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## Foreword

### **Rebuilding business confidence in the post-pandemic world**

The pandemic generated by the coronavirus (Covid-19) was marked as one of the greatest health challenges and installed one of the greatest humanitarian crises of the century on a global scale. It has had a devastating effect on many businesses and economies around the world. The post-pandemic world put in evidence a post-truth, uncertain, and chaotic business environment.

The discourse about crisis management aggravated the situation and became notorious for the contradictions fostered by misinformation. This scenario has made it more difficult for companies to make decisions based on reliable data and facts. Additionally, during this period, the spotlight of society was cast on business decisions despite the crisis and thereby increased exposure to their real values and imperative decision-making factors. It affects the business confidence because it is linked to the judgment of their stakeholders and passes through their imagetic ideals. This evaluation goes beyond the act itself and considers its intentions and symbolism.

It is worth noting that companies are a collective living space that includes a series of social actors who through their organizational practices and social interactions build and transform institutional images. These images do not occur in a space inert to prior history and free of political and ideological disputes, but, in contrast, they happen in a space affected by reputation and fragmented by the interests of different individuals and groups that look for new organizational representation in the business environment (Morgan, 1996).

The world of management, like every social environment, is an environment of signs with different languages (Chanlat; 2000). It is using language that meaning is constructed and it is possible to elaborate thoughts about oneself and others, derive meanings from actions and establish trust in social relationships. Confidence involves the creation and interpretation of the meaning of organizational representations. These public and private organizational images are derived from corporate practices in previous interactions and in expectations of future behavior with all stakeholders and society (Clegg; Hardy, 2001).

Management generally seeks for standardized and generalizable answers (DiMaggio, Powell, 1983) that reduce chaotic and complex reality in favor of certainty and instrumental rationality and generally seeks to value the figure of the assertive and competent manager. Rebuilding business confidence, in contrast, implies recognizing the importance of understanding the human side of the organization in all its complexity, with its most hidden desires, passions and fears (Chanlat, 2000), and all the interconnectedness with all stakeholders.

As part of this process, therefore, it is essential that there is a holistic approach based on understanding the various elements of the organization that encourages trust, including its culture, values, and goals that affect the business environment. Leaders must create a culture of trust and respect between employers and employees that recognizes the importance of employees to the business and empowers them to take initiative and make decisions, and a culture of innovation and creativity to be prepared to meet any new challenges that arise in the future. Additionally, it should foster a sense of unity and common purpose among employees and strive to develop meaningful relationships with customers.

In summary, business confidence is a feeling shared, individually and in groups, by all stakeholders, about the corporate potential and limitations in a future scenario. (Re) building business confidence consists of adopting management practices that not only positively cultivate images and feelings about the company, but that also engage everyone involved in the production of up-to-date symbols aligned with the demands of the organizational environment.

Dr. Maurício Roberto Ortiz de Camargo

Professor Doutor- Fatec Sebrae,

Brazil

## Message from Director

The pandemic continues to change the world in the way humans and businesses behave and interact. The speed of global economic recovery depends upon the speed of adoption of such dynamics by businesses and consumers together hand in hand- a phenomenon which is easy to say than to practice.

The post pandemic era is also bringing different changes. Digitization, automation and use of technology have seen unprecedented growth. The businesses have to look at these changes as opportunities and plan their strategies as per these changes and also focus on the evolving trends. These changes have not been easy for the customer. The customer is still surrounded by the memories of the pandemic, probability of it reoccurring and the uncertainty surrounding every phase of life. May be the return to the pre- pandemic environment will never happen or cannot happen. Businesses need to understand that they need to create an atmosphere of trust and guarantee while catering to safety norms and addressing health concerns.

When the world is aligning to fit to the new normal, we are also witnessing the Russia-Ukraine war, refugee influx, migration, human trafficking, drug menace that calls for a strong governance system at the international level with strong democratic powers and people's participation.

The Eleventh volume of "Annual Research Journal of SCMS", Pune wishes to bring into focus the challenges for the Business world. The theme for this edition of the Journal is "Rebuilding Business Confidence in the Post Pandemic World". The Journal is indexed on J gate, ICI (Indian Citation Index) and archived on academia.edu

The present volume is an attempt to contribute towards building an academic body of knowledge based on the compilation of well researched and peer reviewed articles. The articles are well articulated and substantive and have tried to address the broad theme of the journal. I also extend my gratitude to all authors, editors and reviewers who have provided support at all stages. I also welcome suggestions that would help us improve the quality of our Journal.

Dr. Adya Sharma  
Professor and Director,  
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## From the Editorial Desk

The COVID-19 Pandemic has forced the world to be more dynamic, as the speed of global economic recovery depends upon the speed of adoption of such dynamics by businesses, governments and societies. As the world moves from the new normal to the next normal, rebuilding business confidence is vital and central to enhancing business confidence, ensuring consumer value and trust, embracing new technology, and reinstating health and well-being.

As different sectors got affected differently by the pandemic, bringing a level playing ground by enhancing opportunities and ensuring confidence is the predominant factor in these post-pandemic times. While digitisation, technology adoption, and artificial intelligence have penetrated many sectors, we still experience financial exclusion, poor alignment with automation, and inadequate support systems.

While few sectors have developed because of the pandemic, some businesses need huge handholding that calls for more public-private partnerships and people participation. With ongoing health challenges amidst Ukraine Russia war, SCMS Pune, proposed the **Eleventh volume** focussing on the theme, “**Rebuilding Business Confidence in the Post Pandemic World**”, inviting original research papers, case studies, reflection papers, short-term papers, and review papers. Our current issue addresses a few of these challenges in different areas like technology, consumer behaviour, digitalisation, financial inclusion, globalisation, banking, humour, and e-commerce which helps to understand the ground realities in terms of research in a better way.

**Riyazahmed** explores the role of artificial intelligence in businesses, in the current times. The paper discusses the application of artificial intelligence in financial market activities, major causes of bias, effects and best practices followed to overcome biases are suggested.

**Smriti Pathak & Sonali Shrotri** critically evaluates the services and products of Neobanks by examining the perceptions and preferences of generation Z. Their study indicates that generation Z is more satisfied and will continue to use the services of Neobanks

**Palak Gurubaxani and Arpita Gurbaxani** review the role of humor in rebuilding employee trust that enhances work efficacy in post-pandemic times. Their review goes on to identify the role of humour in rebuilding trust, employee efficacy, creativity, workload, coping mechanisms and overall well-being.

**Smriti Pathak & Sameera Raees** studies different schemes, programs of the government, financial institutions, and organizations in India to financially support women MSME entrepreneurs after the pandemic, by studying the financial inclusion index and gross domestic product.

**Maanya Oberoi, Shlok Bhagwat, Jiya Goel & Sharmiladevi** analyzes the impact accrued by globalization on the spread, control, and prevention of infectious diseases by taking a systematic literature review. Their research gap indicates that this is an under-researched area with fewer insights available on the externalities, information, support system and standards which calls for more research.



**Tisha Bansal, Vidisha Tayade, Viraj Jain & Jalpa Thakkar** examines the shift in consumer behavior towards online drug purchases during COVID-19, as buying medicines online is considered to be more safe, easy, convenient with technology.

**Sahil Arora & Ashutosh Mathur** studies the impacts and challenges of e-commerce adoption on different sets of consumers and retailers during covid-19.

**Tweesha Agrawal, Vani Agrawal, Sahil Gupta & Jalpa Thakkar** conducts a study to understand trends and the effects of supply chain management, digital marketing and ethics concerned with the fast fashion industry among generation Z in the post-pandemic scenario.

**Sarthak Arora & Arpita Gurbaxani** conducts a study to ascertain the effect of COVID-19 on individuals' financial and investment decisions. Their study indicates a significant correlation between income and COVID-19 prevention measures.

**Mahnaz Shaw** studies the relationship between packaging and consumers' buying behaviour. The study identified six elements of packaging design that includes colour, size, graphics, shape, packaging material, product information and layout that needs to be considered while package designing

**Saloni Gulati & Yug Bhatia** studies the growth of the fintech sector by examining its impact on consumers and businesses. Their study indicates that with fintech, people are spending more when compared to cash-based purchases.

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## **AI in Finance: Needs Attention to Bias**

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### **ABSTRACT**

Business processes at all levels incorporated massive automation during the last decade. Due to improved accuracy, speed, and cost efficiency business choose for automation through Artificial intelligence (AI) applications. Ranging from normal business process automation to managing complex tasks, AI, and its subsets, i.e., ML, ad DL play a crucial role in all businesses, especially in finance. Largely AI in finance can be classified as applications in financial markets and by financial institutions. Credit scoring, algorithm trading, and blockchains are the broadest applications. However, the issue of AI bias got attention at the global level due to its expanding harmful effects. Regulators and companies have started to draft ways to reduce AI bias through AI governance so that the benefits of AI will be sustained in the long run.

**KEYWORDS:** *AI in finance, AI bias, Algorithm bias, Algorithm justice.*

### **1. INTRODUCTION**

Artificial Intelligence, or AI in short had remarkably transformed the way businesses operate. Technological developments in the last decade through access to the internet and vast digitization made volumes of data available to business enterprises. This paved way for corporates to efficiently use the available data and solve various business challenges. Ranging from customer service support, marketing, and operations to human resources, finance, and auditing, AI is applied everywhere in business.

AI refers to the ability of machines to know the world around them and learn to decide like human brains. For instance, smart assistants like Siri<sup>1</sup> and Alexa<sup>2</sup>; chatbots in websites; Facebook's facial recognition technologies; customized offers given by Amazon, Flipkart, and Netflix; are some of the AI-based functions that individuals use on a day-to-day basis (Marr, 2021).

In general, AI denotes the broader application of software and hardware that mimic human thought processes and decision-making. Like AI, ML and DL are the terminologies used to imply the automation process. However, there is a trivial difference between them. ML stands for Machine Learning which refers to the activity of algorithms that could handle a massive amount of data, analyze it and extract information. Further, the models created out of ML algorithms could self-learn from the available data and update from the new information. This process of learning is done by ML through algorithms like Artificial Neural Networks (ANN)<sup>3</sup>, Support Vector Machines (SVM), etc. The nature of these algorithms, for instance, ANN mimics the brain's neural system of a living thing by learning and acting based on the given information (Riyazahmed, 2021).

For instance, ML is a subcategory of AI, and DL is a subcategory of ML. DL refers to a complex neural network with multiple layers in performing a deep task. However, for business applications, all these terms refer to automation. Some of the major benefits of AI in addition to automation are, accuracy in forecasting and pattern recognition from massive data.

Forecasting and trend recognition are applied in all areas of business starting from sales, financial markets, production processes, etc. Further, AI would efficiently handle the massive unstructured data and simultaneously perform different tasks (Federchuk, 2022). Due to these significant advantages, AI applications have grown massively during the past decade. The size of development expected in the future for the AI sector can be noted from the following

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<sup>1</sup> Siri is Apple's smart assistant across all its platforms. It uses machine learning to determine suggestions for users, answer queries, or control devices. Users can configure it to speak with multiple voices across several languages. Refer to <https://appleinsider.com/inside/siri>

<sup>2</sup> Amazon Alexa, also known simply as Alexa, is a virtual assistant technology largely based on a Polish speech synthesiser named Ivona, bought by Amazon in 2013. Refer to [https://en.wikipedia.org/wiki/Amazon\\_Alexa](https://en.wikipedia.org/wiki/Amazon_Alexa)

<sup>3</sup> NN imitates the human brain by using nodes and layers of connections, which pass signals with a set of associated weights and bias adjustments. Refer to

<https://www.cribfb.com/journal/index.php/ijfb/article/view/997>

projections (Biswal, 2022)., AI market revenue is estimated to reach USD 126 billion by 2025 (Thormundsson, 2022).

Further, the percentage of AI applications grew three-fold in the last five years and as of date, thirty-seven percent of companies use AI in some form. Chief information officers realized that digital transformation and task automation must occur concurrently (Gartner, 2022). Post the pandemic the digitization and automation processes are getting more rigorous every day. The scenario is very much evident in the sectors like financial and banking services. The various AI applications in finance are discussed in the following section.

## 2. AI IN FINANCE

Developments in the *financial system* and *financial markets* enabled a huge amount of data accessible in the domain of finance. The growth of stock markets and the volume of trading add financial data to expand at an exponential rate all over the world. Algorithm trading and blockchain-based finance are the recent AI developments in the fields of finance (Figure 1). Algorithmic trading is a procedure for executing orders using automated and pre-programmed trading instructions to consider aspects such as price, timing, and volume (Chen, 2022).

Likewise, blockchain applications in finance will efficiently establish trust through smart contracts, which are like physical contracts fulfilled in real-time via blockchains (Schroer, 2022). In addition, simplified payment processing, advanced trading, and digital identity management are some of the crucial applications of AI based blockchain in finance (Daley, 2022).

**Figure 1 – Application of AI in Financial Market Activities**

|                  |                     |                       |                          | BACK OFFICE                        | MIDDLE OFFICE                | FRONT OFFICE                 |
|------------------|---------------------|-----------------------|--------------------------|------------------------------------|------------------------------|------------------------------|
| Asset management | Algorithmic trading | Credit intermediation | Blockchain-based finance | Post-trade processing              | Risk management              | Asset allocation             |
|                  |                     |                       |                          | Trading P&L, reconciliations       | KYC checks                   | Robo-advisors, Chatbots      |
|                  |                     |                       |                          | Reporting and record management    | Compliance                   | Biometric authentication     |
|                  |                     |                       |                          | Data analytics                     | Control functions/ processes | Trade execution              |
|                  |                     |                       |                          | Credit scoring / risk underwriting | AML / CFT                    | Personalised recommendations |
|                  |                     |                       |                          | IT / infrastructure                | Anti-fraud                   | Customer service             |

Source: OECD – Business and Finance Outlook (2021) refer to <https://www.oecd-ilibrary.org/sites/39b6299a-en/index.html?itemId=/content/component/39b6299a-en>

Like financial markets, there is a wider application of AI by financial institutions. Ease of technological access helps financial institutions especially banking firms to leverage AI to reach the unbanked people and serve the customers on a real-time basis. Following is some of the major areas of financial institutions using AI (Lewinson, 2021),.

*Credit scoring* – an important application of ML techniques in finance is credit scoring. Be it larger banks, small finance banks, or fintech companies, lending and cost of funds are primarily dependent on the creditworthiness of the individuals. In contrast to the traditional practice of manual evaluation of credit scores from application details, AI is largely applied to do the task and save time, and money, and improve accuracy.

*Fraud detection* – AI enables financial institutions to efficiently identify fraudulent activities like money laundering and fake credit card usage. Due to the growth in e-commerce platforms in recent years, it becomes crucial for banks and credit companies to efficiently control such activities.

*Robo advisory* – Financial companies largely use AI to customize the service experience by considering all the factors influencing the financial decisions of customers. Like financial market intermediaries, financial institutions also provide efficient wealth management, and portfolio construction services using AI. Further, Robo-advisors are cheaper than the services of human asset managers.

*Personal Banking* – Unlike traditional customer support, banks and financial institutions now extensively depend on AI to offer products and services. Chatbots or simply bots are used in almost all financial institutions ranging from banks, and insurance companies, to mutual funds. Using advanced NLP<sup>4</sup> techniques, bots could easily identify the interest of the customers and offer service to them.

*Process automation* - Process automation is one of the widely applied AI functions in financial institutions. The time-consuming and erroneous process is automated using advanced optical character recognition (OCR). Not only with numbers and texts, but even dealing with images

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<sup>4</sup> Natural language processing (NLP) is the ability of a computer program to understand human language as it is spoken and written -- referred to as natural language. It is a component of artificial intelligence. This is otherwise referred to as text analytics. <https://www.techtarget.com/searchenterpriseai/definition/natural-language-processing-NLP>

is done efficiently using deep learning architectures such as Convolutional Neural Networks (CNNs) in the KYC process.

Even though the application of AI in business and the particular financial sector grew tremendously there is a crucial challenge that equally grows and poses threat to the reliability of AI applications. AI bias or algorithm bias is identified as an important issue to be addressed to harvest the benefits of AI.

### **3. AI BIAS: CAUSES AND EFFECTS**

Predictive algorithms are a crucial form of AI application in loan application sanctioning, investment product customization, portfolio rebalancing, legal decision-making, chatbots, etc. Based on past data predictive algorithms forecasts the outcome or future course of action. Algorithm bias is the inherent nature of a predictive model giving biased forecasts and results.

The major causes of AI bias are.,

- Since predictive algorithms used by AI are built on past data, biases in the data set (training data set) due to existing cultural, and socio-economic differences in past decisions will be reflected in the AI process as well.
- AI bias would arise in case of predictive algorithms are used on a different audience who are not considered in the training data while building the model.
- Technical constraints in designing models can cause AI bias. Likewise, the recursion of the responses based on the predictive model is fed back as inputs to the algorithms called 'Emergent bias'.

Due to the mentioned AI bias, business processes would face serious consequences while using AI. Some of the effects of AI in a general business are as follows.,

- AI Biases are faced in online recruitment tools by rejecting applications based on some flawed demographic, and social-economic characteristics like gender, race, etc.
- Biases in facial recognition technologies. E.g., Nondeduction or false deduction based on race, gender, etc.
- Biases in algorithms used in the judicial system. E.g., the Possibility of committing a crime predicted falsely by race, nationality, etc.

- In the financial context, due to AI bias, a loan application could be rejected, or a fund transaction could be declined. Likewise, a loan could be sanctioned to substandard customers which results in loss to financial companies.

#### **4. WAYS TO REDUCE THE AI BIAS**

The examination of the consequences of algorithm bias is crucial to identify, mitigating, and remedying the negative impact. The existing frameworks are not sufficient worldwide. There is no specific method found to address the AI bias issue. However, the best practices used to deal with AI bias are given as follows.,

- The stakeholders like businesses and government must be diligent in mitigating the biases by proactively addressing the factors causing bias during the model building stage itself.
- Algorithm Hygiene is a term mentioned by Lee et.al. (2019) must be ensured. Algorithm hygiene identifies some specific causes of biases and employs best practices to detect and mitigate them.
- Enhancing the legal system to ensure fair building and usage of algorithms by business concerns. Further, self-regulation by users with algorithm audit to address the biases.
- Users of algorithms must ensure cross-functional work teams and expertise while building and using algorithms. Likewise, consumers need better algorithm literacy.

#### **5. CONCLUSION**

This paper intended to discuss the growing application of AI in business, especially in the field of finance. Technological development in the last decade and the growth of digitization enabled AI applications, which have become an intense post the covid pandemic. However, one of the vital issues in AI applications is AI biases. Since the kind of AI process is mostly black box in nature, it is quite challenging for the users like companies to specifically address the issue and identify false outcomes. Hence to deal with the AI bias in a wholesome manner a multi-level system be required to be ensued by the companies, regulators, and users. There is a growing awareness in recent years among legal, governmental, and corporate stakeholders regarding



algorithm governance. For instance, nonprofit initiatives like Algorithm Justice League (AJL)<sup>5</sup> are notable efforts in this regard.

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<sup>5</sup> The Algorithmic Justice League's mission is to raise awareness about the impacts of AI, equip advocates with empirical research, build the voice and choice of the most impacted communities, and galvanize researchers, policy makers, and industry practitioners to mitigate AI harms and biases. Refer to <https://www.ajl.org/>

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## **Critical Review of Gen Z towards Neobank as a Fintech Model in India**

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### **ABSTRACT**

The purpose of the research is to critically evaluate vie of Generation Z towards Neobank services and products. The study tries to find the reason for shift of Gen Z from traditional bank to Neobank. The objective of the study is twofold- First is to understand the perception of Generation Z towards Neobank as to awareness and acceptance. Second is to find if they have liked the services of Neobanks and would stay loyal to them or shift to traditional bank. The study is done based on both primary and secondary data. The primary data is collected from 45 respondents in India from different states using a structured questionnaire. Secondary data is also used to compare the result and formulate the analysis. The study finds that the Gen Z are choosing Neobanks over traditional banks due to cost effective services and customer friendly products. The Gen Z respondents are aware about the concept of Neobanks and would like to be loyal to it and would continue the neobank services and products. A comparison between the primary data collected from India and reports published (primary survey done globally) also show a pattern where the Gen Z are most satisfied with the services and products offered and the number of neobank users in India is increasing day by day. The research is based on primary data collected from 45 respondents which is a very limited sample for the population of a country. Also the cities from where the data was collected from are limited which is not very good meeting the objectives.

**KEYWORDS:** *Neobank, Fintech, Generation Z (Gen Z), RBI*

JEL: O33, O35, G1, G23

## 1. INTRODUCTION

Neobank is commonly referred to as a virtual bank or an online bank wherein the concept is that it has no physical presence and operates exclusively online. These banks are similar to the traditional physical banks and offer many products and services which can be accessed over the internet on any device. It is becoming one of the most widespread fintech platform for the Gen Z as they are adapted to the smart phones. This fintech platform gained momentum in pandemic and has been in rise ever since. Gen Z find the applications easy, convenient and customer friendly which has encouraged them to invest and save digitally.

With the digital inclusion growing at a rapid pace since the pandemic, these neobanks save on infrastructure cost and the model is based of effectively reducing the overhead cost. The banks are therefore able to pass on this benefit to customers by the way of low fees or less charges on products and services available through them. As per RBI a few suggestions have been given for NBFCs becoming Neobanks and the formulation should be covered under Reserve Bank's regulations. RBI is encouraging more and more NBFCs to open as digital banks so as to increase financial and digital inclusion. It is also trying to restrict the other entities posing as virtual banks so that the customers are not harmed in any way. RBI Sandbox also gives the fintech companies opportunities to innovate and experiment for new products and services. The Fig I below show a few regulations by RBI for Neobanks

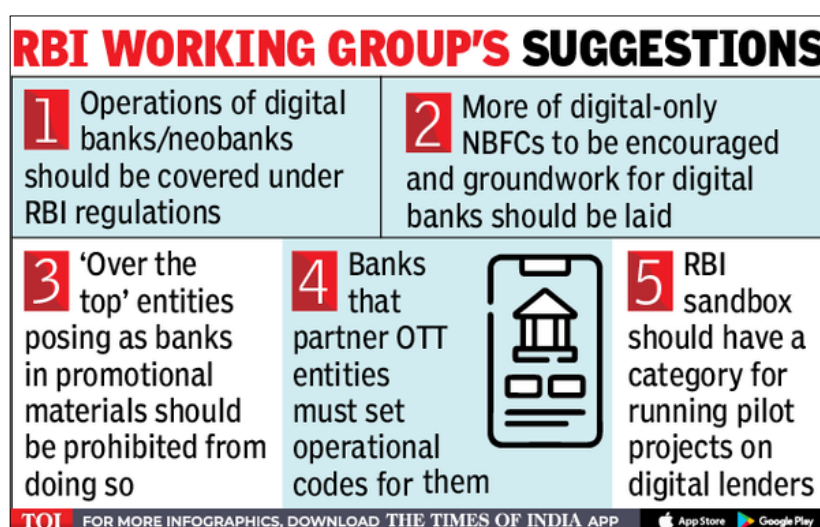


Fig I: RBI suggestions for Neobanks Source: RBI

In the present fintech ecosystem in India, RBI has not fully established the regulatory guidelines and thus the digital banks have adopted the “front-end neo-banks” model which is a collaboration between traditional banks at the back end and neobank at the forefront. The role of such neobanks in India is to provide efficient customer service through mobile application to retail and corporate clients.

Gen Z as defined by PeW Research the oldest among this upcoming generation which are turning 22 in 2022 and consist of teenagers or younger. They are called as (DIMOCK, 2019) – Generation Z or iGeneration or Homelanders were some early candidates. The term Gen Z has become popular after being sourced by many popular dictionary.

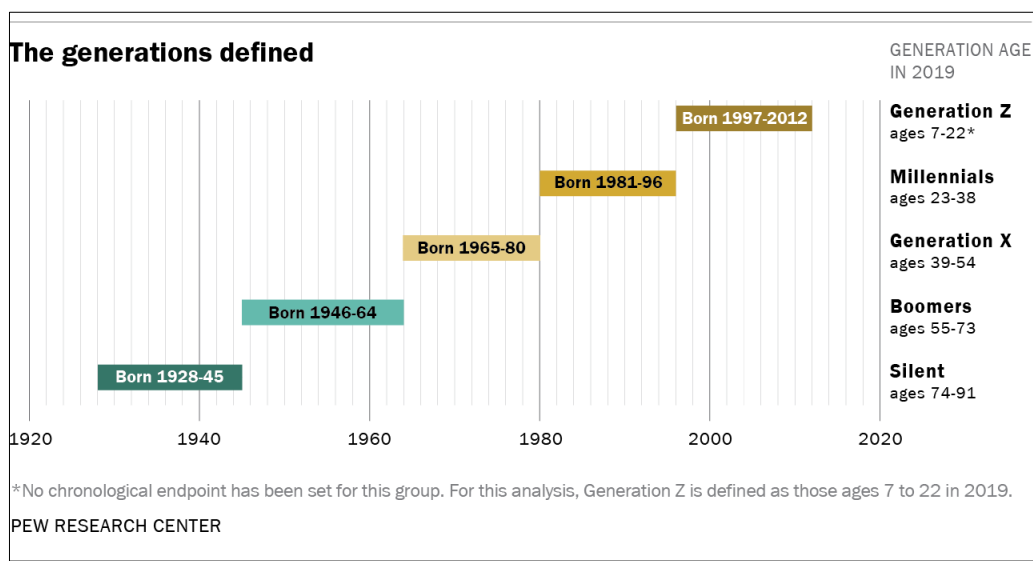


Fig II – Generation Z explained by PeW Research (Source: PeW Research)

The research done in the study includes Gen Z born between 1995 to 2003 - now 19 to 27 years old and hold a bank account so that the review can be done about their experience with the banks. In India still the regulatory part is unclear and government is trying to decide a few rules but the model and concept of neobank as a fintech model is accepted by the Gen Z and they are satisfied with the services and products.

## 2. LITERATURE REVIEW

The paper published by (Ramankutty, 2022) and Vasantha talk about the birth of Neobanks i.e how the banking industry has evolved and transformed the principles of core banking through digital disruptions. Blockchain technology with the combination of Fintech is causing these major disruptions in the financial sector. Internet or Digital banking grew rapidly during the pandemic where the concept of neobanks i.e.virtual bank is being accepted. This paper finds customer perspective of neobanks in India where the responses are analyzed to understand the intent of people for neobanking in India. The results show that most of the people know about the fintech disruption and are positive about the same. Prof Neha and (Jaiswal, 2022) in their paper discuss about idea of Neo banking getting popular globally. The paper also compares Neobank services with the traditional banks and the products offered. The paper studies the customer perception for accepting neobanking in India.

