getting familiarised with the changes. This step is crucial as this is the stage which decides the success of the whole initiative.



Source: Figure 1.3 gives a snapshot of the author proposed READ model.

As aware, in the Information Technology industry employees are the key resources for the successful delivery of the project. Say for example, in the Research phase, if the results reveal that the employees are inclined working at onsite and are awaiting their turn. The organization should take of this expectation immediately, otherwise it should see the attrition. To address, this say the company decided to rotate the team members every year so that everyone gets a fair opportunity. After taking this decision phase, every team member, especially the aspirants are to be made aware of the decision and their tentative opportunity dates wherever possible. Having done this, the management also need to strictly see that it is implemented flawlessly, despite the challenges like the smooth handover, overlaps, client interactions and other communications.

**Managerial Implications & Key Takeaways:** Having covered and discussed the topic extensively, listed are few recommendations that can be considered for the better implementation.

1. Customized training to be introduced and implemented with flexible learning options categorically supporting employees to stay relevant and confident related to the artificial intelligence changes.
2. Clear and periodic internal communications on the latest happenings of the artificial intelligence, its impact improve employee morale irrespective of the situation before the outside world get to know about the internal developments.
3. Empower and motivate the employees to take up the leadership positions which propels innovation supporting them to complete the assignments leaving them with a sense of accomplishment.

## CONCLUSION

Artificial Intelligence is not the future anymore, it is in the present now. Employees are the key for the success of the organization. If the employees are empowered and satisfied they will work for the satisfaction and delight of the external customers. This paper covered the evolution and current scenario of Artificial intelligence along with the concept of internal marketing. Further it elaborated the impact of artificial intelligence on internal marketing parameters Staffing, Training, Organizing, Supporting, Motivating, Evaluating, Rewarding and Retaining. Also, few of the relevant managerial implications for the betterment of the Internal Marketing implementation and adoption of artificial intelligence. Finally, the author proposed READ model is detailed and the future researchers are encouraged to pursue advanced research empirically utilizing this model across industries.

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