The paper explains the overall situation of Neobank in Indian financial sector as it has disrupted the entire lending landscape. It has accelerated the speed of digital and financial inclusion in India as it is cost effective and hassle free for people. The role of RBI as a regulator is still not fixed as te regulations keep changing with the model new changes. The study evaluated the risks and opportunities for Neobanks operating in India.

A global (Research, 2019) was published in 2019 to study the perspective of the global fintech industry for Neobank by formulating the Comprehensive Analysis and Forecasting the trend from 2018–2026. The report estimated that the market will accrue 394,648 (USD Million) of earnings and will have a CAGR of nearly 46.5% by 2026. Neobanking Market size, growth potential and forecase 2022 to 2028 was published by (Preeti Wadhvani, 2022) which talks about Neobanking Market in 22 countries including India and covers 25 companies. The report talks about collaboration between Neobanks and Fintech companies for increasing customer base by providing effective services to everyone.

Another report published in 2022 by (Kashyap, 2022) discusses the fintech report with focus on funding to NeoBanks in India between 2014 to 2022 around 869 Million Dollars to nearly 48 deals. The report also estimates that nearly 10% of the Indian Fintech market will be owned

by Neobanks by 2030. The top five neobanking startups in terms of funding raised are Jupiter (\$157 Mn), Niyto (\$149 Mn), INDMoney (\$97 Mn) and Fi (\$63 Mn). Many events in the past have resulted in this accelerated growth such as demonetisation in 2016 leading to adoption of UPI at a faster pace, digital lending opportunity spur in India mostly by MSME sector and at the end the RBI rules for improving the digital lending ecosystem has paved the way for new neobanks to open up.

The report published recently in Oct 2022 states that the penetration and understanding and acceptance of Neobanking is increasing in India due to the digital inclusion. Slowly in the next 4 years, these banks will be preferred over traditional Banks due to the cashless nature and adoption of digitization (Gupta, 2022). In the recent update by (RBI, 2022), RBI as published in the Digital Payments Index, the status is at 349.3 as compared to last year in 2022 which shows noteworthy growth due to speedy adoption of digital payments. It also mentions the Grant Thornton Bharat report published as stated in LR above. Neobanking market in India is expected to jump 3 times over by 2025 due to the market size and the digital inclusion wave opportunities being created. The opportunity will also leverage the large talent pool which is into the sectors banking, finance and technology. The position of the market is at its best for the growth of neobanks and resulting in growth of economy.

In the survey report by (The Deloitte Global 2022 Gen Z and Millennial Survey, 2022) Data Analysis of 45 countries to understand the behaviour pattern of the Generation Z. In the report Gen Z respondents are defined as those born between 1995 to 2003 whereas the millennial respondents were defined as those born between 1983 to 1994. The survey finds that Gen Zs are very disturbed about wealth inequality which is increasing every year, and the trust in business is decreasing due to maybe the global uncertainty.

(Anand, 2022) Today in a post shares how Neobanks are being preferred by Gen Z and it is predicted that 96 % users with traditional banks will become Neobank customers by 2040. The reason for this shift is because of good customer experience by this tech-savvy generations with new products and services. The Neobank model is based on robotics and artificial

intelligence with minimal human intermediation. Simplicity, Flexibility and cost-effectiveness are the 3 factors mostly driving Gen Z towards Neobanks.

The above literature outlines the perception of Gen Z globally towards Neobank and helps the study to further critically evaluate the literature and compare with the primary research done for the study.

### **3. OBJECTIVES**

1. To evaluate the perception of Gen Z towards Neobanks in India
2. To compare other studies and find the overall acceptance of Gen Z towards Neobanks

### **4. RESEARCH METHODOLOGY**

Primary and Secondary data are taken to complete the study and critically evaluate the behaviour or outlook of Gen Z towards Neobanks in India. To collect the primary data a questionnaire was floated to Gen Z participants as a google form via email and whatsapp. The responses were collected and analysis was done in MS Excel. The secondary data was collected from all reliable published sources. Also a comparison of the primary data and secondary data is done to critically evaluate if the data collected is similar all over the globe.

### **5. DATA ANALYSIS**

Primary and Secondary data are taken to complete the study and critically evaluate the behaviour or outlook of Gen Z towards Neobanks in India. To collect the primary data a questionnaire was floated to Gen Z participants as a google form via email and whatsapp. The responses were collected and analysis was done in MS Excel. The secondary data was collected from all reliable published sources. Also a comparison of the primary data and secondary data is done to critically evaluate if the data collected is similar all over the globe.



The data analysis done on excel is simple. There are 10 questions asked in the questionnaire to find the response or understanding of Gen Z towards Neobanks. The questionnaire were floated in Aug 2022 to Gen Z staying in different parts of India like Gurugram, Jaipur, Pune, Mumbai, Nagpur, Vellore, Bangalore etc. As read in the literature review, Gen Z is the generation between 1995 to 2003, who are between 19 to 27 years of age (i.e above 18 years of age).

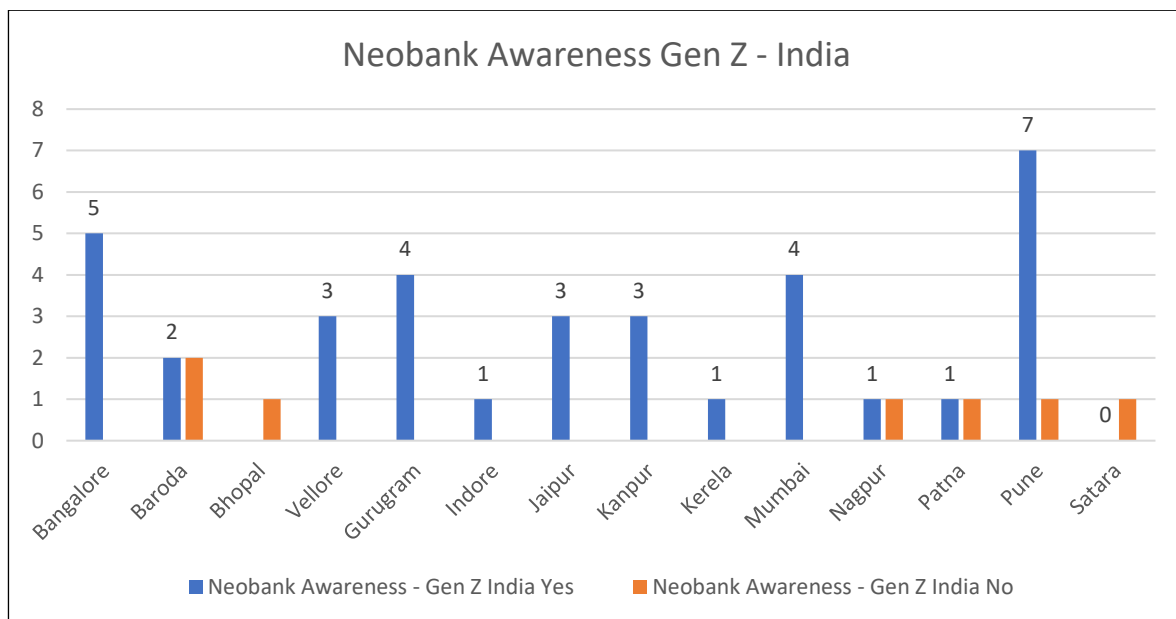


Fig III – Gen Z awareness about Neobank in general (Source: From Primary Data – MS Excel)

From the above Fig III it is clear that many of the Gen Z people are aware of Neobank and its purpose and its existence in India. The cities are from where the responses were collected.

The questionnaire were sent to more than 200 Gen Z as per convenience but only 45 responses could be collected and used for the research. Out of these 45 respondents just 20 hold a bank account where as others still hold a traditional bank account.

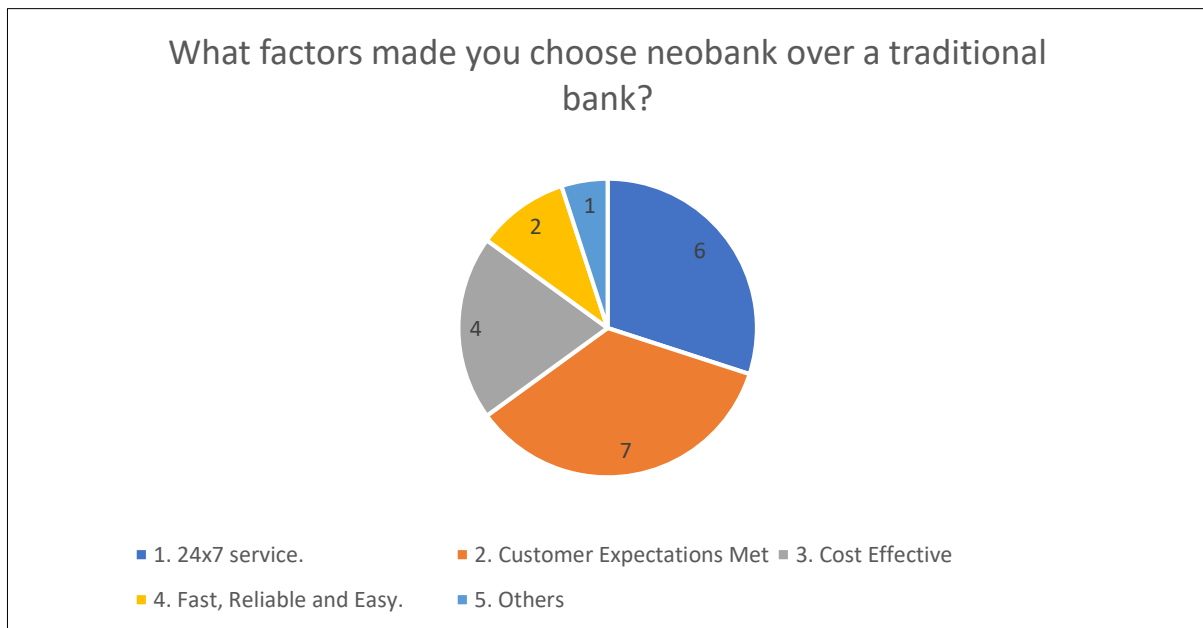


Fig IV – Factors for choosing Neobanks over traditional banks (Source: From primary data)

Fig IV shows the factors for selecting a neobank over the traditional bank. Out of 45 respondents 20 have an account with a Neobank hence the responses are from the 20 respondents about their experience. The most rated factor is the customer expectation in terms of service and products which is the best and the first factor is 24 x 7 service which is rated second. The other factors are also selected by respondents which are cost effective, fast, reliable and easy.

The respondents usually like to do normal business transactions (30% of the respondents) and bill payment is the most used service by Gen Z (60% of the respondents). The other services are not used and maybe that is the reason now neobanks will not charge for mutual fund investments or transactions as per the latest launched fintech platform. Almost 95% say that the services offered by neobanks are excellent or very good while the remaining 5% say that it is good when asked about their overall experience with the Neobank. All the responses give a clear picture that Neobank is a preferred option by most of the respondents and they are happy and content with the products and services offered by them. The traditional banks have to gear up or tie up with fintech companies to compete with these banks.

A comparison is made between the 3 reports published and the primary data collected for the 05 common questions to verify the result achieved from primary survey. The reports taken for the comparison are already used in the literature above – Report 1 is taken from (Research, 2019), Report 2 is taken from (Kashyap, 2022) and Report 3 is from (Gupta, 2022). The comparison is made to understand and critically evaluate the neobanking experience by Gen Z. From the table below it is clear that the Gen Z are shifting from traditional banks towards Neobanks due to convenience and cost effective products and services.

| <b>Questions</b>  | <b>Primary Survey</b>           | <b>Report 1</b>                 | <b>Report 2</b>                 | <b>Report 3</b>                 |
|---|---------------------------------|---------------------------------|---------------------------------|---------------------------------|
|   | 45 respondents                  | Global Research                 | inc24                           | Ken Research                    |
|   | India                           | Global                          | India                           | Global                          |
|   | 2022                            | 2020 to 2026                    | 2022 to 2030                    | 2022 to 2027                    |
| <b>Are you aware about Neobanks?</b>                                      | 45%                             | 55%                             | 60%                             | 55%                             |
| <b>Do you hold a Neobank Account?</b>                                     | 40%                             | 50%                             | 50%                             | 50%                             |
| <b>What factors made you choose neobank over a traditional bank?</b>      | Easy and Cost Effective         | Easy and Cost Effective         | Easy and Cost Effective         | Easy and Cost Effective         |
| <b>Which type of transactions are mostly done by you through neobank?</b> | Funds Transfer and Bill Payment | Funds Transfer and Bill Payment | Funds Transfer and Bill Payment | Funds Transfer and Bill Payment |

|  |   |   |   |   |
|--|---|---|---|---|
| <p><b>On the scale of 1 to 5 where 1 is Not Good, Rate overall experience with the Neobank</b></p> | 5 | 5 | 5 | 5 |
|--|---|---|---|---|

Table I – Comparison of Primary data (Self) and Primary data from Secondary sources

The above Table I compares the questions from reports and the survey conducted for the study. It finds that the Gen Z have adapted well to Neobanks due to ease of payments and cost effectiveness. It also shows that the Gen Z are happy to stay loyal to the neobank.

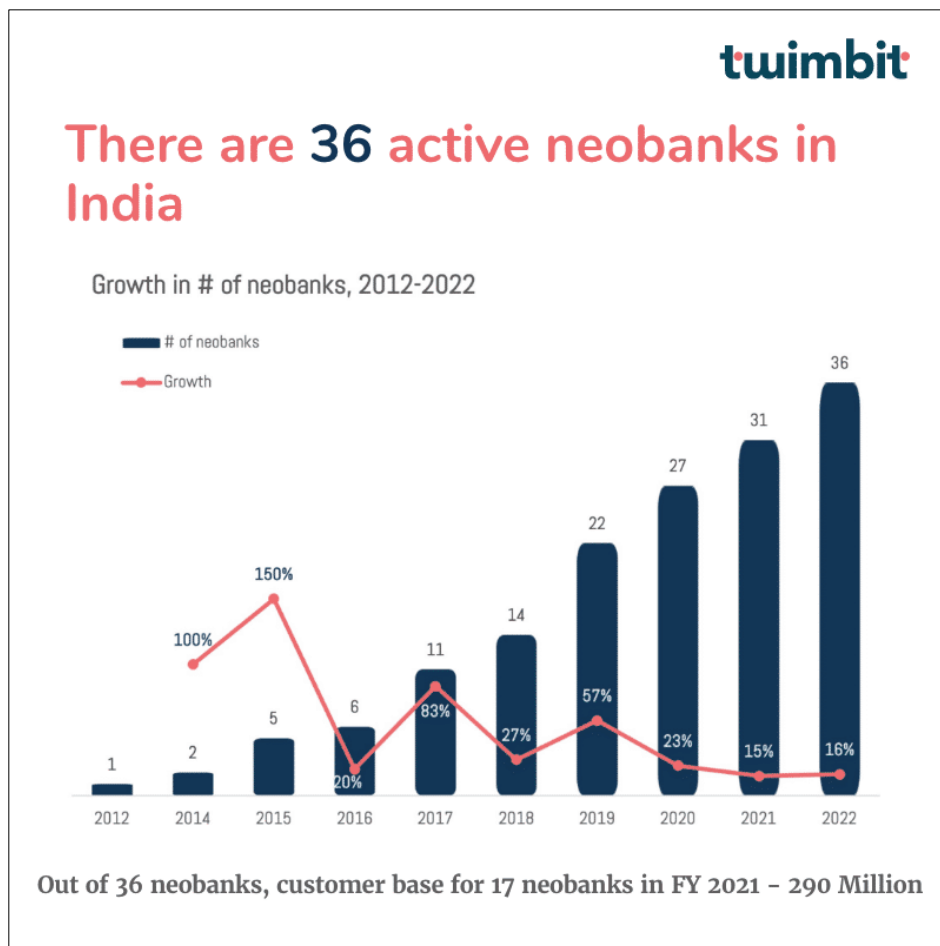


Fig V: Growth of Neobanks in India till 2022

The figure V above explains the growth in number of neobanks in India from 2012 till date and also shows the growth in number of users.

## 6. FINDINGS

The above analysis finds that the Gen Z are choosing Neobanks over traditional banks due to cost effective services and customer friendly products. The research is conducted in a few cities in India where it finds that many Gen Z respondents are aware about the concept of Neobanks and would like to shift to it. Also many Gen Z respondents are using neobank services and products are would like to continue them and the services are 24x7 with good customer experience. A comparison between the primary data collected from India and reports published (primary survey done globally) also show a pattern where the Gen Z are most satisfied with the services and products offered and the number of neobank users in India is increasing day by day. The results can again be confirmed with the data published by twitbiz which shows the increase in number of banks and growth in number of users in India.

## 7. CONCLUSION

From the data analysis and the findings, it is clear that most of the Gen Z respondents are aware about Neobanks. Most of them hold bank accounts in these banks too which shows the trust and acceptance. The respondents like the banking services and products and prefer to use it regularly for bill payments too. The primary and secondary data both show that the fintech model is accepted by Gen Z and the popularity and acceptance is growing among the Gen Z users.

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## **The significant role Leader Humor can play in rebuilding employee trust and work efficacy post-pandemic**

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### **ABSTRACT**

The COVID-19 pandemic has caused substantial havoc in the world, hitting nearly every industry for an extensive period. Indeed, the prior year's reliance on technology (along with various other variables) may have drained some of the fun from the office. The more our communication is facilitated by technology, the more difficult it is to bring our empathy and sense of humor to work. We instinctively adapt to our medium, and it is easy to sound like a robot when we constantly interact through technology. Humor, which has been demonstrated in research after research to increase trust between leaders and employees as well as job satisfaction, will most certainly be reinterpreted in the post-COVID workplace as well. However, as we prepare for the Grand Comeback, we should think about what it will look like and how to incorporate humor into a company's culture. This paper explores how a leader's adaptive positive humor shields workers' job-related positive psychological health. The review seeks to put stress on humor as a predictor of employee job-related emotional well-being.

**Keywords:** *Leader humor; Work efficacy; Stress relief; Crisis management; Job satisfaction*

## 1. INTRODUCTION

According to an Indeed survey, over three-quarters of workers miss socializing at work (Murray, 2020). Furthermore, uncertainties and risks associated with one's job position and health might invariably induce mental distress (Hu et al., 2020). During a crisis like COVID-19, employees are supposed to be creative while under varying levels of stress. However, organizational research has overlooked the critical significance of workload relief (Cooper et al., 2018). This study offers a fresh perspective on how a manager's sense of humor during a crisis affects employees' workload and occupational coping self-efficacy, all of which are important cognitions related to work outcomes. This study elucidates the mechanisms of humor influence and elaborates on the stress-relieving capabilities of humor.

## 2. REVIEW OF LITERATURE

Leader humor is conduct shown by a leader and geared towards an employee that the employee finds amusing (McGraw & Warren, 2010; Cooper et al., 2018). Employees benefit from leader humor in a variety of ways, including improved job performance (Arendt, 2009), informal learning (Tremblay & Gibson, 2015), creativity (Huang et al., 2015), job satisfaction (Vecchio et al., 2009), affective commitment (Hughes & Avey, 2009), employee engagement (Yam et al., 2018), and leader-employee exchange (Hughes & Avey, 2009).

### *2.1 Humor for rebuilding trust*

Laughter and trust are fundamentally linked on both a primal and genetic level. The deeper the laugh, the greater the possibility of trust (Harman, 2019). When leaders use humor, their followers think the organization is positive toward them. Leader humor demonstrates friendliness and support as a socioemotional resource, supporting the needs of their workers on a socioemotional level (Cooper et al., 2018). Importantly, because managers represent the corporation, employees frequently attribute the compassion and encouragement they get from their leaders to the business. (Eisenberger et al., 1986). In this approach, leader humor contributes to employee's perceptions of the organization's support. Previous research has provided support for this notion. A meta-analytic evaluation, for example, found that leader behavior is related to the organizational perception of support (Kurtessis et al., 2017).

### *2.2 Impact of humor on employee efficacy*

Employees with high self-efficacy think they can achieve tasks and objectives effectively and develop more inventive actions (Luthans et al., 2006). Bandura et al. (1999) emphasized that



creativity requires a strong belief: a sense of efficacy. Employee self-efficacy improves employee creative performance over time (Tierney & Farmer, 2011). Individuals with high self-efficacy can actively and persistently engage in innovative activities.

Previous research has demonstrated that leaders' humorous expressions offer signals of recognition and support to their subordinates (Cooper, 2008). Employees acquire confidence in their problem-solving abilities as a result of a leader's positive and optimistic attitude (Gong et al., 2009). It can also boost employees' positive emotions, making them more stable and joyful, and considerably improve their self-efficacy.

### ***2.3 Humor and employee creativity***

Leader humor is a powerful interpersonal tool that leaders may use to motivate staff to participate in activities that will either directly or indirectly benefit them (Cooper et al., 2018). According to previous studies, humor is a critical antecedent of creativity (Cooper, 2005), creative performance (Lussier et al., 2017), and reducing possible work stress (Cooper et al., 2018). Lang and Lee (2010) discovered that release humor increased organizational creativity, whereas control humor decreased it. Furthermore, a humorous work environment encourages employees to be creative in their work. Positive humor has a greater impact on inventive work behavior than other aspects of the humor climate, such as negative humor, outgroup humor, and supervisory support (Logacheva & Plakhotnik, 2021).

Leader humor is also necessary for employee service inventiveness as an interpersonal behavior (Kim et al., 2016). Service creativity refers to the inventiveness of employees in the organization who deal directly with consumers, such as salespeople and service professionals (Liu et al., 2016). Leaders use positive humor to communicate support and goodwill to subordinates (Cooper et al., 2018). Through its joyful orientation, leader humor supports non-conventional ways to address regular concerns, opening up new insights to explore and develop (Lang & Lee, 2010). Employees prefer a relaxed and pleasant work environment (Gkorezis et al., 2014). Employees are more eager to exchange new ideas and explore new techniques in a relaxed environment. Leaders who use humorous utterances are more ready to breach conventional norms and accept employees' unconventional actions (Yam et al., 2018), boosting employees' innovative behaviors. Employees who employ humor under adversity are more likely to engage in innovative tasks (De Clercq & Belausteguigoitia, 2020).

### ***2.4 Impact of humor on employee workload and stress-coping***

Workload denotes the link between employee task demand and psychological resources available (Parasuraman et al., 2008). Workload studies are more common in the organizational literature, where it is likewise regarded as a key stressor and is frequently associated with physical and psychological distress (Conard & Matthews, 2008). The actions of leaders can be a substantial cause of stress for their subordinates (Harms et al., 2017; Rajah et al., 2011).

Leaders should remove ambiguity, provide scope for efforts, and, to some extent, inspire followers to pursue new avenues for advancement. Humor has been shown in studies to lower subordinate stress (Diebig et al., 2016). According to Pundt and Venz (2016), leader humor can reduce subordinate burnout and stress-related outcomes associated with coping. Given the nature of work, humor can assist individuals to re-evaluate or directly alleviate work stress, much as leader humor is an interpersonal capacity for social exchange (Cooper et al., 2018). Humor can reduce stress and burnout (Malinowski, 2013), foster a comfortable and pleasant work environment (Gkorezis et al., 2014), as well as reduce employees' uncertainties and concerns regarding leadership attitudes.

### ***2.5 Humor and overall well-being***

Combining the observations of the preceding studies, it is clear that appropriate humor is essential for effective leadership and the well-being of employees. Literature has provided substantial support for the association between humor and positive affect (Cann et al., 1997; Kuiper et al., 1995). In experimental studies, humor is frequently employed to induce a positive mood (Carnevale & Isen, 1986; Kraiger et al., 1989). According to Cooper (2008), humor can operate as a stress-reduction technique, allowing people to relax from stress caused by job obstacles or crises.

## **3. DISCUSSION**

Both a cognitive and a physiological perspective may be used to explain how humor-based interventions facilitate the reduction of psychological distress. The development of perceptual and cognitive schemes that direct action or behavior, shared by the cognitive-behavioral approach, which has amply demonstrated its ability to support effective stress management interventions, is necessary for the ability to generate and use humor to adjust to certain work situations (Richardson & Rothstein, 2008). Furthermore, humor may end up causing genuine laughter at uneven movements that relieve tension and stress (van der Wal & Kok, 2019). In

other words, laughter often implies a relaxed condition, and there is strong evidence to support the efficacy of the techniques designed to promote relaxation and manage job stress (Kröll et al., 2017). Encouragement of adaptable humor and other cheery and pleasant behaviors may help improve colleague connections, teamwork, and other aspects of cooperation through fostering interpersonal interactions in the workplace (Jarzabkowski & Lê, 2016; Vecchio et al., 2009) and is a source of social support that mitigates the adverse effects of work stress (Dyck & Holtzman, 2013).

This review, in accordance with transactional stress theories, helped us to understand the role of humor as a coping mechanism that can be acquired through training and whose goal is to lessen, eliminate, or reverse the effects of crises like Covid-19. As a result, a proactive approach for organizations is to include positive humor as an essential criterion in the selection process of leaders and managers.

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## **Digital Innovation for Financial Inclusion: With reference to Indian Women Entrepreneurs**

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### **ABSTRACT**

The study is undertaken to understand the digital innovations, schemes, and programs taken up by the government, financial institutions, and organizations in India to financially support women MSME entrepreneurs after the pandemic. Finance is an important element for the sustenance of women entrepreneurs and digital awareness about fintech solutions is important for social and financial inclusion.

The study is a theoretical research work to read about the various schemes available to women entrepreneurs in MSME sector. The data is all secondary in nature and collected from most government websites like RBI and MSME. The financial Inclusion Index and GDP are used to understand the relationship between financial inclusion, GDP, and Digital innovations for women entrepreneurs registered in MSME. The observation and results have revealed that there are many initiatives undertaken by the government, financial institutions, and organizations in India to financially support women entrepreneurs after the pandemic. Also, there exists a sizable correlation between the Financial Inclusion Index and GDP which states that an FI increase helps in the GDP of the economy. Also, there is a rise in number of women entrepreneurs after 2021 due to the digital inclusion. The present study broadly addresses the concern of women entrepreneurs to access credit/finance for starting or expanding their business post-pandemic. Also, it shares various schemes available to women entrepreneurs to access finance at low cost or no cost. And finally, the paper is important for fintech firms to come up with more user-friendly programs to improve financial inclusion.

**KEYWORDS:** *Digitization, Women Entrepreneurs, Fintech, RBI, SEWA, MSME*

**JEL Classification:** G2, I3, M5, O1, O3

## 1. INTRODUCTION

Digitalization of small and medium businesses could add anywhere between \$158-216 billion to India's GDP by 2024. In India, 20.37% of women are MSME owners. According to Ruth Bader Ginsburg “As women achieve power, the barriers will fall. As society sees what women can do, as women see what women can do, there will be more women out there doing things, and we'll all be better off for it.” NITI Aayog under the government of India has started the Women Entrepreneurship platform, an initiative to support women entrepreneurs in their journey by arranging for sponsors. The platform also looks at

- Incubation and Support in activities like Marketing, Compliance, Finance and Funding etc for businesses
- Skill training and mentorship through a community network of like-minded women.

Every woman has to overcome barriers inside the house (family) and within the society (people around) to start up something new and continue with it. These barriers are social, psychological, financial etc and at every stage of the business. In India number of women entrepreneurs is on the rise (Fig 1), and this is increasing at a rapid pace post 2021 in India. Indian government has also realized the same and has come out with initiatives, programs to help budding women entrepreneurs set up their own business. The paper tries to discuss and reiterate the major government initiatives, private initiatives to upskill and uphold the businesses set up by women entrepreneurs.

Digital adoption is an important when women entrepreneurs want to avail all the new financial and other online services. To improve and accelerate financial inclusion among the women entrepreneurs, digital inclusion and digital upskilling is necessary. This digital education to use the new upcoming financial services and other online services so that the cost of service is reduced and it is accessible anywhere is digital inclusion (Lauer and Lyman 2015). In rural areas still, the women entrepreneurs prefer to go to bank and avail services, now the women



have to upskill and use services through mobiles or banking correspondence can help them use the service. The banking and other financial services can be availed digitally after the ICT revolution (Digital Banking). During covid due to the “no touch” precaution digital transactions (both mobile and internet transactions) increased to 99% (2021) from 18% (2019) [RBI]. According to RBI payment infrastructure report, the total digital payments increased to 216% in terms of volume from 2019 to 2022.

These figures confirm the movement of economy towards digital payment acceptance and convenience during and after the pandemic. JAM trinity, 5G network and pandemic have accelerated the need of digital inclusion and the economy is becoming cashless. This has also reduced the burden on physical banking infrastructure. Also the facilities available to the women entrepreneurs will be transferred digitally i.e. government-to-person (G2P) payments or direct benefit transfers (DBTs) which require them to be digitally inclusive to avail all benefits. Banking Correspondents (BC's) are also in some ways helping in digital inclusion by educating the women entrepreneurs (SHG members) about the financial schemes, benefits through digital platforms.

GOI is trying to reduce the digital divide between urban and rural and men and women for greater outreach. Geo-tagging of touch points where the payment happens is being done across the country. The penetration of digital system throughout India is done to reduce frauds and hence geo-tagging is important. For this PPI - payment mode is being done so that customer can make a good choice between cash and digital looking at security of transaction. Many payment gateway systems are also being tried and tested as RBI is trying to solve the issue of uniformity in implementation and transparency in operations. Also regulatory issues are still being discussed about the payment systems. RBI has started electronic-Banking Awareness And Training (eBAAT) program to make users aware about the channels and modes of digital payment in their language, with most used icons, text-to-voice features etc.

The study is done to understand if the extent of work done by the government for digital inclusion is reaching out to the women entrepreneurs and they are using the services offered.

Is the number of women entrepreneur growing after pandemic due to the adoption of digital services.

## 2. LITERATURE REVIEW

The review of literature was done to understand the current state of digital innovations for improving financial inclusion of women entrepreneurs in India and to find the gap for further research. The review is done sequentially (i) To first understand the status of women entrepreneurs till 2021 (ii) To read about the problems faced by them post-pandemic (2018 to 2022), and (iii) To find if there are any new digital innovations available for them to improve financial inclusion.

**Jasmine Jaim** (Jaim, 2020) have done a study on Bangladesh women business owners during pandemic, it states that there is a disparity between the men and women business owners for continuing the business post pandemic due to many social and financial reasons. This study has made clear that in India as well as in many other countries there is a biased behavior of family members when it comes to supporting business ventures owned by men and women. The study unveils patriarchal practices regarding women's discontinuing or closing down ventures due to the COVID-19 crisis. This is similar to women entrepreneurs in India too as studied by **Madhavalatha Sangem** (Sangem, 2020) who says that women's entrepreneurship in developing countries is in danger and vulnerable in the pandemic Women's entrepreneurship is an issue that needs specific research attention and solutions from both government and private bodies. **Sonal Sharma 2018** (Sharma, 2018) in her study finds that women entrepreneurs can make a strong contribution to the economic and financial status of the family and community and help accomplish the MDGs. The study also talks about various schemes, incentives, and promotional measures by organizations to encourage women entrepreneurs.

**Sukhjeet Kaur Matharu Divya Juneja** (Sukhjeet Kaur Matharu, 2021) in the study, has based the study upon measuring the relationship between various factors and how these factors can influence the women's decision making to start, continue or close the business. The study has taken review from nearly 400 women entrepreneurs from different regions of India to understand the influence on decision making. The findings of the study state that the influence of the factors is significant and positive on deciding upon the behavior of women entrepreneurs

under certain circumstances or situations. One more study by **Suresh Chandra Akula Pritpal Singh 2021** (Singh, 2021) proposed that; credit, saving, and insurance from microfinance institutions can promote women's decision-making in times of crisis.

In India, many government bodies such MSME Dept, NGOs, and private organizations. **Kumari Amrita, Chandra Prakash Garg, Saumya Singh 2018** (Kumari Amrita, 2018) have adopted measures to promote women entrepreneurship. (Hao Jiao, 2022) in the study analyze if the acquaintance toward new innovations and digitization is influencing technology entrepreneurship in any way. **Suyo, Andrea Milagros Carrasco; Verma, Suhasini** (Suyo, 2022) recommends that promotion of spaces for creation of ideas for women entrepreneurs, trainings in business process and innovation, leadership and soft skills courses or workshops, and providing access to financial credit in banks and through fintech will help a great way in the digital business journey of women entrepreneurs.

Self-employment or entrepreneurship is amongst the most important sources of employment for women across India, where according to a report by MSME department under the ministry, nearly three-fourths of women across India still depend on their own businesses for survival. The women-led enterprises in India are more informal, small and focused in traditional sectors, These entrepreneurs still struggle with technology issues to start something new. This is mostly because these women don't have easy access to formal sources of finance. These women are not able to get financial help from institutions as they do not own land, bank accounts, house etc. In many cities and states the government has started initiatives to help these women upskill and learn about the digital or fintech opportunity available to women msme's. To facilitate digital adoption amongst small businesses, women-led SHGs under the National Rural Livelihoods Mission (NRLM) can be provided training. Government schemes such as BharatNet and PM WANI can be leveraged to expedite the delivery of digital infrastructure and expand Wi-Fi access.

Fintech start-ups should do something for women entrepreneurs as they are a more profitable, scalable, and loyal segment according to a global report by Nikore Associates and it also

suggests measures to attract women entrepreneurs for fintech inclusion: Low-interest rate loans or Collateral free loans as offered by Lendingkart etc, Alternate methods to access creditworthiness like being done by AyeFinance or Tala, A digital lending community like Mahila Money, To understand needs and deliver create tailored products for women entrepreneurs. The right combination of government and private partnership can help women entrepreneurs work for economic development and self-empowerment.

As per IBEF 2021 report, India has over 63 million micro, small, and medium enterprises out of which 20% are owned by women in rural areas. These women dealt only with cash pre-pandemic but had to adopt digital solutions to cope better after the crisis. Connectivity was an issue in the rural area and many of the urban areas as well. The women needed a good mobile phone and basic digital skills to use and manage the applications run on mobile devices. Nokia and many others had already provided them with user-friendly small handheld devices – mobiles and the reach or penetration of these devices in rural areas is good. This has helped women to adopt the new digital banking services faster.

The recent Global Findex 2021 database showed an increase in the use of digital payments during the crisis mostly for digital banking services. The study also found that women use digital banking services less than men for payment etc. Many digital literacy programs and initiatives have been started by the government and organizations like SEWA. 2030 Sustainable Development Goal can be accomplished faster with digital acceptance and use. The women who adopt this new digital banking transformation will benefit the economy in many ways with the increase in revenues and GDP.

A study was conducted by Bharatiya Yuva Shakti Trust (BYST) to access if women entrepreneurs will be able to start businesses in Chennai, Pune, and Delhi NCR. The study conducted for the period from February 2019 to August 2022, found that nearly 85% of the women entrepreneurs faced challenges in availing loan services and in accessing critical financial services. But after few months of training provided by BYST, the skills of the women (banking and entrepreneurship) substantially improved.

The target of this study was to groom 450 women entrepreneurs to set up businesses in three cities and generate employment which was met duly.

Digital Sakhi programme started by L&TFS helps to train the rural women in Kerala with the necessary skills and knowledge to boost confidence and nurture an ecosystem of digital financial inclusion. This also focuses on SDG to train women entrepreneurs in leadership and technology. The women are called “Digital Sakhis” and each one is provided with a mobile tablet. The program is aimed at upskilling and training them to build their businesses and enhance their livelihoods.

Mahila Money Prepaid Card was recently introduced by Mahila Money, Visa and Transcorp a service for the women entrepreneurs to help them use digital payments more effectively. It is a product for the new age women digital entrepreneurs and small business owners who want to avail the banking facilities similar to going to a physical bank branch. But this digital bank ensures more flexibility, protection and convenience. This mutual partnership for the digital and economic empowerment of women entrepreneurs will help many budding entrepreneurs.

The iFundWomen program educates women entrepreneurs all over India about digital payments and empowers women small business owners to understand the digital payment system. Women entrepreneurs and fintech solution is provided by this program to give financial independence to Indian women with hassle-free access to finance. This card helps them fulfill all payment needs and get easy working capital loan easily. Transcorp - PPI license holder is helping with the network services and in supporting financial literacy to women to succeed in life.

### **3. OBJECTIVES**

1. To explore the digital innovations available for Indian women entrepreneurs.
2. Critically evaluate the role of fintech firms in improving financial inclusion.

#### 4. RESEARCH METHODOLOGY

The study uses secondary data available from various government and private resources. The data is then analysed using MS excel to understand if the digital platforms, services or innovations are helping women entrepreneurs in their growth and financial inclusion. The Reserve Bank of India has a Financial Inclusion Index (FI-Index) to capture the extent of financial inclusion across the country.

Financial inclusion leads to economic growth and important to achieve SDGs. National Financial Inclusion Strategies (NFIS) with RBI started Financial Inclusion Advisory Committee (FIAC) to calculate Financial Inclusion Index every year from 2019 – 2020.

| Year   | Financial Inclusion Index | GDP   |
|--------|---------------------------|-------|
| Mar-20 | 43.4                      | 6.60% |
| Mar-21 | 53.9                      | 8.95% |
| Mar-22 | 56.4                      | 9.00% |

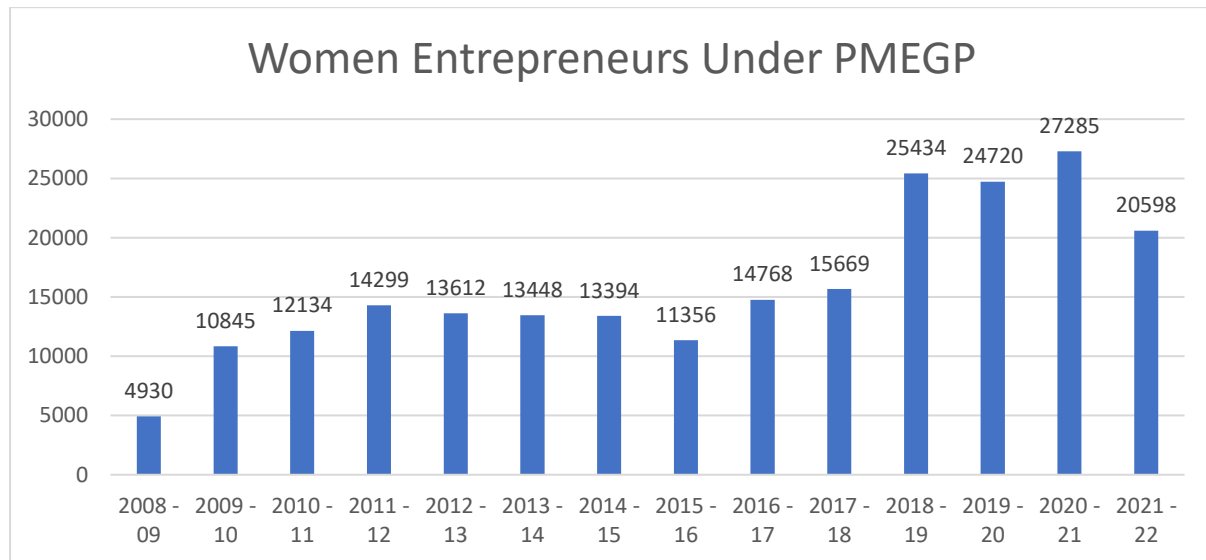
**Figure I: Data from RBI website**

The FI-Index is calculated by taking data from banks, non-banks etc and captures information on various aspects of financial inclusion mainly Access (35%), Usage (45%), Quality (20%) where each of them is again calculated based on many factors. The Quality parameter includes many factors such as financial literacy, consumer protection etc in relationship with digital inclusion. The study has taken data from MSME website to understand the number of women entrepreneurs registered.

#### 5. DISCUSSION

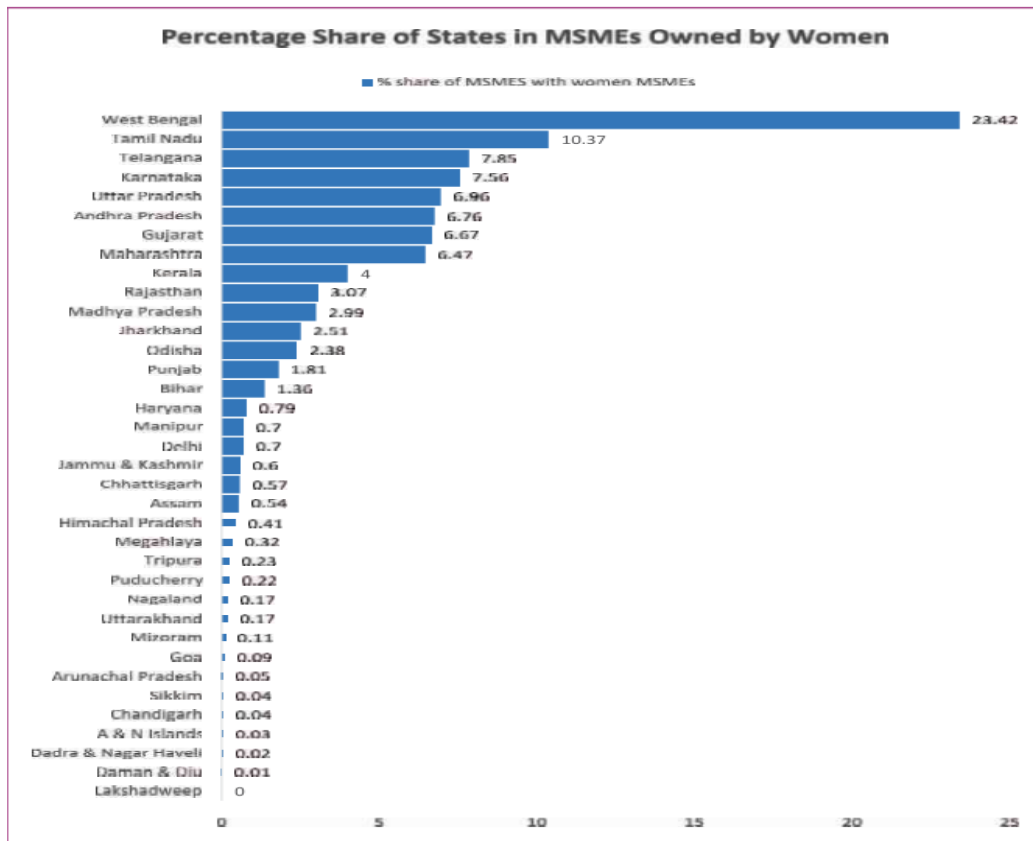
The researchers believe that financial inclusion and the need for digital education is required mostly for women entrepreneurs in the MSME sector. The government many schemes for financial inclusion and digital education of women entrepreneurs. The fig 2 below shows the number of women registered under the PMEGP scheme. There is a significant decline visible

in the number of women entrepreneurs after the pandemic i.e. post 2020 – 2021. The main reason as per the report is lack of financial assistance and lack of awareness of financial help available.



**Figure II: Data based on MSME published report data from 2008 to 2022**

This is also a reason for growth in gaining momentum in 2021 – 22 maybe due to lot of new digital schemes and programs to boost them. According to the MSME 2021 – 22 report published, there are a total of estimated 1,23,90,523 Women owned proprietary MSMEs in the country. The figure I shows an increase in FI index, GDP and figure II shows increasing number of women entrepreneurs after pandemic so we can say that the impact of digital inclusion can be seen but it cannot be measured using this data. Figure III below shows the existence and spread of these women enterprises in various states in India.



**Figure III: Percentage of Women Owned MSMEs (Women Entrepreneurs) in Indian States**

Activities undertaken for the welfare of these women enterprises by the ministry (GOI) are

1. Loan for up-gradation of the existing PMEGP/MUDRA units
2. Credit Guarantee Scheme for Micro & Small Enterprises (CGTMSE)
3. Micro & Small Enterprises Cluster Development Programme (MSE-CDP) Scheme
4. Scheme of Fund for Regeneration of Traditional Industries (SFURTI)
5. A Scheme for Promotion of Innovation, Rural Industries and Entrepreneurship (ASPIRE)
6. National SC-ST Hub Scheme
7. Entrepreneurship Skill Development Programme (ESDP) Scheme
8. Assistance to Training Institutions (ATI) Scheme
9. Coir Vikas Yojana - Umbrella Scheme
10. Procurement and Marketing Support (PMS) scheme
11. Modified Market Development Assistance (MMDA)



## 12. MSME- Innovative (Incubation, IPR, Design and Digital MSME)

|                              |                                       |   |
|------------------------------|---------------------------------------|---|
| <b>Financial Empowerment</b> | Women Entrepreneurship Platform (WEP) | A platform to bring together various resources to facilitate the ease of entrepreneurial journey for women. It motivates aspiring entrepreneurs to start their businesses, provides knowledge and ecosystem support to women entrepreneurs to foster entrepreneurship and also provides hands-on support to entrepreneurs in setting and scaling up businesses. |
|                              | Pradhan Mantri MUDRA Yojana (PMMY)    | Provides access to institutional finance to micro/small businesses, under which aspiring female entrepreneurs can now avail funds of up to Rs. 10 lakhs to start a small or micro-enterprise.   |
|                              | Rashtriya Mahila Kosh (RMK)           | an apex micro-finance organisation that provides micro-credit at concessional terms to poor women for various livelihood and income generating activities.  |
|                              | Sukanya Samridhi Yojana (SSY)         | has empowered many girls economically by opening their bank accounts.   |

**Figure IV: Government Schemes for Financial Empowerment of Women MSMEs taken from MSME published report 2021 - 2022**

The Figure IV above shows the various government schemes started for financial empowerment of women MSMEs in India. These help women entrepreneurs to avail financial support at a lower cost. The details of the schemes is mentioned on the website and most of them provide low or no interest loan to new or existing enterprises with easy repayment period. A few private - public sector banks and NBFCs have also started many business loan schemes for women entrepreneurs -

1. Cent Kalyani from the Central Bank of India – offers loan to women entrepreneurs to start a new business or expand an existing business at low rate of interest, zero processing fee and no collateral
2. ICICI Bank – Self Help Group-Bank Linkage Programme (SBLP) – offers loan upto 10 Lakh to any SHG member for 3 years.

3. Shakti Scheme from Bank of Baroda (BOB) - supports women entrepreneurs who are involved in many activities such as agriculture, handicraft, retail, manufacturing, services and many other sectors.
4. KBL Mahila Udyog Loan from Karnataka Bank - loan is offered exclusively to women and the maximum loan amount offered is Rs. 10 lakhs, wherein the maximum repayment tenure is up to 120 months.
5. PNB Mahila Udyami - Business loan scheme of up to Rs. 10 lakhs for new & existing units with tenure of 3-5 years (Term Loan) and 3 years (Overdraft Facility) and Margin of up to 25%.
6. Dena Shakti Scheme provides low-interest finance to women entrepreneurs involved in various different activities. The aim of the scheme is to increase economic opportunities for women so that they can meet their working capital needs.
7. Udyogini Scheme by the Karnataka State Women Development Corporation was implemented to provide financial support to women with a family income of less than ₹1.5 lakhs per annum.

Many schemes are also launched by private sector units to improve financial inclusion and increase digitization among women entrepreneurs

1. On the 75th Indian Independence Day, a 'zero investment plan' for rural women entrepreneurs, covering across 20,000 pin codes was launched by PayNearby. The plan will reach more than 10 lakh women entrepreneurs from rural parts of the country by 2024. The initiative is an attempt to instill financial independence across all rural women by removing business account opening charges. It also seeks to upskill all women so that they each contribute equally to the progress of the economy. Another app 'zidd' is to upskill all women so that they contribute equally to the growth of the economy.
2. SEWA, an NGO working in Gujarat worked with a fintech firm to start M-bachat app to help women sell products on digital platform. The app is in Gujarati language and offers a digital marketplace to its registered women entrepreneurs where the artisans can sell their hand made products.

3. LXME is a financial platform focused on making money matters for women easy through communication and engagement. It is an app run by women to give the right knowledge and right tools to women entrepreneurs so that they can use their finances in an efficient manner.
4. Tide is planning to support 500,000 women entrepreneurs to achieve their dream by 2027. 'Women in Business', the initiative plans to start an incubator hub for women in India to assist them to start and grow their businesses. They have made a mentor panel so that the women are supported by internal panel in marketing, hr etc all management functions.

## 6. FINDINGS

The data and details collected show that there are many schemes to support digital inclusion and improve financial inclusion for Indian women MSME entrepreneurs. All the schemes like Shakti Scheme, Mahila Udyami scheme, Udyogini scheme are focused upon providing low cost or interest and even free loan to women entrepreneurs. The schemes like shakti scheme, or M-bachat or skill development programs focus upon upskilling them, guiding and mentoring them all the way in their business journey. All the schemes are focused upon providing low cost or interest free loan women entrepreneurs.

The critically evaluation of the role of fintech firms is showing positive trend as Financial Inclusion index shows increase from 2019 to 2022, GDP is increasing from 2019 to 2022 and number of women msme entrepreneurs are also increasing. The trend is positive and the fintech firms are driving digital innovations for women entrepreneurs.

The percentage of women owned enterprises / business are growing from 2008 to 2022 by nearly 76% as per the data analysis. The financial Inclusion Index has also grown from 43% to 56% since last 3 years. The critically evaluation of the role of fintech firms is showing positive trend as Financial Inclusion index shows increase from 2019 to 2022, GDP is increasing from 2019 to 2022 and number of women msme entrepreneurs are also increasing. The trend is positive and the fintech firms are driving digital innovations for women entrepreneurs.

## 7. LIMITATIONS

The data available for FI Index is less for just 2.5 years 2019 to 2022. Therefore the results could not be measured on any basis statistically using data analysis technique. Further the primary data was collected from only 12 women MSME entrepreneurs which could not be used for the study.

## 8. CONCLUSION

The study concludes that there are many digital innovations, schemes, and programs taken up by the government, financial institutions, and organizations in India to financially support women MSME entrepreneurs after the pandemic. Due to certain limitations the study used secondary data to confirm the financial inclusion of women msme entrepreneurs in India. The collected from most government websites like RBI and MSME show the financial Inclusion Index and GDP which are used to access that there is a positive relation between both as both show an upward trend from 2019 to 2022. The number of women entrepreneurs registered in MSME have also increased from 2021 to 2022. There are many gaps in the study which researchers can use for further research. Also, there is a scope for policy makes to understand the digital inclusion landscape with financial inclusion and drive innovations where needed.

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## **Globalization and Infectious Diseases Spread, Control and Prevention- Business and Managerial Implications in the Short and Long Run**

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### **ABSTRACT**

This study analyzes the impact accrued by globalization on the spread, control, and prevention of infectious diseases in the dynamic and volatile environment that exists in contemporary times along with shedding light on how such crisis impact the business environment and attract different managerial implications by reviewing the extant research done on the subject matter across different time periods and geographies. Furthermore, the study suggests the future course of action and research that would serve to increase the level of preparedness against such crisis at a managerial level.

### **1. INTRODUCTION**

Globalization pertains to the process by which organizations gain international influence or commence operations on a global scale. Economic globalization refers to the interconnectedness of world economies as well as the interdependence of internal and external supply chains. It is objective in the framework and systemic ideology and multifaceted in implementation.

Globalization has acted as a catalyst that facilitated the proliferation of cross-border trading of not just material goods, but also ideas, cultures, and people for thousands of years. Whilst the socio-economic consequences of globalization are explicit, its impact on public health is ambiguous and implicit at best.

The dismantling of barriers against human movement and the proliferation of global trade has facilitated and even catalyzed the prevalence and spread of foreign infectious agents to vulnerable and non-immune populations all over the world.

At the same time, the very interdependence and connectedness between the world that allow pathogens to spread globally provide the propensity and mechanisms for innovative and multi-national collaborations to combat contingencies. The growing capacity of such efforts, in tandem with the proliferation of information and technology across the board, continues to refine global public health capacities and enables a more comprehensive cross-border effort to prevent and control the spread of emerging and reemerging infectious diseases.

The Covid-19 Pandemic is the most recent example of this phenomenon. While the total economic impact of the Covid-19 pandemic is still being calculated, a World Bank analysis estimate that the economic losses accrued due to 6 major outbreaks of a high fatality rate from 1997 to 2009 totaled at least \$80 billion. If these outbreaks had been contained to an endemic state, the annual losses would have been limited to \$6.7 billion.

The myriad and significant socio-economic impacts of epidemics are becoming increasingly recognized outside of the healthcare sector due to recent events. Turbulent labour markets present additional challenges to professionals as the pace of technology adoption continues to accelerate, while automation, in tandem with a recession, creates a 'double-disruption' scenario for the labour force. More inequality exists between and within countries, and governments play a larger role in citizens' lives. To ensure resource optimization, industries must adopt a multi-sectoral view to consider the costs and benefits of prevention versus response effort during crises.

The private sector, which is largely motivated by and dependent on employees' and customers' health, frequently allays consumer fears and avoid losses. As a result, it may make a significant contribution to preparedness and response.

As businesses and industries gear up for the post-pandemic world order, one of the most arduous tasks will be determining a new set of priorities. Persevering through the dynamic situation has taken precedence throughout this crisis. However, a contagious virus will not always be of paramount importance or priority for organizations, and other pertinent issues, such as cloud computing, talent competition, and sustainability will necessitate top-of-mind attention.



As the number of employees who work from home has steadily increased due to the impact of the pandemic and the rising gig economy, experts predict changes including a more profound shift in paradigm from time to results-based management, as well as new organizational networks replacing erstwhile traditional hierarchies in the workplace, thereby increasing the demand for retraining, upskilling and career changes. The pandemic has also caused individual priorities to shift towards health and well-being, and increased pressure on governments and international organizations to ensure societal wellbeing, security, and stability.

It is anticipated that the precedent of the COVID-19 crisis has taught modern and evolving businesses and entities to be prepared for similar challenges in the future.

Research on the effectiveness of organizational responses to dynamic crises indicates that, successful responses, typically based on foresight and predictive and anticipatory preparations, are more effective than the largely reactive response as seen in the early stages of the COVID-19 Pandemic. The success of preparation and forewarning will be heavily reliant on how well businesses analyze and document their experiences during the crisis. This task necessitates the collaboration of various corporate functions, primarily HRM, knowledge management, and internal communications.

A more modern and cohesive approach to the prevention and control of infectious diseases would include a global mindset and garner long-term collaborations like public-private partnerships among states, interstate and regional organizations, non-governmental organizations, multinational corporations, and other non-state actors.

In the short term, most businesses focus on strengthening their business models to combat disruptions. It advises companies to understand quickly, think allocentrically, change proactively, and sell intelligently.



As the most recent infectious disease pandemic demonstrated, enabling effective leadership and engagement, providing more flexible work options, and managing the emotions and stress of the workforce are critical for businesses to survive and thrive in the current conditions.

All of this can help to build trust and bind the right talent to the organization long after the pandemic.

In the short term, businesses can implement a digital transformation, improve decision-making processes through the use of exponential technologies such as artificial intelligence and automation, supply chain resilience, and cybersecurity to make their workflows more intelligent. They can also boost scalability and flexibility by prioritizing the migration of more business functions to the cloud.

## 2. LITERATURE REVIEW

| <b>Title of the Paper and Author's Name</b>  | <b>Major Findings of the Study</b>   | <b>Framework Adopted</b>  | <b>Variables Used</b>   | <b>Geography &amp; Year of Study</b> | <b>Gaps Addressed by the Author</b>   |
|--|--|---|---|--------------------------------------|---|
| Global supply chains will not be the same in the post-COVID-19 world; B Jovrcik                | Global supply chains became highly integrated pre covid but the paper indicates that it may be headed for a change especially after noticing trends like trade wars and china plus one policy. | Studying the changes in global supply chains in the year following COVID 19 | Impact of COVID 19, changes in global supply chains.                      | 2021                                 | Covers the impact on global supply chains as a direct consequence of the pandemic.                              |
| Analyzing the Impact of the Coronavirus Crisis on Business Models; Thomas Ritter, Carsten Lund | Identifies a five-step approach for assessing how different types of crisis impact business models. Explicates the   | Conceptual Research Framework   | Objective, customers, value proposition, value demonstration , capability | World; 2020                          | Focuses solely on organizational business models and derives all its conclusions therewith along with providing |

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| Pedersen   | managerial implications of crisis management by analyzing the alignment of business models. Highlights the varying degrees of business' crisis preparedness and determines the extent of investment that organizations should contribute towards crisis preparedness. |                     |   |          | tentative case-based illustrations depicting the impact of the Covid crisis on business models. It serves to combine the literature on business models along with that on crisis management in a B2B context. |
| De-Globalisation and decoupling: Post-COVID-19 myths versus realities. <i>Management and Organization</i> ; Peter Williamson | Interconnection because of globalisation actually helped companies to survive the situation   | Conceptual Research | - Export/Import Data<br>-Trade data<br>-Spot Market Rates | UK, 2021 | De-Globalisation is not as prevalent i.e. Although it was assumed to be a natural outcome of COVID, It is not completely true.  |
| COVID-19 could spur automation and reverse globalisation –to some extent; Adnan Seric,                                       | Increase in demand for automation in global value chains (GVCs) although this change is not so prevalent in developing  | Conceptual Research | -Automation and GVC<br>-Product Quality and Flexibility   | 2020     | Increase in automation and decrease in globalisation due to pandemic  |

|   |   |                               |  |             |  |
|---|---|-------------------------------|--|-------------|--|
| Deborah Winkler   | nations.  |                               |  |             |  |
| The socio-spatial determinants of COVID-19 diffusion: the impact of globalisation, settlement characteristics, and population; Thomas Sigler, Sirat Mahmuda, Anthony Kimpton, Julia Loginova, Pia Wohland, Elin Charles-Edwards & Jonathan Corcoran | Lower human mobility led to less diffusion of COVID strain which also impacted trade volumes across the globe.  | Exploratory research          | -Human Settlement<br>-Population Characteristics   | 2021        | Diffusion of COVID and impact on the trade practices   |
| Managing through a crisis: Managerial implications for B2B firms; Carsten Lund Pedersen, Thomas Ritter, and C. Anthony Di Benedetto   | This literature articulates the definition and scope of a crisis and the various ramifications (economic, health, and business-related) a contagion based crisis may lead to, and lays down | Conceptual Research Framework | Sales awareness, stakeholder's awareness, situational awareness, institutional awareness | World; 2020 | Emphasizes how to manage crises by demonstrating the managerial implications that crisis have on B2B firms. Emphasizes the continued need for research on crisis management from a B2B marketing |

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|   | the managerial implications and insights for various stages of a crisis in the form of a 'Crisis-Phases Model.' It further lays emphasis on relationship management, salesperson's autonomy, omnichannel, digitalization, and business model resilience for combating disruptions. |  |   |              | perspective.   |
| Globalisation in Europe: Consequences for the business environment and future patterns in light of Covid-19 (No. 2/2021); Inferrera, Sergio | Involvement in the international supply chain is directly related to aggregate productivity and concentration at the sector level.   | Combination of Empirical and Conceptual Research | -Estimate the value of VGC trade in various European economies. | Europe, 2021 | Distance between industries in terms of upstreams and downstream news. |
| De-Globalisation ? Global value chains in the post-   | Globalisation is under threat due to pandemic like situations  | Conceptual Research                              | -World Trade over World GDP<br>-GVC as percentage               | 2020         | Entry into de-globalisation is the natural result of disbalance        |

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| COVID-19 age; Pol Antras  | which will force countries to make policies leading to de-globalisation  |                                | of World trade.<br>-Unweighted World Average Tariff   |               | created due to globalisation.   |
| Navigating the New Normal: Which firms have adapted better to the COVID-19 disruption?; Sorin M.S.Krammer | Determines salient roles played by management practices and the characteristics of individual managers who oversee a firm's strategic responses and operations. Also confirms myriad factors essential for the adaptation of firms like the relative importance of innovation, management, and specialized knowledge in tackling a crisis. | Combination Research Framework | Level of adaptation to Covid-19, firm size, firm age, financing options, manager's experience, level of exports, level of foreign-owned assets, investment in R&D, acquisition costs, start-up, an indicator for management practices, level of female management | Europe; 2021  | It examines whether gender biases are generic or dependent on the level and experience of an individual. Takes a gendered approach to express the differences in opinion and results surrounding crisis management, a point of view that hadn't been previously reconciled in literature with respect to contagion-crisis management. |
| Globalization and the outbreak of COVID-19: An empirical analysis; Mohammad                               | Establishes a causal relationship between the degree of socio-economic globalization   | Conceptual Research            | -Population density<br>-Government Index<br>-Cost of Health Care  | Germany, 2021 | Displays a correlation between the extension of globalisation and COVID rate in 150 countries.  |

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| Reza Farzanegan, Mehdi Feizi and Hassan F. Gholipour  | and the higher number of fatalities due to COVID-19.   |  |   |            |   |
| Economic growth, urbanization, globalization , and the risks of emerging infectious diseases in China: A review; Tong Wu, Charles Perrings, Ann Kinzig, James P. Collins, Ben A. Minteer & Peter Daszak Ambio | The study talks about the main causes that have led to increasing zoonotic diseases. Mainly income growth, urbanisation and globalisation are responsible. | The paper compares economic growth, meat consumption and increase in cases of zoonotic diseases. | Economic growth and instances of zoonotic diseases. | China,2016 | The author has tried to identify a relation between two seemingly unrelated phenomena.              |
| Globalization of Human Infectious Disease; Katherine F. Smith   | Zoonotic infections are localised in nature however at the current pace of globalisation this phenomenon will not stay the same for long.                  | Analysis of the Global Infectious Disease and Epidemiology Network                               | Zoonotic disease spread and globalisation           | 2010       | Environmental changes also result in the spread of infectious diseases which has been covered here. |

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| Could developing countries take the benefit of globalisation ; Rusdy Hartung                       | Briefly talks about the hindrances that may be there while developing countries are trying to take advantage of globalisation. One of them is the spread of infectious diseases. | Various debates about globalisation were studied in order to arrive at several conclusions. | Growth of developing countries, globalisation         | Indonesia, 2016 | The research gap addressed is connecting the hindered growth of developing countries with the possibility of spread of diseases. |
| Globalisation and Ebola disease: Implications for business activities in Nigeria; Adebajji Ayeni   | Digitalisation and technology adoption has fast tracked post globalisation and COVID   | Interview of local businessmen and observation of overall macroeconomic trend.              | COVID19, african business community responses         | Nigeria, 2020   | Very few studies have been conducted on the changes in the business landscape of African countries.                              |
| Globalization in the Time of COVID-19; Alessandro Sforza , Marina Steininger                       | Heterogeneous effect on various sectors affected as their labour is quarantined leading to low productions.  | Combination of Empirical and Conceptual Research  | -Wages Change<br>-Labour Force<br>-Expenditure Levels | 2020            | Production boundaries induced because of COVID   |
| An unprecedented global crisis! The global, regional, national, political, economic and commercial | The advancement of digitalisation has opened new scope for businesses to grow but this has increased the inequality gap between the rich and the poor.                           | Conceptual Research   | -GDP Index<br>-Availability of Technology             | Canada, 2020    | Impact of COVID in the short and long term in the domains of business, management, and socio-politics.                           |



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| impact of the coronavirus pandemic;<br>Karabag,<br>Solmaz Filiz  |  |                                |   |                                   |   |
| The Coronavirus crisis in B2B settings: Crisis uniqueness and managerial implications based on social exchange theory;<br>Roberto mora Cortez,<br>Wesley J. Johnston | Investigates the major points of difference between erstwhile “traditional” financially motivated crises and the Coronavirus/any other infectious disease-based crisis from a social exchange theory (SET) point of view along with the practices that managers can adopt to navigate and survive through both kinds via the identification of eight crisis-comparative dimensions to be taken under consideration along with spelling out the | Combination Research Framework | Formation, focus, temporality, government jurisdiction, preparedness, normality, business, operational deployment | U.S., Europe, Latin America; 2020 | The study proposes a previously undiscovered point of view to supplement extant industry literature and answer calls for understanding crises in B2B settings while removing ambiguity. |

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|  | four intertwined areas amongst various categories of crisis to classify managerial practices.                                |   |  |             |   |
| A complex system perspective on the emergence and spread of infectious diseases: integrating economic and ecological aspects; Ceddia, G., Bardsley, N., Nocella, G., Goodwin, R., Stasi, A. and Holloway, G. | Three broad themes identified in the spread of environmental encroaching, mutually reinforcing processes and human response. | Addresses the role of 7 economic factors involved in the emergence and spread of infectious diseases and identifies three broad themes. | Economic factors leading to increased interaction of humans and animals. | World, 2013 | Lack of research focusing on the behavioural aspects of the spread of diseases.                           |
| Implications of the COVID-19 crisis for enterprises' human resource management policies and practices; Nikolai Rogovsky  | Covers the challenges of COVID 19 amidst globalisation and how these challenges are tackled by managers.                     | Methodology used here is interviews of various high-level officers and managers.  | Challenges faced due to COVID, coping mechanisms.                        | USA 2020    | Managerial implications of covid 19 in the times of rising interdependence between countries are covered. |

### 3. RESEARCH GAP

The extant research surrounding globalization, the spread of infectious diseases, and their linkages to managerial implications that follow a crisis is very diversified, fragmented, and subject to regions and cultural variations. From the review of literature surrounding the impact of globalisation on the spread of infectious as well as zoonotic diseases, we can comprehend that some key aspects with regard to the subject are still veiled by ambiguity.

- There is a need to reconcile the positive and negative externalities brought about by globalisation, in order to conceptualize a comprehensive causal relationship between economic globalization and the spread of diseases. As globalization is a very vast topic, there also needs to be a clear delineation of how different aspects of globalisation pertain to the spread of contagious diseases. As in, whether it is the transfer of goods or humans that facilitates the flow of diseases.
- There also needs to be a determination of the relationship between the rate of globalization and spread of diseases. Hence, a detailed study is required to analyse the changes that business leaders are planning to implement in the corporate processes and structures in order to reduce further risk of pandemic diseases. There are several roadblocks that may arise while conducting such a research as:
  - There is inadequate data to determine long term trends in managerial practices under crisis situations because of the lack of data surrounding outbreaks over history and the unabated pace of digital transformation which has altered the relevance of the existing data in contemporary times as the the severity of the the impact of digitization wasn't affecting managerial practices when other outbreaks took place.
  - There's a lack of research about public private partnerships with respect to disease outbreaks, and how other stakeholders such as the government and society influence managerial practices at the time of crisis.
  - There is also no standard scale to measure the severity of a contagious diseases and bring different contagious diseases at par with each other in terms of their transmissibility and mortality rate.
  - The data surrounding managerial practices might still be subject to cultural and gender bias and the prevalence of different management styles amongst different countries. This prevents us from analyzing a clear picture of the entirety of the impact of contagious diseases on managerial practices in the short and long run.

### 4. THE WAY FORWARD

Further research in this regard can contribute to drawing parallels among the different kinds to crisis that might affect contemporary businesses, like financial and disease-borne crisis, and the differences in the kinds of management they require, as well as the snowballing effect

generated by a medically oriented pandemic crisis, in terms of them also giving rise to financial, economic, and sociological crises in tandem with the health crises. There also needs to be a thorough analysis of the impact of disease related crises on the ease of doing business, and how it further impacts management. Contemporary entities should work towards strengthening enterprise resilience and putting business continuity strategies in place for their concerns as integral components of enterprise business models.

Stakeholders at both public as well as private levels must engage in a systematic collaboration to ensure the efficiencies and payoffs of both preventative as well as reactive systems in the healthcare sectors, risks, building managerial competencies to deal with crisis, and impact analysis, and implement optimal cost-sharing and intervention strategies for preparedness in crisis situations. The study of business implications of Infectious disease events in today's globalized world will require nothing less than robust public-private partnerships and research initiatives for ensuring the optimal economic security of all stakeholders involved.

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## **Revolution of E-Pharmacies: A Study of change in Consumer Behavior on buying Medicines Online.**

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### **ABSTRACT**

The severe stress brought on by the COVID 19 pandemic prompted people from a wide range of origins and cultures to consider boosting their immunity in order to be able to combat the virus. Access to internet medical stores was the first tool that helped individuals fight off the pandemic. Customers benefited in two ways: they received free consultations and had their prescriptions validated. This study examines the shift in consumer behavior related to online drug purchases during COVID 19. This study examined the percentage of persons who had purchased drugs online since the COVID 19 pandemic began. The research concentrates on the shift in consumer behavior, not just with regard to drugs but also with regard to fundamental

consumer requirements. Research shows that there was a big shift in consumer behavior during COVID-19 because people felt safe buying medicines online as they got an option to get verify their prescription and free doctor consultation.

**KEYWORDS:** *E-commerce, E-Pharmacies, Consumer Behavior, Digital Technology*

## 1. INTRODUCTION

Lockdowns, movement restrictions, and social segregation policies have quickly pushed healthcare services and patient monitoring to remote alternatives, gradually paving the way for increased usage of telemedicine, digital therapies, and decentralized clinical trials. The pandemic has also changed traditional sales and marketing strategies by making online marketing and communication technology more necessary. The sector has been embracing digital technology gradually since the epidemic, but there is still a long way to go before implementing an end-to-end digital approach. So, before we go any further, it's important to go back to the beginning and fully comprehend what this "digital revolution" entails.

The internet has changed our lives, communication, and procurement practices and strategies. The use of the internet for health information is increasing as internet access grows. According to global estimates, health-related questions or information account for approximately 4.5% of all internet searches. According to population-based surveys, 72% of online Americans and 71% of European internet users searched for health information at least once in the previous year. The use of mobile devices exacerbates these tendencies. Consumers today use the internet not only to find health information, but also to self-diagnose and obtain various health services or products. A website that promises to ship, distribute, or administer medication to customers directly via the internet is known as an online pharmacy. The market for online pharmacies is expanding as a result of factors including the quick development of the internet, the rise of digital health, the decline in one-on-one doctor-patient interactions, consumer experience with online shopping, the simplicity of mail-order business, and distance selling.

Customers are using the Internet to replace trips to the corner pharmacy. There are hundreds of websites selling prescription medications and other health products here. Many of these are legitimate companies that provide genuine convenience and privacy. They take the same precautions as traditional medication administration methods. Customers can trust these

services in the same way they trust their local pharmacist. Some of these locations are affiliated with well-known pharmacy chains. Others are small, independently owned and operated pharmacies that have been established to provide their customers with electronic services.

Due to the recent growth of e-commerce in India, customers have been drawn to buy medicine from online websites. The online drug store is one of the items that will generate a lot of interest in the coming days. An online drug store is a website that sells medications that have been prescribed by a doctor. The sale of medicine through an online platform is not a novel idea. It has only recently flourished in the age of the internet. Drug stores in the United States began selling physician-recommended medications through mail orders in the late 1980s. The web pharmacy was soon launched in the United Kingdom. Assessments conducted in mid-2004 revealed that there were over 1000 sites selling medicines. The retail pharmacy has long been the Indian population's primary source of medications. Retail drug stores, on the other hand, profit from areas of the country that are remote. A substantial portion of the Indian population does not buy medicine online, possibly because they are unaware of the concept of online drug stores or because they lack necessities such as the internet. Whatever the case may be, things are shifting right now. With the increase in computer literacy, internet availability, and smartphone popularity.

Customers can get home delivery, easy access, and reminders from online pharmacies, as well as budget-friendly deals. Companies encourage prescription uploading to avoid serious health risks.

Despite the fact that online drugs are a growing trend, the industry is being tested by administrative issues. The Information Technology Act of 2000, the Indian Medical Act of 1956, the Pharmacy Act of 1948, and the Drug and Cosmetics Act of 1940 are all pharmacy-related laws. In India, however, no laws governing online pharmacies have been enacted. According to Indian laws, medicines can only be sold by a registered pharmacy with a retail license and a registered pharmacist on the payroll.

## **2. LITERATURE REVIEW**

Consumers now make information-based purchases over time (Ante, 2009). Online pharmacies are a growing trend that started in the late 1990s. According to Sah et al. (2018), the Indian internet drug business is expanding significantly. Convenience is the primary driver of online shopping (Oppenheim and Ward, 2006). In the Asia-Pacific region, online pharmacies have



several prospects. The market for online medications is now being led by NetMeds, 1mg, Pharmeasy, MedLife, and pharmacist. E-commerce and the retail sector are both growing, as has been noted (FICCI, 2016). E-Governance has been implemented by the Department of Pharmaceuticals (as part of the Digital India programme) to provide information and services online. The Ministry of Chemicals and Fertilizers' Department of Pharmaceuticals stated in 2017 that one of its top priorities is to make medicines freely accessible at reasonable pricing. Online pharmacy may be trustworthy (verified) or unreliable (non-verified) (Prashanti, Sravani and Noorie, 2017). While some online pharmacies need a legitimate prescription, others do not (Chaturvedi, Singh and Kumar, 2011). Many experts contend that both at medical stores and online pharmacies, the legitimacy of medications is in doubt. E-prescription use can assist eliminate legibility errors (FICCI, 2016). "It's not about how the medicine is offered, but how the regulatory agencies have to behave," says Dr. Arvind Kasaragod, Director of Medical Service at the Cloud nine Group of Hospitals in Bengaluru (Reddy, 2017). Along with dispensing medications to customers, online pharmacies offer a variety of advantages. India still has severely twisted medical purchasing practices. The Indian pharmaceutical market is still quite skewed. 50% of respondents admitted to buying drugs without a prescription, and 36% said they never ask for a bill at the pharmacy. (Dey, 2016)

Gupta et al. (2020) conducted a study on consumer purchasing patterns for e-pharmacies. 100 respondents from the city of Jaipur were selected at random for this study. And the study's findings showed that there was very good customer awareness of online pharmacies. Both online and physical pharmacies sell medications to the residents of Jaipur. However, the government and other relevant authorities still have a lot of work to do to inform the public about the many risks associated with using an online pharmacy. "A study on E-Pharmacies: An Emerging Market in Indian Retail Pharmacy, An Indian Perspective", was conducted by Salter et al. (2014). In this survey, 252 respondents were considered, and most of them, or 66% of them, purchased medications online. As there are still no official regulations governing the sale of medications online, the author advised that to prevent improper drug usage, the scanned prescription must be validated properly when the order is placed and again when it is delivered.

Pujari et al. (2016) conducted a study on consumer pharmaceutical purchasing behavior toward prescription and over-the-counter medications. The purpose of the study was to determine how consumers choose their sources of information regarding pharmaceutical products. What

factors affect consumer behavior when choosing a medication? The study included 100 respondents, and the findings were really intriguing. Only 60% of people bought their medications based on a doctor's recommendation, although other considerations including a magazine, online articles, relatives, and friendly recommendations were as important. According to the author, pharmacist and doctor recommendations are not more important to individuals than price when it comes to choosing their prescription.

Anwar et al (2020) study on "Factors Leading to Preference for Buying Online Medicines and their Effects on Actual Buying Behavior" focuses on several reasons why the public accepts e-pharmacy. Cost-effectiveness, convenience, and anonymity are a few of the important considerations. The author has also discovered a few additional reasons why India's e-pharmacy is expanding so quickly, including the Digital India program, an e-healthcare initiative by the Indian government, and foreign direct investment.

Singh et al (2020) studied the effects of e-pharmacy on society and the pharmaceutical industry in times of economic pandemic. This paper's research focuses on how online pharmacies have affected the situation during the COVID-19 pandemic. The author discusses the many positive effects that e-pharmacy has had on society. Delivering medication at a reasonable price to all locations is the goal of online pharmacies. But a significant issue with e-pharmacy is self-medication. The Drug and Cosmetics Act of 1940 and the Pharmacy Act of 1948 were both too antiquated and lacked any provisions for the sale of medications, thus the Government of India established regulations for operating online pharmacies.

Srivastava et al (2020) examined how Indian consumers used and used e-pharmacies. Since the general population is unaware of the advantages of using an online pharmacy, it is necessary to demonstrate their use and benefits in addition to providing better customer training. The "home delivery" of internet-purchased medications was appreciated by the customers, and they preferred to place their orders online in the event of an urgent illness. The outcomes imply that the e-pharmacy application is user- friendly. The availability of outdated and inaccurate information would cause clients to feel distrustful.

### **3. RESEARCH GAP**

After reading various research papers and articles and understanding the various objectives and

methodologies used, we identified that in the context of India, there is little research on online drug purchases. The factors and trends affecting the purchase of generic and brand-name medications online have not been researched by the researchers.

#### **4. OBJECTIVES OF THE STUDY**

1. To know the factors responsible for buying medicines online.
2. To examine whether the sale of medicines via the internet supports their safety and appropriate use.
3. To determine how customer purchasing habits for generic and non-generic medications vary.

#### **5. RESEARCH METHODOLOGY**

To avoid asking questions that could be interpreted as being presumptuous and to better comprehend the participants' perspectives and analyses, a questionnaire has been designed. The purpose of the questionnaire is to assist the participant focus on a smaller range of factors. The questions are straightforward, and the answer choices are clear. It was crucial to ascertain the nature of the study in order to choose the data collection techniques. The study was grounded in exploratory research because the study's primary goals were more exploratory and relied on dependent or non-numerical data. In-depth insights and the essential data could be obtained by combining quantitative and qualitative methodologies

There was an online survey with multiple choice questions. Google Forms was used to build the online survey. There were 10 multiple-choice questions in the survey. The survey was mainly targeted among 100 respondents post covid at the local people in Pune region to know their preferences in the current scenario.

#### **6. DATA ANALYSIS AND INTERPRETATION**

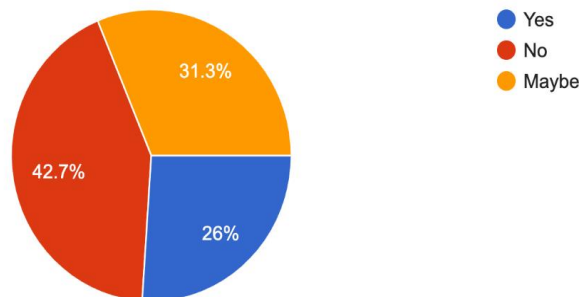
Both qualitative and quantitative methodologies were employed for data analysis, just as they were for data gathering. The necessary data was displayed using Google analytical tools

including pie charts and bar graphs. After circulating the google form and collecting the responses; the responses were represented in various statistical and graphical form.

The raw data for the questionnaire is represented graphically in the following figures below. The representation is for the 100 responses received and is divided into the basics of the options provided. This data has also been analyzed in the form of tables to provide a clear picture of the information gathered.

Do you prefer buying medicines online?

96 responses

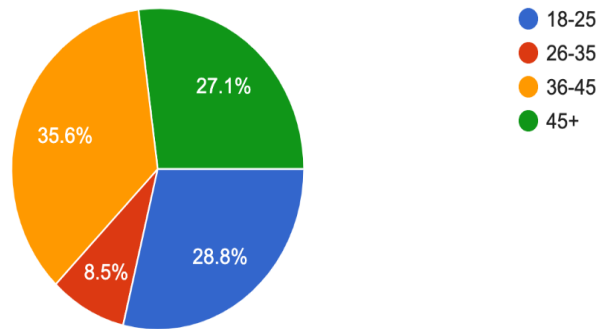


**Figure 1**

This data shows that there are very few people i.e., around 24% who prefer buying medicines online. 42% of them do not buy medicines online and 33% of the people have a lack of knowledge about online medicine websites.

Age

59 responses

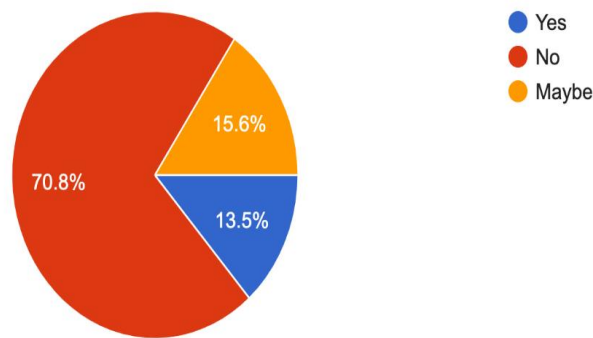


**Figure 2**

Here, we got maximum responses from the age group of people between 36-35 and the least responses were between the age 26-35.

Do you frequently purchase medicines online?

96 responses

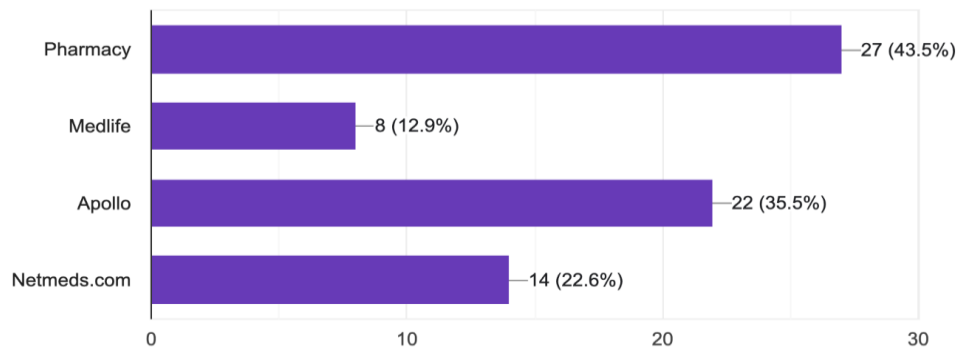


**Figure 3**

Here, the data shows that most people do not use online sites to buy medicines. 16% of the people buy medicines online and 10% are not sure.

If yes, which site do you use to buy medicines online?

62 responses

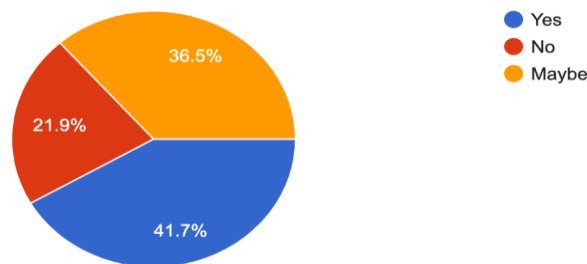


**Figure 4**

There are numerous websites for buying medicines online. There are very few websites which are trustworthy. Now, 46% of people use pharmacy.com, 13% use Medlife, 17% use Apollo and 24% use netmeds.com to buy medicines online.

Do you believe that people don't frequently buy medicines online because they lack knowledge?

96 responses

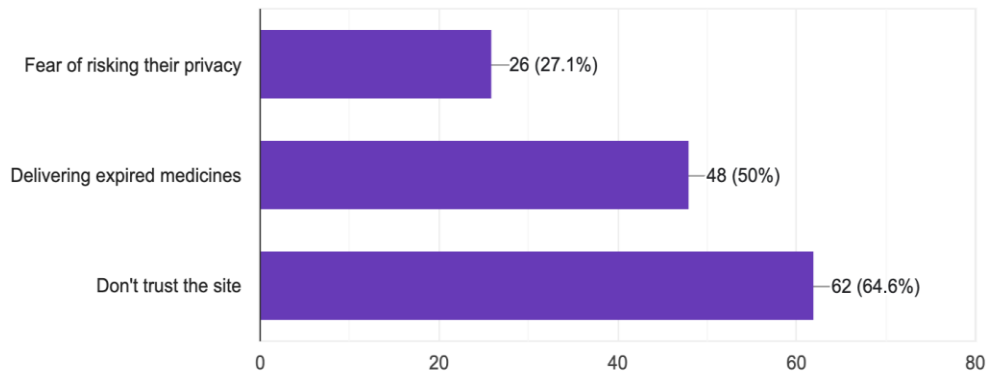


**Figure 5**

It is possible that due to lack of knowledge of buying medicines online as it is not that popular people do not tend to buy medicines online. In this figure it shows that 42% of people think that people do not buy medicines online because they do not have enough knowledge about it. 34% of them think that lack of knowledge is one of the reasons and 22% of people do not believe that

### What prevents consumers from buying medicines online?

96 responses

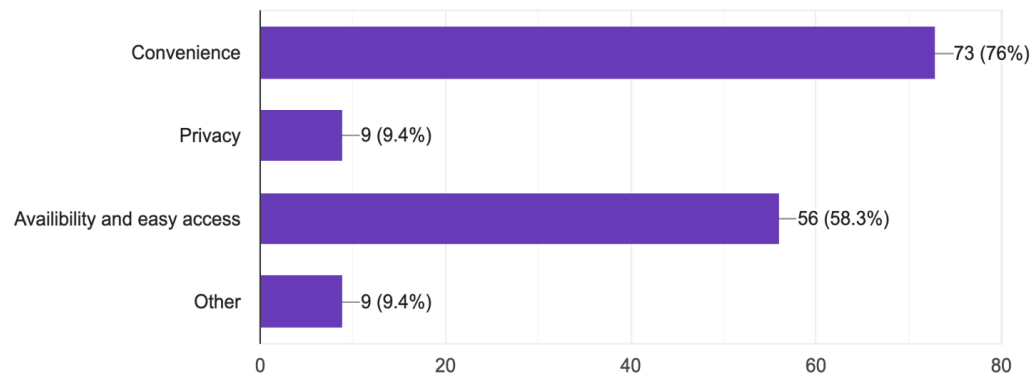


**Figure 6**

Even though people know about online websites of medicines they do not prefer buying online. Now, 54% of them do not trust the site, 43% of them think that they will deliver the expired medicines and 22% of people fear that their privacy is at risk.

### What do you think are the benefits of buying medicines online?

96 responses

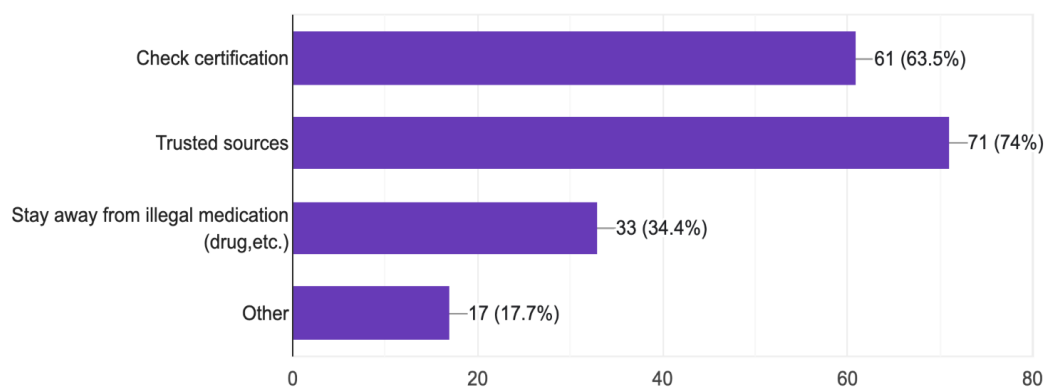


**Figure 7**

There are many advantages too for buying medicines online. 62% of people think it is convenient to buy medicines online, 48% think that it is easily accessible and others think that there is privacy and other benefits.

### What are the things consumers need to check before buying medicines online?

96 responses

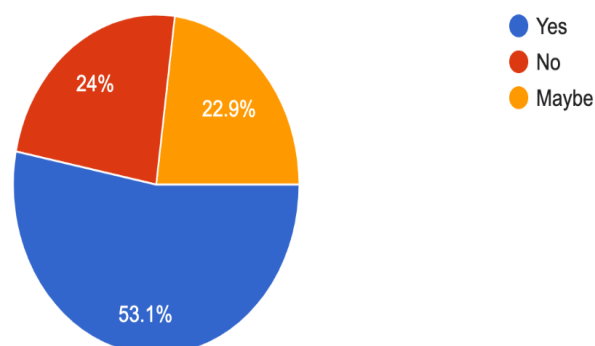


### Figure 8

If you are buying medicines online you should always be careful of certain things. 61% of people think that you should buy medicines from trusted sources, 53% of them think that you should always check certification, 29% of people think you should stay away from illegal medication.

### Do you read the terms and conditions before buying medicines online?

96 responses



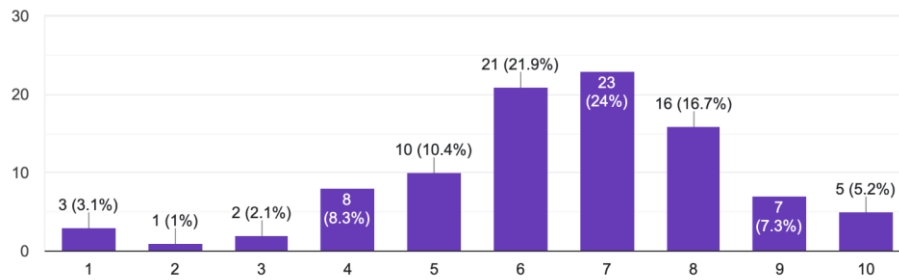
### Figure 9

Here, it is seen that people do read terms and conditions before buying medicines online. 53% of them read T&C, the other 24% don't read and 22% of people don't know.



On scale 1-10, how would you rate the trends of buying medicine online?

96 responses



**Figure 10**

Here, we can conclude that buying medicines online is trending and 24% of the people rated this 7.

## 7. FINDINGS

There was a big shift in consumer behavior during COVID-19 because people felt safe buying medicines online as they got an option to get verify their prescription and free doctor consultant. Data shows only 26% people prefer buying medicines online. 42% of them do not prefer buying medicines online and 31% of people lack knowledge about online buying of medicines. Majority of respondents belong to age group 36-45 that is 36% then 28% is shared by age group of between 18-25 and then 27.1% by 45+ age group and 8.5% between 26-35. It is found that Pharmacy and Apollo are the most used online websites medicines among respondents' groups. 41% of people think that people do not buy medicines online because they do not have enough knowledge about it. Then 74% of people think that you should buy medicines from trusted sources, 63% of them think you should always check certification and 34% think you should stay away from illegal medication.

## 8. LIMITATIONS

As a part of the study, the aim was to gather a minimum of 100 responses in such a way that all age groups respond equally. But the online mode of conduction played as a major limitation. The questionnaire was shared with 120 candidates who were randomly selected but only 96

responses were gathered out of which 61 belonged to the age group of 26-35. The least number of responses were from people over 50 years due to technological barriers. Lack of awareness of people above the age of 50 was a major drawback for conducting research in that age group. Also 70% of the people who responded do not buy medicines online, which made it difficult to analyze if there is any change in consumer behavior for buying medicines online

## 9. CONCLUSION

The use of digital services as a source is rapidly increasing in our country, especially since COVID-19 started. As per the survey we conducted, we can conclude that 70% of consumers have shifted to buying medicines online. There should be more research done to examine and compare self-medication and risk variables across community pharmacy and online pharmacies. Additionally, regulatory organizations must modify and put into effect new rules regarding the distribution and usage of pharmaceuticals during COVID-19. This study looks at how the recent pandemic has affected consumer knowledge of online pharmacies and generic medications as well as their shopping habits. It also examines the causes of shifting viewpoints, the effects of these new consumer behaviors, and the steps pharmaceutical merchants might take to become more powerful.

Online pharmacies provide their customers with several advantages, such as lower prices, simpler ordering processes, brand availability, ease of comparison shopping, etc. However, there are also several drawbacks to buying medicines online, such as reliability, payment, and security concerns, the possibility of receiving the wrong order, the lack of availability of prescribed medications, difficulties with returns, the sale of subpar goods, etc. As a result, this study aims to identify the attitudes and behaviors of consumers in relation to online pharmaceutical purchases.

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## **E-commerce and Its impact on Local Retailers and Consumer Preferences due to Covid-19**

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### **ABSTRACT**

During the past few years, India has experienced a digital revolution. There has been a large increase in population of people with internet accessibility and that has resulted a huge increase of number of people who use the E-commerce facility. To lay more emphasis on this, we have shed light on the impacts of e-commerce on different sets of consumers and retailers during covid-19; the challenges local retailers are facing while carrying out business operations in a competitive market like today's. We've also discussed the potential business plans for these businesses' development and different types of trends that have been formed and evolved as more and more individuals have started utilizing their services. We also conducted a survey where we tried to understand consumer preferences, the reason for their choice of retailers and various other factors. The major limitations that we realized from our research were that there is a certain amount of resistance that is strongly prevalent at the customer's end when it comes to their privacy and security concerns, lack of infrastructure in our nation and a huge threat that viruses possess when it comes to data theft and loss.

**KEYWORDS:** *E-commerce, Online purchase, Retailer, Consumer behavior*

### **1. INTRODUCTION**

Over the past few years, India has been experiencing a digital revolution of sorts. Over half of the country's population has access to internet-enabled mobile devices, and that translates to a

user base of over half a billion. With these stunning numbers, India has become a hub for internet-based businesses, with the e-commerce industry seeing the biggest gains.

### **1.1 E-commerce**

Electronic commerce, or internet commerce, is another name for it. It refers to the “purchase, sale, marketing, and service of items or services via electronic news and social media.” It gives firms a variety of chances to not only succeed, but also to stay afloat in the market. Organizations that conduct business through e-commerce are expected to think creatively in order to attain better organisational performance beyond their wildest dreams.

In 1991, the concept of e-commerce was formally presented, when the internet was almost non-existent in India. Some individuals could have predicted that the act of acquiring and selling products and services over the internet would become as commonplace as it is now. Purchases and sales were largely done in the market before the emergence of E-commerce, but after the debut of E-commerce in India, our lives have become lot more efficient.

Often when people think of eCommerce, they picture an online marketplace. In actuality, there's a great deal more to it than an online shop. It covers a broad spectrum of enterprises, including consumer-facing retail sites, auction/music sites, and corporate transactions and commodities.

Some of the common/ various ecommerce platforms that offer different kinds of products & services are:

- 1) Online Shopping
- 2) Online Food Ordering
- 3) Education (Online Courses or Subscriptions)
- 4) Online Payment Service
- 5) Grocery
- 6) Health And Wellness
- 7) Entertainment

### **1.2 Who is a retailer?**

The term "retailer" refers to an entity that sells goods directly to consumers, e.g., clothing, groceries, and automobiles. To make a profit, the product is distributed through various channels. Retailers are allowed to operate physically or online. Retailers usually purchase goods from manufacturers, wholesalers, or other distributors and then resell them to the public. A large retailer purchases large quantities of goods from manufacturers or wholesalers but

small, family-run pharmacies and the local grocery store can also purchase from the same sources or from smaller vendors.

### 1.3 Types of Retailers –

1. **Department store-** A department store, many smaller stores are incorporated under one umbrella and provides a variety of goods and services. Because it offers a wide variety of products at one area, it brings value to the customers.
2. **Supermarkets-** Supermarkets typically sell food and beverages, but in response to customer demand, they now also sell fashion and electronics. It has a lot of buying power, which explains why it sells at such low prices.
3. **Warehouse Retailers-** Located in locations with low premises rent, warehouse retailers can store, display, and sell a huge variety of products.
4. **Specialty Retailers-** Specialty retailers sell a unique service or product and provide expert advice and excellent service to their customers. They add value by selling related items and accessories in the same location.
5. **E-Tailers-** E-Tailers are sellers who allow customers to buy products over the internet and offer home delivery, allowing them to reach customers across a large geographic area and supply goods to them. Because they have low rent and overhead, they can offer competitive prices.
6. **Convenience Retailer–** Due of the added benefit of convenience, these businesses are generally situated in residential areas and sell just a limited range of products.
7. **Discount retailers-** These retailers give discounts on less fashionable brands by purchasing them from suppliers, reselling them until the end of the line, and then bringing back the remaining products to the supplier at the discounted rate.

### 1.4 Types of E-Commerce Models-

E-commerce is divided into four main categories. They are as follows: -

1. Business to Business(B2B)
2. Business to Consumer(B2C)
3. Consumer to Consumer(C2C)
4. Consumer to Business(C2B)

**1. Business to Consumer (B2C):** A B2C model involves a company selling goods or services to a single customer (e.g purchasing of books from an online retailer)

**Advantages- Greater control over the company:** By selling their own products, companies have full control over the entire brand experience. By selling directly to the customer, companies can connect more with their consumers, increasing brand awareness and loyalty. In addition, eliminating all middlemen and marketing freedom can increase profits.

**Disadvantages- High initial set-up costs:** Typically, companies take time to get a return on their initial investment because they have to spend so much money up front. To build a successful e-commerce brand, companies need experience, innovation and design. Additionally, competition in this e-commerce model is very high, so it's important to stay informed and keep pace.

**2. Business to Business (B2B):** A B2B business model is one in which a company sells a product or service to another company (for example, a company selling products or services to other companies).

**Advantages-**

**Predictability in the Market-** The B2B e-commerce business model provides better market stability than other company methods. B2B industries are developing slowly and are able to adapt to various market conditions. This improves your online presence and business opportunities, and increases the number of potential customers and sellers.

**Cost-cutting-:** This online business strategy results in lower costs for businesses through efficient supply chain management procedures. In most cases, automation will complete the job, which eliminates the risk of errors and unnecessary costs.

**Disadvantages-**

**Limited Market-** This type of company has a limited market base compared to a B2C company, as it concerns corporate transactions. As such, small and medium-sized e-commerce companies can take care of the risks involved.



**Inverted structure:** The B2B business model gives the consumer more power than the seller. Customisations and imposed specifications may be required.

**3. Consumer to Consumer (C2C):** When one person sells a product or service to another.  
(e.g. You sell your old furniture on eBay to another consumer).

**Advantages-**

**Increased Profitability:** There are no middlemen in the C2C E-Commerce business model. This lowers production or service costs, which leads to increased profits. C2C providers don't need to worry about additional costs like rent, employee salaries, website hosting, marketing, or third-party distribution channels. The C2C e-commerce marketplace, with no hidden costs, enables efficient interactions and transactions between seller and buyer.

**Abundant Choice:** With a large number of sellers offering specific products or services offering the same virtual location, potential customers have more options to choose from. Reliability, price, personalization, delivery method, time, periodic delivery and other factors can be highlighted on the ideal solution for consumers. Buyers find exactly what they look for, and give their pleasure and feel that they get their money.

**Disadvantages-**

**Competition:** For some sellers or entrepreneurs, competition in a market where multiple sellers provide a comparable product or service can be daunting, especially when they have to contend with cheaper, better rated or better products and services

**Platform Fees:** Some platform providers may charge suppliers (and sometimes buyers) a regular recurring fee or portion of the profit for using the platform.

**4. Consumer to Business (C2B):** When an individual sells their own goods or services to a company or organisation. (e.g an influencer offers exposure to their online audience in exchange for a fee).

**Advantages-**

**Boosting insight of consumer:** The advantage of the C2B model is that the company's customers are marketing to them and reaching a customer base that accurately reflects their demographics. They can also use information from a client's campaign for market research.

**Brand Awareness and Loyalty:** Consumers are more likely to trust advice from other clients than advice from large companies when it comes to brand loyalty and brand awareness. C2B Marketing helps the company expand its customer base and gain consumer confidence.

### **Disadvantages-**

**Unstable businesses:** Models used by C2B companies are relatively new and can be unstable compared to conventional business models such as B2B and B2C. A C2B model is risky in the long term, as it depends on the effectiveness of a customer marketing, which you cannot control as a businessman.

**Negative feedbacks:** Confidence in the customer's services for a company also means negative feedback. The company must be willing to mitigate any criticism without the communication channels with its consumers.

## **2. LITERATURE REVIEW**

### **2.1 E-commerce adoption & demographics: Impact of product characteristics.**

There was a study conducted based on the primary data collected by the students of a college in New Delhi. Demography of the respondents, transactions, security and protection of privacy, technical familiarity, as well as information about online shop experiences and future intentions to buy different types of products over the internet. I have an unstructured survey. Past online shopping satisfaction, leisure retail rates, education and income are shown as the main factors that "consumers along online purchases only affect consumers three factors as important predictors of future online shopping found. Only online shopping satisfaction, former frequency and education. Among the properties of the product showed that the high price of the product has a part () correlation with every future online purchase of the consumer. While consumers seem to be willing to purchase services with high intrinsic value sets, the intention seems to "Frequently purchased items" buy something online bilaterally. Some of the consumer and product properties affect the recruitment of the consumer in e-commerce. Research results have interesting implications for marketers. When designing an electronic

marketing strategy, you must pay attention to consumer and product properties. Compared to goods, the survey respondents said that they were ready to buy services online in the future. Therefore, services in the future seem to be a promising product category than they are sold over the Internet.

## **2.2 Emerging trends of e-commerce:**

Shahrzad Shahriari, Mohammadreza Shahriari, and Saeid Gheiji conducted a study to investigate the benefits. They also studied the impact of e-commerce on the stock market. E-commerce has been an unavoidable part of our society. E-commerce is the main way we buy. The World Wide Web has been an unavoidable part of our daily lives. They said it was very important for SMEs to compete with large companies for their existence. Small businesses can now access the services of web developers. They also serve small businesses at a low cost.

Abdul Gaffar Khan (2016) conducted a study to analyse the benefits e-commerce offers to our economy. The author also sought to study the challenges of e-commerce in our economy. The growth of IT favoured the growth of the financial sector. The authors said that as the use of smart mobile services and the Internet increases, more security issues and fraud can occur. Internet and network technologies have made many important changes in all our daily lives. The author said that e-commerce has many benefits, adding value to customer satisfaction. E-commerce makes it easy for us to buy goods and services using the internet.

## **2.3 Growth and prospects of e-commerce.**

Growth: E-commerce is one of the fastest-growing areas of the Indian economy. India's e-commerce industry, characterized by high growth rates, lags behind many developed and emerging economies, primarily due to its relatively low Internet user base. According to a 2015 survey conducted by global management consulting firm AT Kearney, only 39 million people made online purchases in India. It's a very small part of the 1.2 billion people living in this country. However, the increasing proliferation of technology combined with the spread of the Internet and mobile phones provides an ecosystem that favours the development of India's e-commerce. The country is currently at the pinnacle of the digital revolution. The cost of owning an effective internet connection has been reduced due to the launch of 4G services and the decline in data plans and data card / USB dongle prices. Extending the availability of low-cost smartphones to the farthest points of the Internet and broadband will expand the Internet user

base and effectively bridge the gap between potential online and real buyers. National demographic dividends also seem to favour the growth of e-commerce. The survival of e-commerce companies in a highly dynamic environment can be a daunting task when combined with the epidemic and fierce competition in the sector. After that, companies need to continually adapt and innovate while providing a rich and smooth experience to ensure customer loyalty. In this study, we will explore the evolution of e-commerce in India and explore various issues along with the factors responsible for the future growth and development of e-commerce.

Marketing moves into the Internet era and requires new research projects to learn the most effective things in e-commerce. This study examines untapped areas that implement Jutkins(1999)'s proposal to use traditional advertising media to promote websites. Five other traditional DM ads have been developed and sent to potential customers to determine what types of ads can attract more customers to commercial websites. Each of the five ads promoted its website address (URL) and accurately calculated the website "hits" created by each test ad. A postal questionnaire was also reported.

### **3. RESEARCH GAP**

After conducting extensive research on e-commerce and its impact on small businesses, there are numerous studies highlighting how in the present digital age, e-commerce is the most convenient platform for consumers all over the world; about its economic and social impacts and advantages over small-businesses.

But in those studies, the following themes are often absent:

1. Data protection
2. Lack of security/trust in online transactions
3. Absence of standardized data
4. Lack of awareness among government and regulators
5. Lack of digital literacy in the country

After preparing the literature review, we found out that there was a lot of research done on the recent shift in the worldwide trend of shopping online but not a lot about the potential threats that e-commerce possesses when it comes to consumer protection by means of data theft,

fraudulent retailers, lack of required infrastructure in India and the amount of decentralization; government intervention only comes into picture when it comes to the monetary transactions, which too is regulated by banks, and not the government directly. But when it comes to data theft and privacy concerns, the cyber laws of our country are quite weak and contain a lot of loopholes for fraudulent retailers to work their way around.

#### **4. OBJECTIVES OF STUDY**

By conducting a thorough literature review and data analysis of the data collected from secondary data, the research has been designed as follows:

- To understand the consumer behaviour while shopping online
- To understand the strategies adopted by E-commerce to takeover retail stores.
- To study the impact of E-Commerce on local shops.
- To understand the different types of challenges faced by online retailers and different types of business models adapted to overcome these challenges

#### **5. RESEARCH METHODOLOGY**

##### **5.1 Methods used to identify E-COMMERCE impact on local retailers:**

- Analysing the factors that affects the local retailers under the impact of e-commerce:
  - Every factor affecting local retailers as a result of online shopping behaviour was extensively studied. Factors such as age, gender, lifestyle, brand awareness, and promotions also contribute to it. Studying these factors helped in understanding the reason for changes in consumer preferences.
  - As part of a general analysis, the forces that encourage consumers to buy from a ecommerce sites were identified in order to make a comparison between the forces that cause consumers to buy online versus off-line.
  - Lastly, the online market expectations of consumers were studied.

- Studying Articles, papers, newsletters.

The factors which were discussed earlier through various articles were also studied and a brief conclusion was prepared, these were the secondary source of data which covered the impact of online stores on local retailers and the reason behind consumer buying online. However, for this study few factors were studied and taken from Primary data i.e Survey, to understand the factors clearly.

- Preparing Questionnaire:

All the factors and data that were studied from the secondary source was not enough to come to any conclusion.

Therefore, a questionnaire was prepared to understand the actual buying behaviour of consumers. The survey covered questions which aimed to understand the relevance of various factors such as discounts, variety of products available, physical examination, credit facility, speed of delivery, etc. in influencing the buying behaviour of the customer. The survey was simple and designed in such a way that consumers can relate it with their changes in buying behaviour.

### **A) Sample Design:**

#### **Design of the Study:**

The project was divided into the following phases:

**STEP I:** Examine all the factors and theories related to eCommerce and consumer behaviour.

**STEP II:** Questionnaire/Survey

**STEP III:** Analysing and interpreting Data

**STEP IV:** Prepare Report

### **5.2 Methodological Approach:**

Quantitative experimental studies provide basic understanding about the causes of a phenomenon. Research is considered valid if it is carefully designed and experiment that can be reproduced by other researchers. The research is Quantitative.

**Sample Population:**

The population for the research were students and general consumers of India and has a significant knowledge of ecommerce and its role in changing their preferences.

**Targeted Population:**

Any individual based in India and has witnessed the rise of ecommerce industry and how It has impacted the local retailers.

**Instruments Used****Questionnaire Survey**

The survey consisted of 22 multiple-choice questions. The aim was to conduct the survey with 153 customers. A customer was defined as a person who buy products from online stores or used to buy from local retailers. Participants were given ample time to fill in the survey with restricted entries, and the form was circulated to 250 individuals out of which 153 responded.

**Form Features:** Responses will only be accepted once per person according to the form's settings. After submission, the option to edit has been disabled because our goal is to keep responses natural.

**Tools Used**

- **Google scholar:** Literature review and browsing through pre-existing research with Google scholar
- **Google Forms:**  
Anonymity, safety, and integrity of participants' data is ensured using this tool.
- **Microsoft Excel:** Used for curating and analysing data.
- **Social Media Platforms (WhatsApp, Instagram, G-Mail etc):** Used for collecting the data and sharing the questionnaire to the target population.
- **Microsoft Word:** Used to compile final data

**6. DATA INTERPRETATION AND ANALYSIS**

The survey conducted for the research helped to find out various factors that affected local retailers due to the changes in consumer's behaviour in the online and offline market and what are their expectations.

There were also questions about the COVID-19, which revealed customer behaviour during an emergency.

1. Respondents Category
2. The graph shows the age distribution of the respondents. It was found that 87.6% of the survey takers belong to the age group 18-24. And were mainly students.
3. Around 9.8% of the respondents were from the age bracket (24-30)

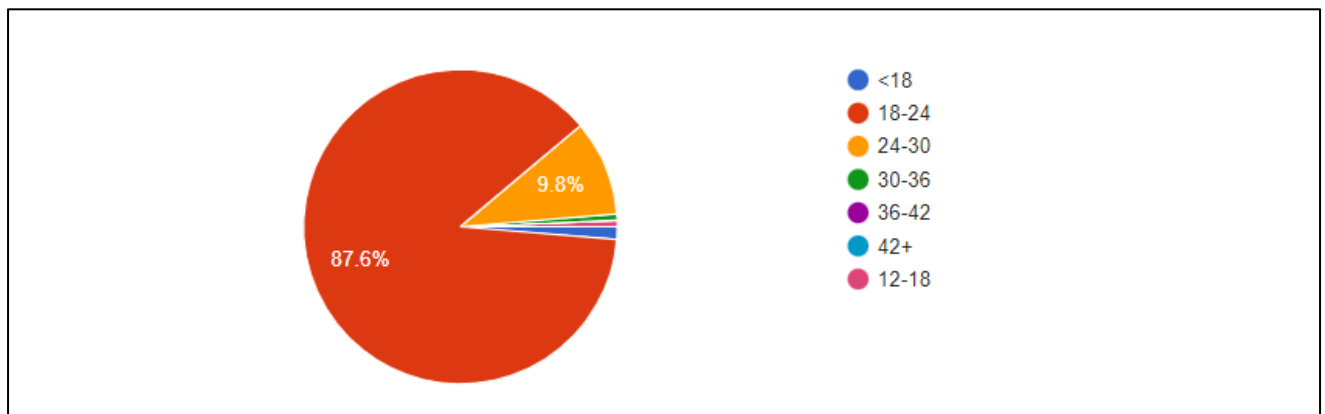


Fig 6.1: Distribution of Age

### 1. Consumer Preference

26.1% of the customers preferred buying products and services only from online or eCommerce sites, while 62.1% were those individuals who would like to buy from both the platforms and only 11.8% of respondents prefer purchasing from local stores.

| Preference | Number | Percentage |
|------------|--------|------------|
| Online     | 40     | 26.1       |
| Instore    | 18     | 11.8       |
| Both       | 95     | 62.1       |

Table 6.1: Preference of Consumer in Buying Products Online and offline



## 2. Buying activity of consumers from online stores

The consumers were asked, how often they prefer buying online and as a result 69.3% of individuals choose “frequently”, which means they buy from online stores generally and on day-to-day basis.

| Category              | Number | Percentage |
|-----------------------|--------|------------|
| Infrequently          | 31     | 20.3       |
| Frequently            | 106    | 69.3       |
| Prefer buying offline | 15     | 9.8        |
| Sometimes             | 1      | 0.7        |

Table 6.2: Table showing consumer buying behaviour from online stores

## 3. Impact of Covid-19 on buying from ecommerce platforms?

On analysing the data, it is found that majority consumers buy online or use ecommerce for the “convenience”.

- Around 134 customers out of 153 choose convenience as one of their reasons to use ecommerce or purchase products and services online.
- It is generally observed that consumers like to buy those goods and services which are easily accessible and can be used from the comfort of their places.

Another factor which most of the customers considered important as their reason for using ecommerce was “Discounts”

- Discount as a reason for buying online was opted by 107 customers out of 153 respondents.
- Discounts is considered an important factor too, and when it comes with convenience it makes it dominant in nature.

| Category       | Number | Percentage |
|----------------|--------|------------|
| Convenience    | 134    | 87.6       |
| Discounts      | 107    | 69.9       |
| Festive offers | 52     | 34         |

|                                |    |      |
|--------------------------------|----|------|
| More variety                   | 81 | 52.9 |
| Privacy for discreet purchases | 20 | 13.1 |
| Easy return                    | 72 | 47.1 |

Table 6.3: Table showing reason behind purchasing online

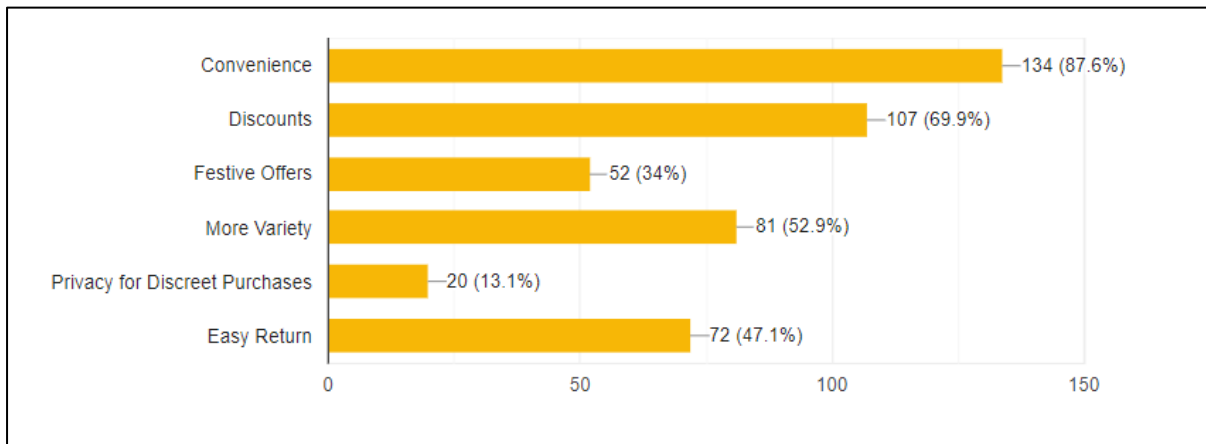
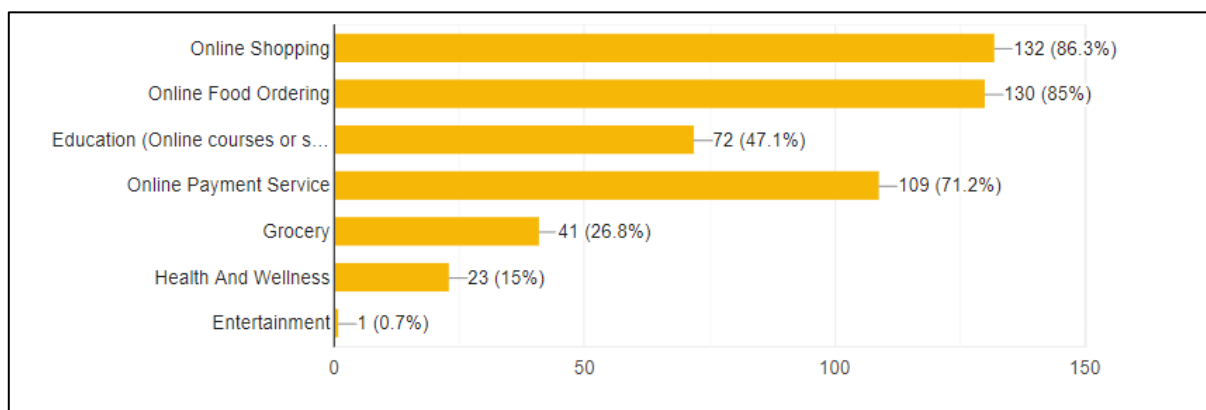


Fig 6.2: Graph showing reason behind purchasing online

#### 4. Reason behind buying from online stores

| CATEGORY                                    | NUMBER | PERCENTAGE |
|---|--------|------------|
| Online Shopping                             | 132    | 86.3       |
| Online Food Ordering                        | 130    | 85         |
| Education (Online Courses or Subscriptions) | 72     | 47.1       |
| Online Payment Service                      | 109    | 71.2       |
| Grocery                                     | 41     | 26.8       |
| Health And Wellness                         | 23     | 15         |
| Entertainment                               | 1      | 0.7        |

Table 6.4: eCommerce sites mostly used by Consumers.



*Fig 6.3: eCommerce sites mostly used by Consumers*

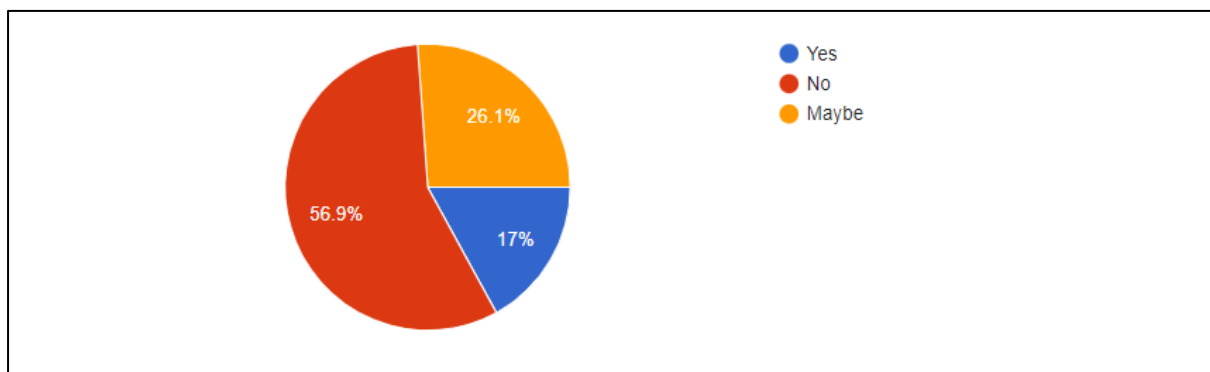
It was evident that most people use e-commerce sites either for online shopping or online food ordering service, around 130 respondents out of 153 opted for these options.

Another service which was opted by 109 customers was online payment service, followed by education (72 respondents), Grocery (41 respondents) and Health & Wellness (23 respondents).

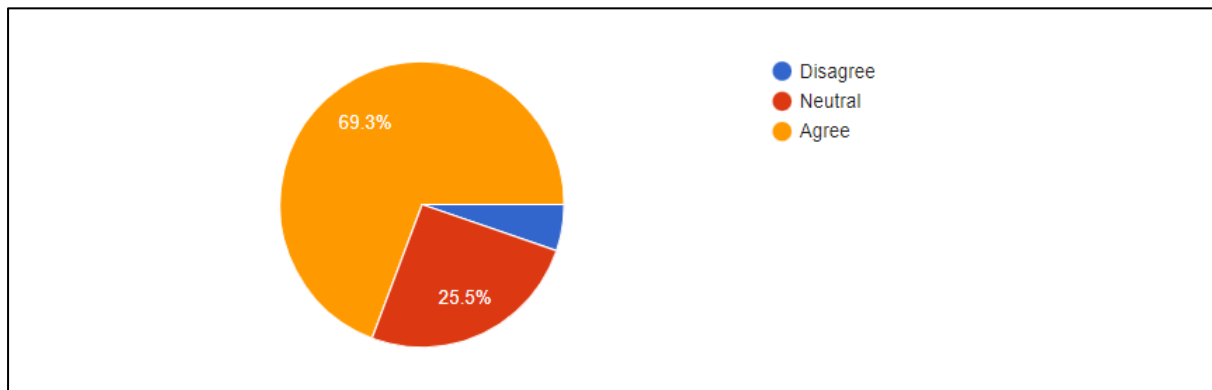
### 5. Reason for not buying from local stores

When it comes to change in consumer behaviour, many customers believed that they have stopped buying from local retailers because of the convenience and offers they get from online stores.

- 17 % Consumers also agreed on the fact that they shifted their purchasing preference from local retailers to online shops after the introduction of eCommerce sites in the country. However, 56.9% disagree on this fact and 26.1% partially agrees to it.



*Fig 6.4: Graph showing eCommerce to be the reason for destruction of local markets*

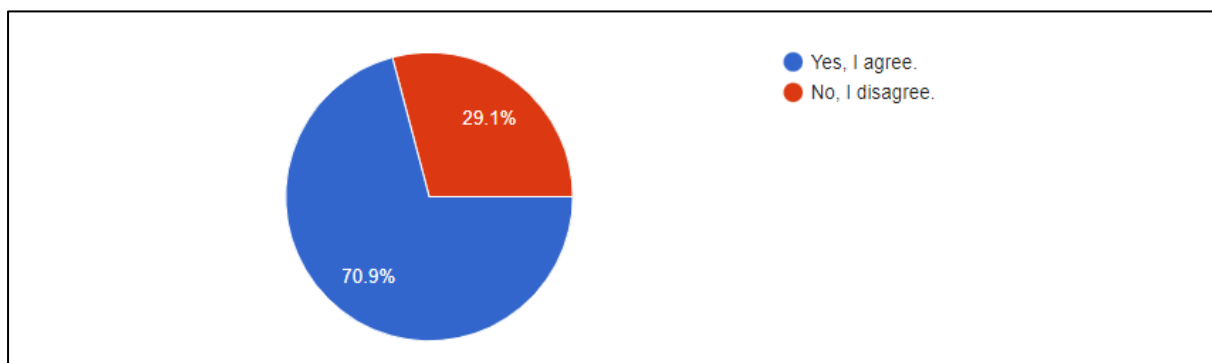


*Fig 6.5: Consumers' take on local industry*

Local Retail industry has seen a downfall in recent years, there were many factors which affected this sector, The owners who were not able to cope up with the technological advancements faced disruption in consumer behaviour and eventually lost their clients.

On Analysing the survey, it is clear that E-commerce has affected the local industry, 69.3% customers agrees to this and 25.5% stays neutral.

#### **6. launching 'exclusive products' (products available only on online shops)**



*Fig 6.6: Figure highlighting the unfair practice of brands.*

Exclusive Products are some specific commodities launched by the brands, which are available only on online stores.

These schemes narrow the scope of local retailers as they are not eligible for the flagship commodity. Earlier, One Plus used to launch its smart phones only on Amazon (eCommerce site of consumer goods) and customers could only buy their products from Amazon.

In our survey, 70.95 individuals agree on the fact of launching products exclusively is unfair for the local retailers.

## 7. Role of Lockdown in the growth of this industry

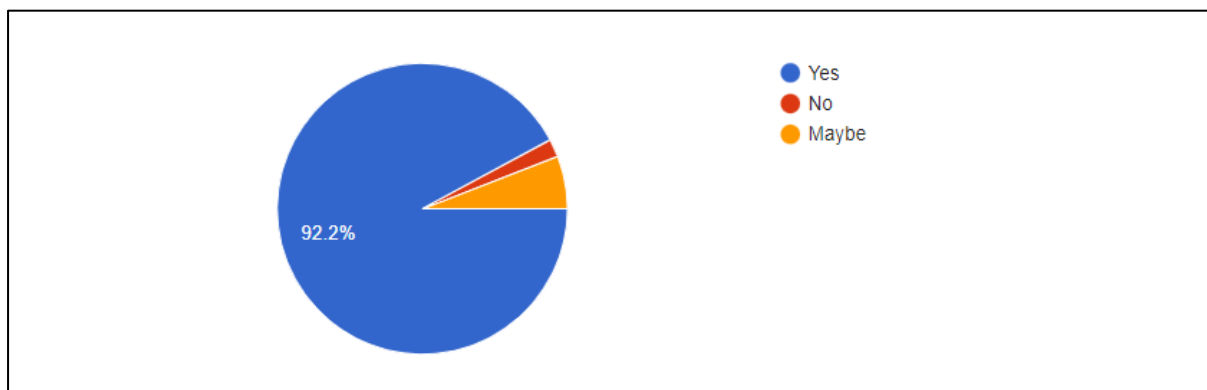


Fig 6.7: Graph showing the impact of lockdown on consumer preference

Lockdown imposed due to pandemic played vital role in changing behaviour of consumers and lead to the growth of eCommerce industry. As physical distance has to be maintained, customers preferred buying products and even services through online channels.

- According to the survey conducted, it is found that 92.2% customers agree on the fact that Lockdown was an important factor for the growth of E-Commerce industry.

## 7. FINDINGS AND CONCLUSION

### 7.1 Key observations:

From our extensive research, we can conclude that the factors had a significant impact on consumer behaviour, the delivery speed of the packages, the diversity of the in-house, available payment methods and the goods price. The unavailability of the credit facility has not influenced the purchase behaviour of consumers. Small retailers have an advantage because they offer help in the form of sellers, little or no uncertainty after the physical examination of the products. COVID-19 has changed people's opinion for purchasing groceries online.

## 7.2 Unique contributions to the study:

We have focused on the different types of impact e-commerce has on different categories of people, such as marketers and retailers; We also discussed various e-commerce trends, future development methods, the challenges e-commerce is facing and the impact it has on the performance of products offered to customers in today's highly competitive marketplace.

## 7.3 Scope for further research:

The research may cover various other factors, such as the consumer's purchase intention, to find out how these factors affect the purchase intention

Personal interview of retailers could be conducted for a different perspective of the same study.

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## **Impact of Rapidly Changing Supply Chain Management Methods, Ethics and Digital Marketing Strategies on the Fast Fashion Industry**

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### **ABSTRACT**

Fast fashion is the manufacture and distribution of clothing designs that constantly change to stay in trend with celebrities' current goings and comings. It is usually the process of shifting clothes from fashion runway shows and catwalks to standard or luxury clothing outlets in weeks, if not days. When it first entered the market, fast fashion and the industry seemed like a utopian umbrella full of glitz, glamour and galore. However, the following years of careful analysis and contemplation unearthed a darker reality, that of inhumane working conditions, toeing the ethical boundaries daily. Through this research paper, we aim to study past and present fast fashion trends and see the effects of three essential factors on its production levels:



supply chain management, digital marketing and the ethics concerned with the fast fashion industry especially in the post pandemic scenario. We considered many key stakeholders - primarily the GenZ population and their opinions, and extensive secondary data. Through our research, we aim to understand fast fashion and everything about its success and eventual future.

**KEYWORDS:** *Fast Fashion, Supply Chain, Digital Marketing, Ethics, Sustainability*

## 1. INTRODUCTION

Before the industrial revolution, people used to make their clothes and repair them when necessary. At that time, the concept of Fashion or dressing to impress did not exist. People used to wear clothes only for practical reasons. Clothes were made to be durable and last a lifetime. As time progressed, people started shifting their focus from making durable clothes to making clothes for Fashion; these clothes were less durable and only made for style. The New York Times used the phrase "fast fashion" in the 1990s to characterize the mass manufacture of cheap garments, using Zara's new rapid production methodology as their example. In line with this approach, clothing was created fast from the design stage, which was influenced by Fashion Week, to the stores where it could be bought by anybody.

Fast Fashion may be defined as inexpensive, fashionable apparel that quickly responds to customer demands by incorporating runway or celebrity culture trends into items of clothing that are sold in well-known street retailers. The goal is to incorporate the newest fashions onto the commercial as rapidly as possible. Customers purchase fashionable products when they are still at the top of their popularity and then discard them only a few years later. Consumers were gradually encouraged to buy more than they needed and discard it, cultivating the "throwaway" culture.

Supply Chain Management is the complete handling and production of goods. This includes everything from acquiring the raw material to delivering the finished goods to the consumer.

A conventional supply chain management system consists of five parts: planning, sourcing, manufacturing, delivery and logistics, and returning.

Under planning, the team plans and manages all resources required to meet the customer's demand for a company's product or service. When the supply chain is established, the team determines the metrics. It ensures that the supply chain is efficient and effective in delivering value to customers and meeting the company's goal. Sourcing includes identifying and forming relations with suppliers that you can trust. The key process in this is ordering, receiving, and managing inventory. Apart from that, this process also includes authorizing supplier payment. Manufacturing includes organizing the necessary activities to accept raw material, manufacture the product, quality test, and get it packed and ready for shipping. Delivery and logistics include coordinating customers' orders, scheduling deliveries, dispatching the ready cargo, preparing invoices, and receiving payments. Returning creates a network to process any deliveries that need to be returned as they may be defective or unwanted. Effective supply chain management is essential as it helps minimize cost and time invested and helps boost the production cycle of an organization.

Fast Fashion, from its name, speaks of a recent phenomenon that caters to a public that prides itself on an ever-changing trend of clothes, accessories, and galore. One exciting factor to investigate in this industry is the ethical dilemma associated with fast Fashion. Fast Fashion entails the manufacture of cheap and trendy clothes that are, more often than not, worn twice, maybe thrice, and then discarded. The ramifications of this are monumental. On average, almost 1.7 million tons of cloth waste are generated, of which only 2.5 million are recycled. This magnanimous waste of clothes is not only insensitive to the poorer sections of society but also causes significant environmental setbacks. Almost \$500 billion is lost annually because of discarding clothes that were barely worn or, in some cases, never. These statistics paint an ugly picture, showing how inhumane fast fashion practices can sometimes be. Besides the environmental impact, it also spreads a dark shadow over labor practices. Fast Fashion has seen many stories of workers being paid a pittance that is half the minimum wage rate, being employed for horrendous hours, and, generally, being exploited to the bone. Ethically, if we

look at this situation, it is clear that the industry will have to come up with a better way to sustain its human resource equivalent or face a significant fallback someday.

The ethical and moral questions that can be asked on the subject of fast Fashion are endless. What does it do to the environment? What are the working conditions necessary to produce clothes quickly and in huge quantities? Moreover, what exactly attracts people to play a part in this ethically gray area of the apparel industry? These are all questions we wish to answer by the end of this project, particularly about how human psychology works when it comes to these purchases, why it works this way, and if what we are endorsing is ethical. The fashion industry is broadly classified into apparel, footwear, cosmetics, and accessories. Digital technology today is so advanced that the algorithm knows what the consumer wants; this has a very high advantage for the company as the campaigns shown to the consumer will then depend on what the consumer likes. For example, if a consumer is thoroughly into sports, then the digital marketing campaigns shown to him will be all about the sports apparel of the company.

According to Mckinsey, "Fast Fashion has changed the market for good. Across most apparel categories, items are kept half as long as they were over a decade ago, with some of the lowest priced garments disposed of after seven or eight wears." Companies around the globe have compressed their production cycle to achieve this. Companies today put the items displayed on the ramp for sale within two weeks. This enables the shopper to expand their wardrobe and keep up with the latest fashion trends. The Fast Fashion supply chain is not only about the production but also the before and after, meaning that digitalization, more robust analytics and a good backend process play a very crucial role in this as well.

The pandemic has had an impact on the entire world population, whether on a political, socio-economical or personal level. The initial lockdown forced many brands to shut their stores due to their inefficiency to manage them. The crisis had a huge impact on numerous brands but more on its supply chain and the people involved, exposing its unhealthy structure.

However, the fashion industry changed for the good, post pandemic. Before covid, consumers used to visit the brick and mortar stores for purchase of apparels but since the pandemic took place brick and mortar stores have become a history and people prefer purchasing online. Not

only this but a report by McKinsey<sup>6</sup> indicates that although there was a visible channel shift within the fashion industry, the online sales levels could not make up for the loss of in-store sales.

Market research also indicates that people started becoming conscious about what they wore daily post pandemic. During the lockdown people had a lot of time to think about what kind of clothes they like to wear and about their choice of fashion. The pandemic completely changed how people expressed themselves via their favorite fashion styles, the major reason for this can be the complete lockdown and the inadequate social interactions that people faced during the lockdown.

Our aim in this research is to analyze how the changes in supply chain management, ethics, and digital marketing strategies affect the fast fashion industry. We will use various methods, like primary and secondary research and analysis tools, to work on this project.

## **2. LITERATURE REVIEW**

Through the various research papers that were addressed, analyzed, and interpreted, we could extract a literature review we could work with to understand our research question further.

Fast fashion is a very new market that has only existed for thirty years. However, with the supremacy of major international companies, it is currently developing at an astounding rate. The relationship between fashion and consumer behavior has not generally been the subject of much interest in the literature. The issue is significantly worse for the fast fashion sector since this growing business is rarely taken into consideration in consumer behavior studies. This might be attributed to the fact that the fast fashion industry is still growing and that it will take some time before an adequate theoretical framework for this problem emerges. Furthermore, the fast fashion business is typically seen as a minor part of the overall fashion industry. Thus, its features and consumer behaviors are assumed to be the same as the ordinary fashion industry **(Tran, 2020)**

Twenty years ago, shopping for clothes was not a luxury but a necessity, unlike what it is today. The early 2000s and the late 1990s saw the height of low-cost fashion. Online shopping surged

as fast-fashion retailers like H&M, Zara, and Topshop took over the high street. The designs and styles from the top fashion firms were promptly and affordably copied by these businesses. Given that everyone has access to trendy apparel whenever they want, it is easy to see how the pandemic spread.

Inditex describes its business model as “creativity and quality of design together with a rapid response to the market demands” and the “Democratization of Fashion.” Zara and Inditex together have revolutionized the fashion industry by giving it the fast fashion model from their origins in Galicia. These businesses, which are becoming more globally renowned, create clothing that is tailored to shifting consumer desires rather than predetermined seasons and the whims of famous designers. It is inevitable that Inditex's sales and shop opening growth would ultimately slow down. This slowdown will probably be brought on by competitors using its business model more and more. **(Crofton. S., 2011)**

The main raw materials used in this sector are cotton, polyester, and nylon. In the early years of the 21st Century, polyester surpassed cotton as the most popular fabric in the textile business. It is a by-product of petroleum. Nitrous oxide, greenhouse gasses, and heavy metals are released during the manufacture of polyester. The majority of polyesters employ hazardous antimony as a catalyst. Like polyester, nylon is a petroleum by-product that releases tons of hazardous fumes during production. It goes without saying that neither substance is biodegradable. It was a general trend that the fast fashion industry used polyester and nylon to boost their sales further while harming workers.

Today's fashion business is second only to the oil and gas sector in terms of global pollution. With an increase in clothing purchases of 400% from 20 years ago and the production of approximately 80 billion garments annually. One-third of the fashion industry's manufacturing is located in Asia, which requires a lot of labor. Poor working conditions for industrial employees in developing nations, including low salaries and long hours, as well as health and safety concerns, including factories placed in unsafe structures and exposure to hazardous chemicals, are some consequences (dyes) **(Morgan, 2015).**

The use of inexpensive, hazardous textile dyes, a by-product of fast fashion, makes it one of the worst worldwide pollutants of pure water, right up there with agriculture. Fast fashion has an impact on garment workers who are denied fundamental human rights, endure dangerous

working conditions, and get meagre wages. The condition of farmers farther down the food chain, who could use toxic chemicals and inhumane methods that might have devastating repercussions on their physical and mental health, was brought to light by the documentary "The True Cost." **(Tran, 2020)**

The transition of company marketing from traditional mass communication to digital marketing has been unprecedented since the dawn of the digital era and the rise of online shopping. For instance, radio and newspapers are no longer the foundation of marketing initiatives. All business kinds should adopt digital marketing practices since they may be utilized to communicate with customers in real time, boost sales, raise brand recognition, and manage brands. **(Tran, 2020)**

A new, expanding market of more educated, technologically connected, and budget-conscious customers has evolved with the growth of mobile technology and social networks. To get the product or service they want at the appropriate time and at the price they want, these new customers employ a variety of purchasing channels. Fast fashion firms are being forced to switch from a multi-channel paradigm to an omnichannel one due to the severe impact of digital transformation on their customers. The papers present a straightforward operational tool to evaluate the degree to which fast fashion companies are operating under an omnichannel paradigm from the perspective of the consumer making a purchase. The papers also identify the key challenges that fast-fashion retailers face when attempting to transform the combination of multiple channels into truly integrated omnichannel strategies. **(Proceedings in Business and Economics, 2018)**

In recent years, social media advertising has emerged as the core of the most successful fashion firms' marketing plans. Since social media has taken off, the majority of fashion stores have begun to see the advantages of leveraging these channels to build brand value. Advertising on social media has a favorable impact on consumer purchasing decisions in the fast fashion sector. Three independent variables—entertainment, familiarity, and social imaging—out of four have a substantial impact on consumer behavior, while the fourth, advertising spend, has no statistically significant effect. **(International Conference on Business & Information (ICBI), 2020)**

The fashion-conscious segment is an influential force within the fashion industry, which has been facilitated by the growth of the new media. The study investigates the correlation between the positive and negative conversation in social media channels, fashion-conscious consumers, and the increase or decrease in purchase intention. Over the last decade, the market has witnessed dramatic changes in consumers' buying behaviors owing to the persistent introduction of new technologies followed by progress in social media.

A strong correlation between fashion consciousness, fashion-conscious segment purchase intention and a positive impact of social media on shopping was seen in these research papers. Consumers believe that social media helps them to speed up the buying process. The study also demonstrates that managers may speed up the market introduction of fresh concepts and new goods by decreasing their reliance on paid media. Therefore, fast fashion apparel manufacturers should use social media to persuade customers to acquire their products by making their products recognized or by utilizing social media as a vehicle to positively impact various segments.

Social media makes it easier to access new customers and makes companies more familiar and recognizable to existing customers. (**Academic Journal of Interdisciplinary Studies, 2015**). Today's fast fashion retailers actively use online marketing. Previous studies have shown that when customers are thinking about a brand, digital marketing has a significant impact on their purchasing decisions. It is understandable that few studies have examined how they influence customer decisions in the fast fashion industry. Actually, the fast fashion industry has a relatively high entrance hurdle for new rivals as well as a high level of competitiveness. (**Wang, 2010**).

More study is required to determine how best to use digital marketing to influence customer purchasing behavior and boost the performance of fast fashion firms. This study looks at the effect of digital marketing on customer purchasing decisions for fashion items in an effort to offer additional information and possible solutions to the aforementioned issues. Based on the literature review of various papers two research questions have been framed.

RQ1 To what extent does Digital Marketing affect the rapidly changing fast fashion industry?

RQ2 How do ethics alter the supply chain management policies in the fast fashion industry?

### **3. RESEARCH OBJECTIVES**

**Following research objectives have been undertaken for the study:**

- To evaluate the influence of digital marketing on the fast fashion industry.
- To explore the link between management ethics and fast fashion.
- To analyze the importance of supply chain management in the fast fashion industry.
- To examine the impact of the pandemic on the sales of fast fashion brands as well as buying behavior of consumers.

### **4. RESEARCH METHODOLOGY**

#### **4.1 Research Design:**

This research aims to estimate how ethics, supply chain management and digital marketing impacts the buying behavior as well as trends in the fast fashion industry. Hence, an online questionnaire was designed and circulated as it is an easier and more accurate way to gather more information about the behavior of the population in general. Research design is descriptive and is based on a cross sectional design. The survey was sent to around 150 people living in Pune using convenience sampling.

#### **4.2 Survey Design**

The survey was structured with multiple choice questions as well as rating scales. The survey was split into 4 sections:

- a. **General Demographics:** This section consisted of basic information that helped gain an insight into the participant's background like their Gender, Age, Knowledge about slow fashion and fast fashion their buying behavior (specifically in relation to fast fashion brands)
- b. **Digital Marketing Questionnaire:** This section had 3 questions which assess the influence of social media as well as marketing campaigns on the consumer buying behavior from fast fashion brands.



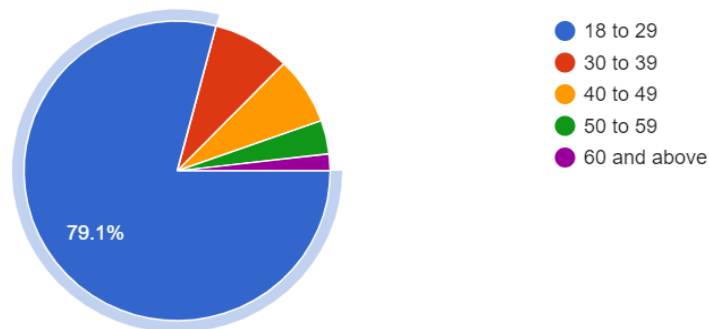
- c. Questionnaire on Supply Chain Management: This section had 5 questions and aimed at assessing the public's perspective about the supply chain in the fast fashion industry.
- d. Questionnaire on Ethics: The last section consisted of 4 questions which provided insights into the ethical side of the fast fashion industry. It helped in understanding consumer's awareness about the ethical concerns in the industry as well as their willingness to work upon these concerns.

## 5. DATA ANALYSIS AND INTERPRETATION

### QUESTION.

What is your age?

110 responses

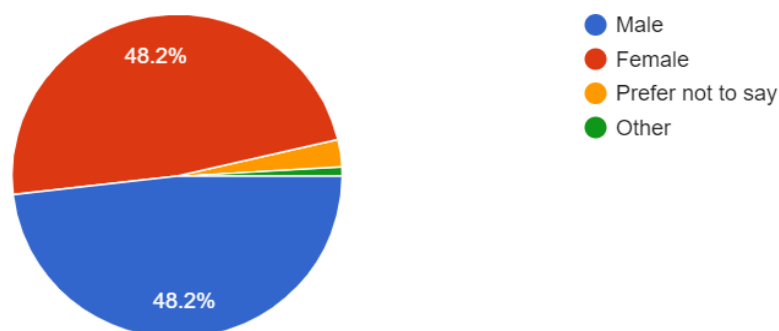


As we can see from the above chart, majority of our respondents are from the age group 18-29 (79.15), 8.2% from the age group 30-39, 7.3% from the age group 40 - 49, 3.6% from the age group 50 - 59 and almost nil from the age group above 60.

### QUESTION

What gender do you identify with?

110 responses

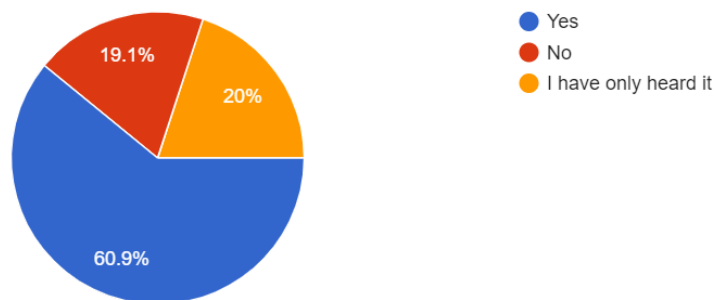


Among the 110 respondents, 53 identified themselves as females, 53 as males and 4 who did not identify. This shows that it was a nearly balanced survey among men and women.

## QUESTION

Do you know what the terms 'slow fashion' and 'fast fashion' mean?

110 responses

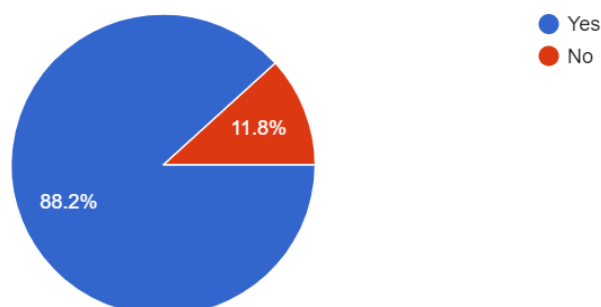


Among the 110 respondents, 67 respondents are aware about what the terms slow fashion and fast fashion mean, 21 are not aware about these terms and 22 have only heard these terms. This shows that even though these industries are very popular in current times, not all people are aware about their actual meaning even though they might be purchasing products of such industries.

## QUESTION

Do you shop with fast fashion brands? (H&M, Zara, forever 21 etc.)

110 responses

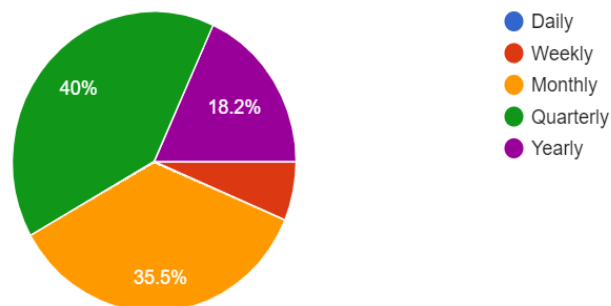


From the 110 responses that we received, a staggering 88.2% of the people shop from fast fashion brands like Zara, H&M, Primark etc. whereas only a small proportion of people (11.8%) don't purchase their products. This shows that even though these brands may have ethical concerns attached to their products, they still haven't failed to establish their presence in the market and have huge sales. Moreover, the post pandemic scenario also shows a boost in the sales of fast fashion brands.

## QUESTION

If yes, how often do you buy their products?

110 responses

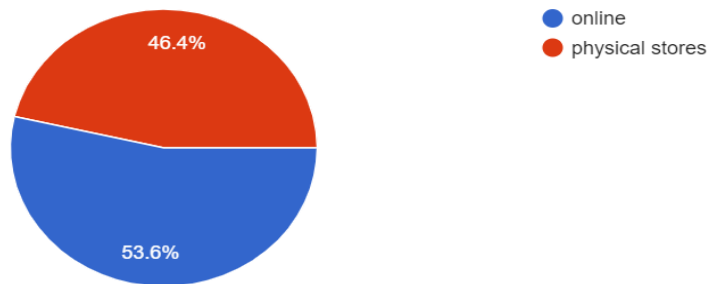


From the above chart we can see that none of the respondents shop daily from these brands, a very small proportion of 6.4% shop weekly, 35.5% shop monthly, 18.2% shop yearly and maximum respondents shop quarterly (40%). the pandemic is believed to have increased the frequency of purchases made by the consumers even more.

## QUESTION

What mode of buying do you prefer?

110 responses



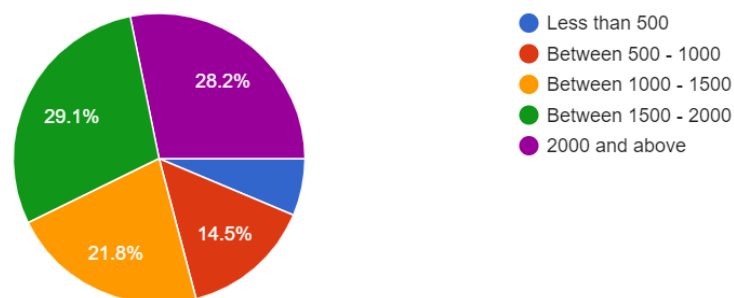
As we can see from the above chart, 53.6% of respondents prefer to buy products online whereas only 46.4% of respondents buy the products from physical outlets. The primary reason for the same could be that it is easier and more convenient to buy products online as one can do so just in a few clicks.

With the nationwide lockdowns and covid restrictions, majority of the people adapted themselves to shopping online as not only was it more convenient but also the only option available for a period of time. Considering this, more brands also shifted online and established their presence digitally.

## QUESTION

How much you spend on clothes, bags, shoes and accessories monthly?

110 responses



From the above chart,

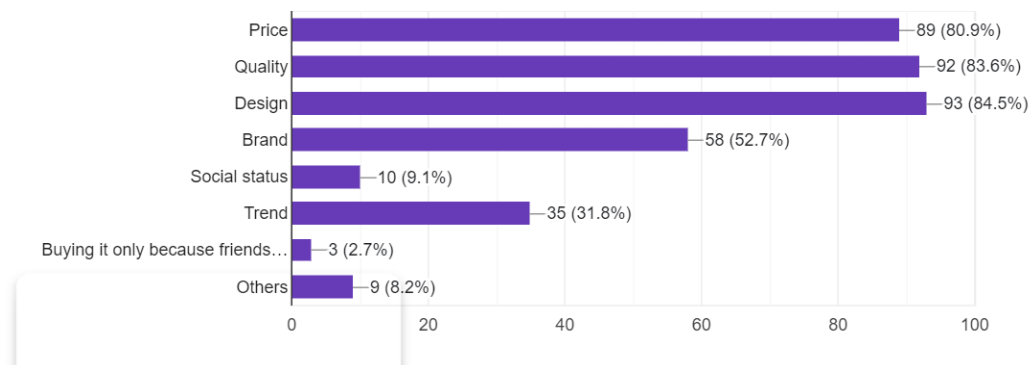
- 6.4% (7) of the people spend less than Rs 500 on clothes, bags, shoes and accessories monthly

- 14.5% (16) of the respondents spend between Rs 500 - 1000
- 21.8% (24) of the respondents spend between Rs 1000-1500
- 29.1% (32) of the respondents spend between Rs 1500 - 2000
- 28.2% (31) of the respondents spend 2000 and above

## QUESTION

What factors influence your decision of whether to buy a product or not?

110 responses

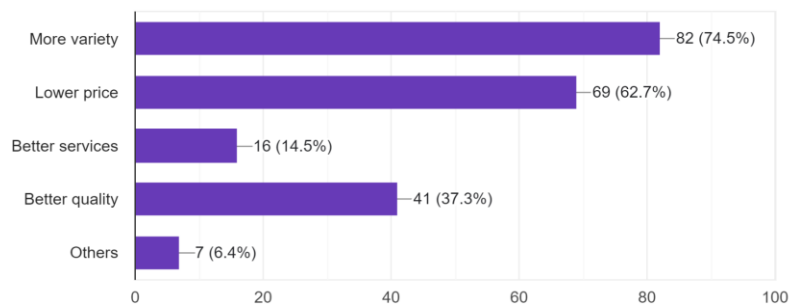


From the above bar graph, we can conclude that three major factors which influence a consumer's decision to buy a product or not are quality (83.6%), design (84.6%) and price (80.9%). Other factors do affect their purchase behavior but not as much as the other three.

## QUESTION

What improvement do you think these brands need to make in order to be better?

110 responses

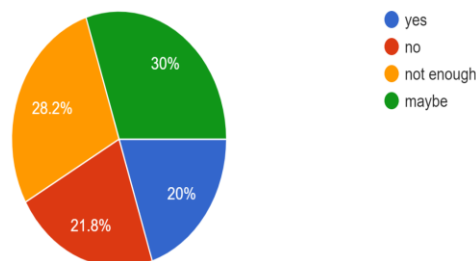


Most of the respondents feel that brands need to improve their prices (62.7%) and give more variety (74.5%) in their product range. Other factors like better services (14.5%) and better quality (37.3%) also need to be improved. Moreover, the pandemic made the people realize the ethical issues associated with a few of the brands and instilled a sense of caution while purchasing products from such brands.

## QUESTION

Do you think the fast fashion supply chain is sustainable?

110 responses

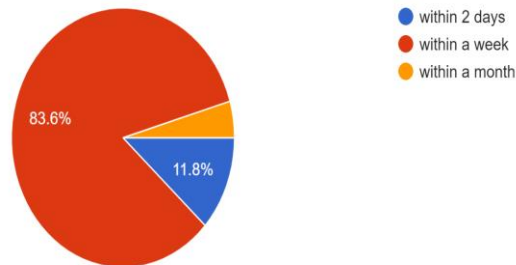


This was perhaps the most important question in our survey about supply chain management, as it gave us an idea about consumer knowledge related to such processes. The result here showed an even distribution of all four responses, with most people thinking that the fast fashion supply chain was not sustainable enough. Only 19.8% of our sample answered with an affirmation. This shows that consumers and potential consumers understand the perils of fast fashion and how the supply chain is not sustainable. This indicated that our general audience was highly educated.

## QUESTION

How fast do you acquire your clothes if you order them online?

110 responses



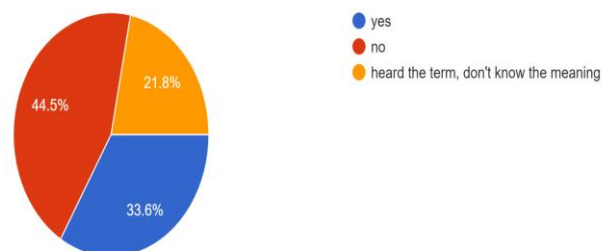
Fast Fashion supply chains have been boasting a fast delivery system for the past few years, so much so that we felt it was vital to find out if this statistic was proving true in consumer purchases. Our survey showed that a staggering 86.4% of the people who attempted the survey received their clothes within a week. This showed the efficiency of the supply chain that is employed in the fast fashion industry, adding to the appeal of fast fashion as a concept. Supply chain is the reason an industry can be called a fast fashion industry. Without the appeal of acquiring clothes in as little time as possible, straight off of runways, people wouldn't want to purchase a clothing item. Therefore, without a powerful supply chain management system that banked on swiftness and accuracy, the fast fashion industry would not thrive.

From the results we have gathered, we can positively say that the fast fashion industry is greatly influenced by the supply chain that is employed.

## QUESTION

Do you know what RFID is?

110 responses



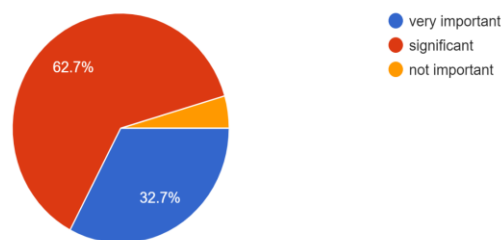
RFID was a new concept that we wanted to introduce in our paper. As expected, almost half our sample was not aware of this term, while 16% had heard it in the passing.

Radio Frequency Identification refers to a wireless system consisting of tags and readers, allowing the consumer, whether it is the retailer, or the warehouse controller, to establish systematic stocking of warehouses. Using this technology in the fast fashion industry could be a way to curb inhumane labor practices, something that is a constant dilemma in this world.

This question was important to introduce a sort of solution toward establishing sustainable fast fashion. With this question, we wanted to introduce a curiosity element within our samplers and the result proved to be beneficial. By the end of the survey, we were able to educate 100+ surveyors about the importance of RFID.

## QUESTION

RFID stands for radio frequency identification. It helps in systematic stocking of apparel in warehouses. How important do you think this concept is for the fast fashion industry?  
110 responses

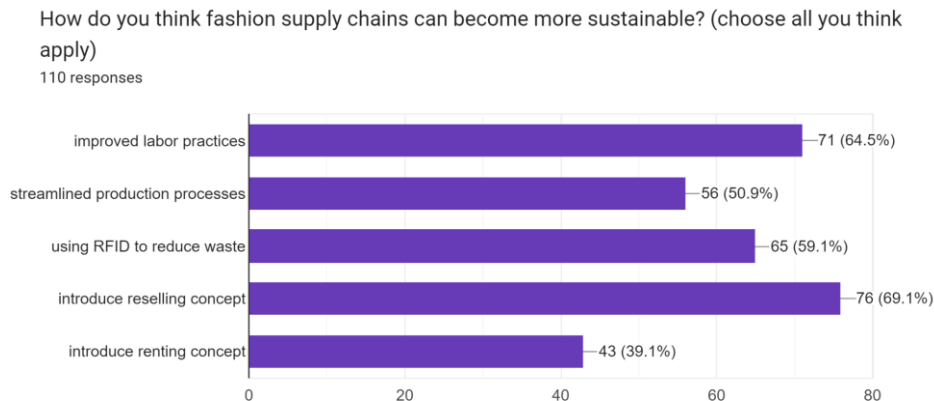


Once we had informed the people about what RFID actually is, we posed the question of its importance to understand whether the samplers felt it was important or not. The survey showed us that 98% of the surveyors felt that RFID and its implications are important and significant for the fast fashion industry, meaning our aim of advertising RFID and its meaning to the market was right and successful.

Our reasoning for posing this question right after asking our audience about their awareness was to educate our samplers, since this was a new concept. Since stage 1 of awareness was achieved here, it can be said that there are now 110 people out there who are aware of the benefits of RFID implementation. This cycle will soon reach more and more people, ensuring that the supply chain of fast fashion companies improves.



## QUESTION



Finally, knowing what others were talking about was important. The general consensus was that introducing a reselling concept was the most popular (69.1%), with the advent of improved labor practices (64.5%) coming in a close second.

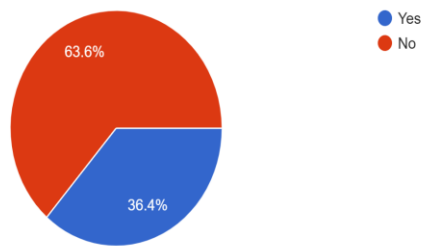
This question lets us know that the audience is aware of the importance of these concepts and is at least thinking about changing the workings of the fast fashion industry.

The concept of reselling has been in the market since pre-independence days. Thrift stores, second hand utilities, warehouses that market, etc., have always persisted within the industry, and are an extremely smart way of ensuring a more sustainable fast fashion industry.

On the other hand, it was noted that people are aware of the insufficient labor practices that are witnessed in the fast fashion industry. To ensure a more sustainable supply chain, employees must be treated with the respect they deserve in order to ensure worker motivation. The right work environment will lead to precise shipments.

## QUESTION

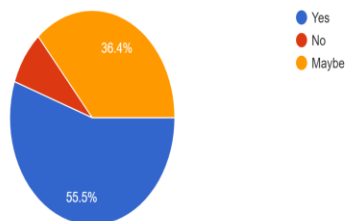
Do you think the clothes you wear are cruelty free and ethically produced?  
110 responses



The above graph shows us that 63.6% of people believe that their clothes are not ethically produced, whereas 36.4% of people believe that the clothes are ethically produced. This shows us that people today are aware of the unethical practices that are going on in the clothing industry. This question helped us understand the general audience and what their initial thoughts in regards to the ethics in the fast fashion industry are. This helped us set the basis for the ethics part of the project and also understand our audience in general.

## QUESTION

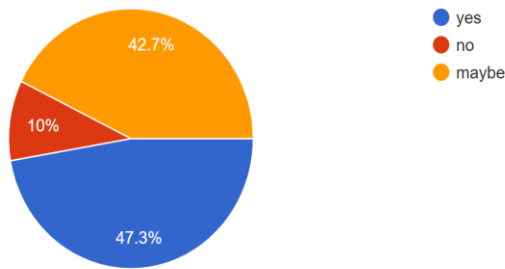
Do you think ethical production of clothes is the way to sustainable clothing?  
110 responses



The above graph shows us that 55.5% of people believe that ethical production of clothes can lead to sustainable clothing, whereas 36.4% of people think that it may lead to sustainable clothing. Only 8.2% of the respondents did not feel that ethical production of clothes can lead to sustainable clothing. The above graph helped us understand our audience's point of view in regards to ethical production of clothes. We believe that the audience that responded by saying maybe might not know what ethical production is. Ethical production is the right way to sustainable clothing and should be implemented industry wide.

### QUESTION

If given a chance, will you be willing to shift to slow fashion from fast fashion? (slow fashion - garments made by hand, consume time to produce,...made garments that quickly end up in landfills.)  
 110 responses

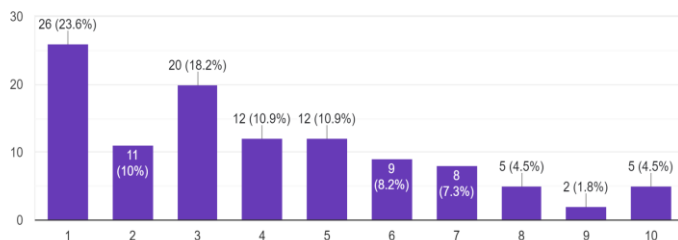


Before social media started gaining momentum people hardly knew about the impact of fast fashion on the environment, but in the past years since more and more people started understanding about the they have started giving up fast fashion clothes.

The above graph shows that 47.3% of people are willing to stop using clothes made by fast fashion producers, and 42.7% of people might shift to slow fashion. These numbers clearly show us that people today are concerned about the fashion industry and its impact on the society.

### QUESTION

On a scale of 1-10, to what extent do you think wearing leather cloths is ethical?  
 110 responses



This question is one of those questions that has been asked in all kinds of ethical discussions. We believe that even though this highly depends on people's preference, using leather goods is somewhat unethical.

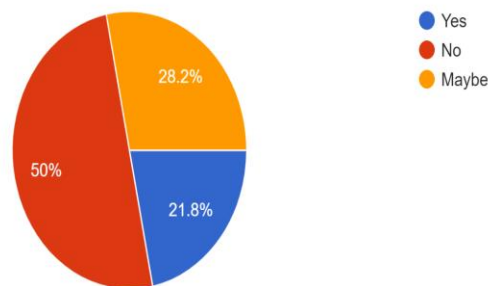
The above graph shows us that 73.6% of people believe wearing leather clothes is unethical, whereas 26.4% think it is ethical. These numbers show us that apart from a handful of people, the general public feels that wearing leather clothes is unethical.

This is a highly debatable question with no right or wrong answer.

## QUESTION

Do you feel pressurized to buy a brand's clothing due to their limited availability?

110 responses

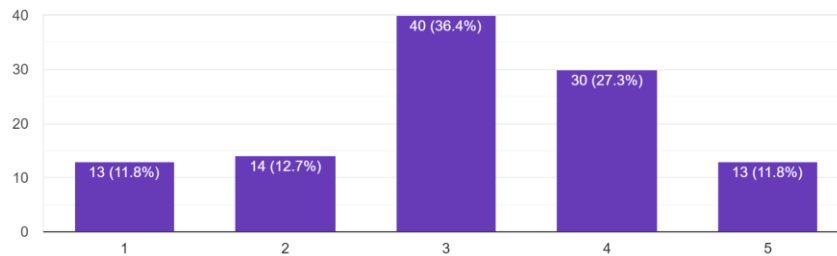


As we can see from the above pie chart, the majority of the people do not feel pressured to buy a product because of its limited availability.

Many firms use the concept of scarcity market to increase the demand for their products. Scarcity marketing is a strategy where products are made scarce to boost interest and drive sales. The basic belief is that the rarer a product is, the more people want it. And that means more sales for the business. However, this doesn't work for all businesses. For those businesses who are successful at implementing such a strategy, they focus on marketing it in the right manner. You will only succeed in pushing potential clients away if you attempt to create scarcity around a good or service that is generally available or lacks a distinctive feature or characteristic. The apparent worth of your item, however, can be considerably increased by using scarcity marketing if you choose a good or service with intrinsic value rather than something that could otherwise be considered standard.

## QUESTION

To what extent does social media influence your tendency to buy from these fast fashion brands?  
110 responses



From the above graph, the majority of the respondents are in a way influenced by social media platforms. The traditional methods of advertising are rarely used by brands and instead they extensively use digital platforms to market their products. Since the majority of the customers use these platforms, social media has a major impact on their purchase decision.

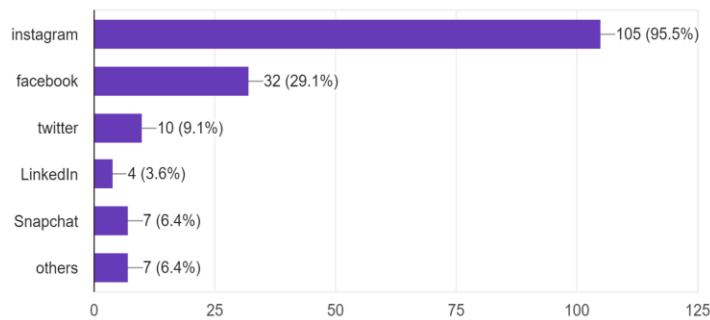
The fast fashion industry has undergone a major transition due to social media's new age of connectivity. Everything that takes place on social media has a significant impact on the real world, whether it's a trend, a campaign, or a single post. Many of these modifications have helped create the ideal conditions for the growth of fast fashion, resulting in grave environmental and social problems.

Social media has a significant impact on the rate at which the fashion trends become popular. Trends are no longer confined to a specific location or time period. Additionally, this indicates that fashion trends are changing more quickly than ever before. A particular item normally goes out of style more rapidly than it falls into it. Due to this, people purchase and discard apparel much more quickly in order to stay put with trends. However, companies are the ones who actually benefit from the reduced lifespan of clothing. This is how fast fashion brands like Primark and H&M have such huge sales. As clothing becomes single-use, people are forced to replace their wardrobes every season in order to stay in style. This is not only detrimental to the consumer but also disastrous for the environment in general.

## QUESTION

On which social media platform, do you feel fast fashion brands promote their products the most?

110 responses



In a very short period of time, Instagram has established itself as a vital marketing tool for businesses and retailers. The traditional purchasing and selling process has seen a significant transformation in the last five years due to Instagram's viral growth.

Brands use Instagram as a tool to communicate short, snappy, creative messages to their target market's followers in the form of photos, reels, IGTV videos etc. They also spread information about their products on a larger scale which not only benefits the brand by increasing the reach but also helps consumers become aware about different varieties of products.

Instagram offers a unique option to its users that opt for the business account settings where brands can sell their products through a customized platform, allowing them to add prices to these products. Through this feature, Instagram has ensured a sort of monopoly over social media e-commerce and digital marketing, where it is making the process of marketing extremely convenient and user-friendly for up-and-coming businesses (especially small businesses looking to enter the market).

During the pandemic, a lot of businesses had to shut down. At the same time, the advent of digital transformation boosted to a magnanimous degree. This saw the opening of many small businesses looking to start from scratch. They turned to social media platforms (Instagram in particular) to advertise and market their products in an easy and freeway.

## 6. UNIQUE CONTRIBUTIONS OF THE STUDY

The study on the impact of digital marketing, ethics and supply chain management on the fast fashion industry has a unique contribution as very little research has been done in this area especially when it comes to India. Therefore, this study helps in better understanding the situation inside out and analyzing what can be done to improve the situation.

## **7. SCOPE FOR FURTHER RESEARCH**

This research can further be taken to study the psychological impact of impulse buying on this generation, and the ethical and social ramifications of fast fashion and its effect on climate change. Further research can also be conducted to find plausible solutions or alternatives to this style of consumption.

## **8. LIMITATIONS**

We noticed the following limitations in our research:

Primary Research -

- Due to the manner in which the survey was circulated, a huge portion of our sample was from the age group of 18–29-year-olds. While this age group mostly utilizes the fast fashion industry and is most affected by its dynamic changes, we must assume that there could be minor changes in the percentages had we received more responses from an even younger demographic.
- Due to the vast amount of data that needed to be collected and the need to answer the research question, the survey proved to be too long. While nothing is wrong with an elaborate survey, we felt the possibility of surveyors feeling the need to give up midway was inevitable. As a result, we estimate that we would have gained a few more responses had our survey been shorter.

Secondary Research -

- Fast Fashion is an industry that is involved only in the top 10% of the world's income. As a result, most of our case studies were from developed and developing countries.

- Due to the nature of the ethical code of conduct, a lot of the research papers that were reviewed contained cross connections with sustainability issues. This proved to be confusing even for the samples that were surveyed in these papers. As a result, a lot of ignorance was seen from the consumers' point of view.

## 9. CONCLUSION

The fast fashion industry is a dynamic and enigmatic force of nature that took the world by storm. It immediately attracted millions of potential customers, especially the GenZ population, and is still holding out strong. By taking up this research's objectives, and diving deep into the complexities of fast fashion and its web politics, we gained a new insight into the industry and came to truly appreciate the forces that keep this empire not only standing, but also about to take off into the air. Like any industry, the fast fashion phenomenon has its sour moments as well as true pillars of business acumen, and we were able to touch light on all of them.

With the rapidly developing methods and the introduction of new technologies in the market today, all industries have developed their supply chain and marketing methods. Not only this, but with further study into law and psychology, the industrialists have started finding loopholes by which they can quickly turn around any ethical dilemmas that may cause hindrance in their projects. Similarly, with the emergence of new technologies in the fast fashion industry, the manufacturers are producing clothes at double the rate of what they used to produce a decade back. They have also found a larger audience with the ever-growing social trends.

The overarching result that we have seen across the primary and secondary research, and through careful analysis of both, is that while the consumers are aware of the ethical ramifications of fast fashion and its production, effect and distribution, they make no attempts to slow down sales, as fast fashion is still a booming industry. This is a portrayal of human behavior and the impact of powerful forces like the supply chain management and digital marketing forums involved in the fast fashion industry.



Social media today plays a very vital role in the fast fashion industry. Marketers use fashion influencers to help reach a larger audience at an alarmingly fast rate. This creates hype within the audience, from which the brands benefit. With the rapidly growing and widely connected logistical network today, the brands have a greater reach to their audience. Not only this, but the manufacturers also procure cheaper raw materials directly from their producers. This completely eradicates the middleman and reduces costs at the same time. With everything going online today, the consumer can purchase items from the USA while sitting in India.

These are some primary reasons why the fast fashion industry is growing rapidly today. However, it cannot be entirely said that nothing is being done. Consumer awareness has reached a saturation point where industry guidelines and regulations are being placed in the fast fashion industry as a way to halt some of the labor practices that are proving to be harmful. The future of fast fashion sees a lot of carbon emission, supply chain, sustainability and ethical restrictions, all in the hopes of getting fast fashion culture hindered down.

In order to rebuild their business strategies and tools, the whole fashion industry, including small retailers and large brands, is focusing on crisis management and contingency planning. The fashion sector must innovate in all areas, including channel demand and supply fulfilment, e-commerce, and digitalization. Brands like Zara, H&M and Forever 21 typically make their operations sustainable in order to manage new challenges, mitigate the pandemic's negative effects, and adapt to changing economic conditions and consumer behavior. With all the data we collected, we can conclude that the rapidly changing supply chain methods, further study of ethics, and the changing digital marketing strategies gravely affect the Fast Fashion industry.

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## Change in investment trends in Financial markets post Covid-19

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### ABSTRACT

**Purpose:** To comprehend how the COVID-19 epidemic has affected people's financial and investing choices in India.

**Methodology:** A study of the literature on COVID-19 and the measures taken by the government to combat the pandemic was conducted. To ascertain the effect of COVID-19 on people's financial market investing decisions, a sample poll was undertaken. Either the respondents worked in the service industry or they were company owners. It was investigated how the COVID-19 epidemic affected people's judgments about their investments.

**Findings:** Significant correlations between COVID-19 prevention measures (such as lockdowns and travel bans) and individual income were discovered; these precautions directly affected savings and investing behaviour. Additionally, investor age had no impact on investment behaviour.

**Research Implications:** The findings show the microeconomic consequences of the COVID-19 pandemic on society and might help people and financial institutions deal with similar circumstances in the future. The current study's scope is constrained. Future research may consider bigger samples and other situations to better understand the socioeconomic implications of the COVID-19 epidemic. Studies may also provide strategies and tactics to assist governments in resolving crises in the future.

**Originality/ Value:** This is one of the first studies to evaluate the effect of the COVID-19 epidemic on people's investing choices, which had previously received little attention.

**KEYWORDS:** *Covid-19, Investment, Financial markets, Trend*

## 1. INTRODUCTION

The “SARS-CoV-2 virus”, the source of COVID-19, was first discovered in “Wuhan, China”. The WHO (World Health Organization) proclaimed a global pandemic on “March 11, 2020”, after multiple cases were found worldwide. While the pandemic's consequences are being felt, developing nations like India, which have public health infrastructure that is woefully underdeveloped, are pressured and troubled by the bond and banking markets. Slow economic growth confronts highly challenging circumstances. To lessen the adverse effects, India ordered a statewide lockdown on March 24, 2020. Compared to its worth at the start of the year, NIFTY's market value dropped by 40%. The indices' sharp decline impacted investors' portfolios. But knowledgeable retail investors recognized this as a chance to time the market, make investments and earn profits. The industry-wide shift to online trading and the low cost of trades led to the opening of 10 million new DEMAT accounts in 2020. India's economy was among those impacted by the pandemic. The COVID-19 outbreak brought about an unprecedented worldwide shock that made the financial markets more volatile. The world economy collapsed, unemployment rose, and oil prices declined but increased drastically.

“Bombay Stock Exchange (BSE), Sensex, and National Stock Exchange (NSE), Nifty”, are India's two leading stock indices. On the Bombay Stock Exchange, on March 23, 2020, the Sensex index fell to 13.2%. After hearing about the “Harshad Mehta Scam on April 28, 1991”, it was the highest single day when indices ever dropped. Nifty has also declined throughout this time, dropping to about 29%. According to some analysts, COVID-19's repercussions on the Indian stock market are what are known as "black swan occurrences," which are extremely unanticipated events that have a highly bad conclusion. The manufacturers, who make up the chain of supply, reduced the number of their workforces and output levels as a result of the government's lockdown policy. Again, individuals reduced their consumption as a result of the widespread uncertainty that mankind was experiencing, which led to demand-side shock. Furthermore, studies have indicated that the prior pandemic only had an effect on the supply chain. However, the COVID-19 pandemic has also had an impact on both the supply and demand chains.

Almost every nation has faced difficulties due to the great pandemic. COVID-19 has had an impact on every industry. In a nutshell, the results demonstrate that the coronavirus outbreak has had an impact on the financial system, increased volatility in the stock markets of India, and impacted share price.

## **2. LITERATURE REVIEW**

### **2.1 Change in the mindset of people while investing in the stock market**

Jindal, Chahal, & Prashar (2020) have mentioned that the global outbreak of COVID-19 has severely impacted the financial markets. There are 2 leading stock exchanges in India i.e. “Bombay Stock Exchange” & “National Stock Exchange”. For this present research, the top 20 companies from NSE were selected. The impact was measured by observing changes in the share price of these companies over the last three months. Agarwal (2020) mentioned that the stock market in India is strong and responsive to the overall environment. Some effects of the COVID-19 outbreak include a sharp decrease in oil prices and rising unemployment. India wasn't far behind, seeing the effects of the crash on its stock market, economy, and rate of economic growth.

Himanshu, Ritika, Mushir, & Suryavanshi (2021) tried to examine how Covid-19 affects individual investors to decide how to allocate their portfolios. The findings demonstrate that investors have begun reallocating their portfolios as a result of the current financial crisis related to COVID-19. Investors are shifting towards a cautious strategy since the returns on riskier assets are not what was anticipated. Ashri, Sahoo, Gulati, & Haq (2021) explained that in the short term, the pandemic's effects were detrimental to the oil and gas, FMCG, automotive, and pharmaceutical industries. The findings showed that, with the exception of NIFTY Auto, none of the chosen indices underperformed the domestic average. Eight sectors indexes, including “Nifty Auto, Nifty FMCG, Nifty IT, Nifty Media, Nifty Metal, Nifty Oil and Gas, Nifty Pharma, and Nifty Bank”, had their daily returns objectively analysed. By taking the sectoral indices into consideration, the analysis estimates how a viral outbreak may affect the different sector indices of the Indian stock market.

Dharani, Hassan, Huda, & Abedin (2022) investigated whether stock returns in India have been affected consistently or unevenly by the Covid-19 epidemic. Our findings indicate that during

the lockdown, the technology, food and beverage and chemical industries generate higher profits. The banking and finance, automobile, services, cement, and building industries all produced lower profits throughout the course of the decade.

Ba & Bora (2021) mentioned how COVID-19 has impacted the volatility of stock prices in India using an empirical methodology and a generalised autoregressive conditional heteroscedasticity model. The Nifty and Sensex stock indices' daily closing prices from "September 3, 2019, through July 10, 2020", were used in this research paper analysis. According to the research, the Indian stock market fluctuated during the pandemic. We found that the pre-COVID19 period had a higher return on the indices when comparing the results of the COVID period with those of the pre-COVID period. Prabheesh & Kumar (2021) have studied the dynamic interaction between oil price returns, exchange rates, stock returns, and uncertainty shocks in the Indian environment. The analysis finds that uncertainty brought on by COVID-19 had an impact on the oil and stock markets.

## **2.2 Comparison of covid-19 impact with past events**

Gupta, Bakhshi & Chaudhary (2020) reviewed that using the effect of COVID-19 on the Indian stock market has been evaluated using the GLS BSE regression in relation to the BSE 500, NSE Sensex, and eight sectoral indexes of the Bombay Stock Exchange. In comparison to the pre-crisis period, the mean daily return was lower and specific, negative returns were larger, according to the significant results for all indexes.

Mohanty, Patnaik, & Satpath (2020) explained that governments all over the world must take radical action to revive the economy since the worldwide COVID-19 pandemic is the century's "black swan" catastrophe. The impact of the pandemic on the international and Indian capital markets is examined in this article along with comparisons to other financial markets. The need to confine individuals has resulted in a level of economic disruption never before seen, and the capital markets sector of India needs to handle this unanticipated issue head-on.

Mazumdar & Saha (2021) explained that the average IPO return for IPOs in 2020 is larger than it was for the previous four decades, but it declines as pandemic fear grows. Compared to



similar existing firms, the IPO firms' performance is more vulnerable to pandemic anxiety. The outcomes are reliable when matching firm-adjusted initial returns are used.

Jain & Verma (2020) said that the impact of the corona pandemic on the Indian financial markets of the Indian economy is the main topic of this research paper. The pandemic has caused the Indian financial market to slow down and temporarily close businesses till the lockdown period. It has developed into a financially disruptive condition that calls for regulations from the government and regulatory authorities to help people recover from financial loss. The stock market has seen a huge crash, as circuits have been broken twice in recent days. This event of pandemic can't be compared with any other stock market crash because the reason behind the crash is unique in nature and so is its impact on people and the economy.

### 2.3 Stock Market Performance

The WHO's announcement that COVID-19 was a pandemic caused stock markets worldwide to crash. There is evidence of panic trading and heightened volatility in both domestic and international stock markets, according to several COVID-19 research looking into stock price movements. On March 13 and March 23, 2020, two times in a span of 15 days, the "National Stock Exchange (NSE)" and "Bombay Stock Exchange (BSE)" used a circuit breaker to stop trading due to heightened fear and panic trading. As per Economic Times, 2020; the circuit breaker tripped on the US stock market four times in ten days in March 2020. The bulk of stock markets responded poorly to the turmoil brought on by COVID-19. Increasing COVID-19 cases and the unavailability of vaccines led to a crisis in the market. Investors were continuously selling their stocks. The following graph shows the Nifty50 index during the pandemic:



*Figure 2.1 NIFTY50 price chart (source: NSE)*

## **2.4 Mutual Funds**

Due to volatile market conditions, investors preferred to stop investing in the stock market during this phase due to the bearish market and to save money for household expenses. Investors preferred shifting to investing in mutual funds, which seemed a safer option than trading directly in the stock market because they are managed by Asset Management Companies and Mutual Fund Managers. Although, many investors decided to halt their SIPs as well as decrease their SIP amount due to income uncertainty. The mutual fund industry dropped “4 percent to Rs 96,000 crore in 2020-21 fiscal”. Retail investors typically invest in mutual funds using systematic investment plans (SIPs), which lowers the risk associated with market timing.

## **2.5 Comparison of COVID 19 with Past Events**

In the first half of 2020, there was one of the most devastating historic stock market crashes. This historic crash was caused by a virus that originated in “Wuhan, China”. Wuhan city was informed of the first COVID-19 case in December 2019. The possibility that this virus (COVID-19) could be lethal and spread to every country in the world was not previously anticipated. Due to the virus' swift global spread and the fear it caused, numerous business operations were eventually shut down. To avoid the virus from spreading further, many countries imposed strict lockdowns and halted any substantial economic activities. The financial markets ultimately suffered as a result, leading to the inevitable market crash in March 2020. Stocks often react in a way that either investors or traders view as favourable or bad, depending on the type of incident.

Black swan events, like COVID-19, are less common than corporate events, and little research has been done to analyse their effects. Different sectors' stocks reacted to COVID-19 differently, depending on how it changed the company's business. Stocks in the natural gas, food, healthcare, and software sectors, for instance, enjoyed positive returns over time in the S&P 1,500 sample, while shares in the petroleum, real estate, entertainment, and hospitality sectors experienced substantial drops. COVID-19 had a more catastrophic effect on the US economy than the Spanish Flu of 1918–19. We have the opportunity to know more about psychology of investors in crisis situations and how people react to crises when events of this

nature occur. In addition to wreaking havoc on the globe, COVID-19 also wiped out all life. Globally, millions of people slipped into poverty; many more lost loved ones; and yet more lost their jobs. Many economies experienced macroeconomic contractions of up to 25% of GDP. The lack of vaccines to this point in many countries has further added to the anxiety and concern that COVID-19 has sparked.

| Crash Date        | Event               | Points Lost | % Lost |
|-------------------|---------------------|-------------|--------|
| 23rd March 2020   | COVID-19            | 3943.72     | 13.15% |
| 28th April 1992   | Harshad Mehta Scam  | 570         | 12.77% |
| 24th October 2008 | US Financial Crisis | 1070        | 10.95% |
| 12th March 2020   | COVID-19            | 2919.26     | 8.18%  |
| 16th March 2020   | COVID-19            | 2713.41     | 7.96%  |
| 21st January 2008 | US Financial Crisis | 1408        | 7.40%  |
| 18th May 2006     | --                  | 826         | 6.76%  |
| 17th March 2008   | US Financial Crisis | 951         | 6.03%  |
| 24th August 2015  | --                  | 1624        | 5.93%  |
| 9th November 2016 | Demonetisation      | 1689        | 5.90%  |

*Fig 2.2 Biggest single-day crashes faced by Sensex Source (Trade Brains)*

Sensex faced the biggest crash in its history on 23<sup>rd</sup> March 2020 due to COVID-19. It lost 3943.72 points in a single day. In per cent terms, it lost 13.15% in one day rally. This crash automatically made investors pessimistic regarding the share market.

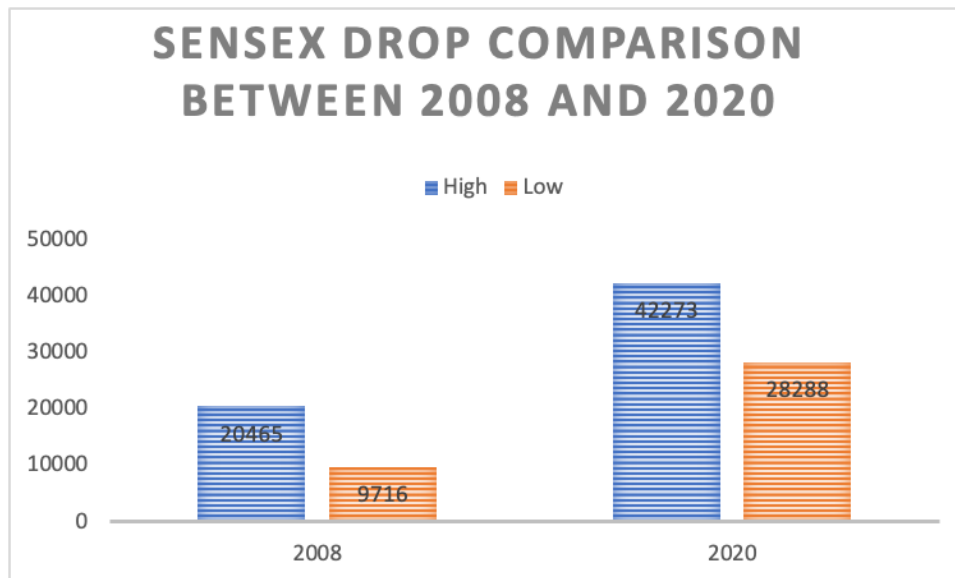


Figure 2.3 Sensex Drop in 2008 and 2020 Source (Money Control)

### 2008 Market Crash

Businesses, economies, and stock markets all suffered negative effects from the 2008 financial crisis. The Sensex fell by roughly 1408 points on January 21, 2008, depleting investor wealth. Analysts attributed the decline on this day, known as "Black Monday," to several factors, including a shift in investor confidence globally, the widespread worry that the US economy may enter a recession, a decline in interest rates in the US, volatility in the commodity markets, foreign institutional investors and hedge funds selling shares from developing markets and investing in more stable developed markets, and massive buildups in derivatives positions that led to a market crash.

The Sensex had decreased from approximately 20,465 points to 9716 points by the end of 2008.

### 2020 Market Crash

The recent COVID-19 breakout caused a pandemic and lockdowns worldwide and caused a severe market fall in both the international and Indian markets. The Sensex fell from 42,273

points to 28,288 points in less than a week, starting when the World Health Organization (WHO) proclaimed the virus pandemic.

Although the 2008 Market crash was more severe than the 2020 Market crash; since Sensex dropped by almost 52% in 2008 as compared to 33% approximately in 2020, the impact was vice-versa because this crash was due to a health emergency. People were concerned about their health and overall there was a panic situation

### **3. RATIONALE OF STUDY**

This study investigates how the investment behaviour of individuals was impacted during the COVID-19 outbreak due to reduction in business income, job loss, preservation of cash for emergencies, etc. Recent COVID-19-related literature has focused on macro factors such as changes in stock markets, employment, fall in GDP, etc., but this study examines how these factors were impacted on individual investment behaviour. This paper also studies the impact of such factors on the change in investment trends by investors such as in systematic investment plans (SIPs), e-Gold, and different sectors of stocks during the lockdown in India; hitherto, such an examination has not been attempted. Further COVID-19 impact has been compared with past events which would provide deeper insights into the impact of the COVID-19 pandemic on investor behaviour, and offer a new understanding of the different dimensions of a crisis.

### **4. RESEARCH METHODOLOGY**

To conduct the study for this research paper, an online survey was designed with the help of Google forms and circulated to people who are investors in financial markets. Since Google Forms was used to administer the survey, we could accurately track and segment all of the findings. We developed hypotheses in response to the variables we looked at and discussed in the study paper. Testing such ideas was the survey's primary goal. There were two sections in the survey questionnaire; the first included some essential demographic data on the responder (age and profession) to enable comparisons. The second part of the survey asked respondents specific questions related to the stock market (their views on the stock market, preference between investment and intraday, shift from stock market to mutual funds etc.). We received 43 responses to the survey questionnaire, carefully chosen to reflect a range of demographic, social, geographic, and educational backgrounds. We distributed this questionnaire on all social

media platforms, including WhatsApp, Instagram and Facebook, where it was anticipated to find our target respondents. We conducted a pretext of the survey questionnaire with ten respondents and adjusted based on their feedback. Following that, we proceeded to contact other responders. Apart from views of people as primary data, we also referred to secondary data obtained from the research conducted, from the internet regarding changes in investment trends, mindsets of people, past trends of the stock market due to political or social instability, drivers of the economy and many other related aspects necessary for this research paper.

## 5. DATA INTERPRETATION AND ANALYSIS

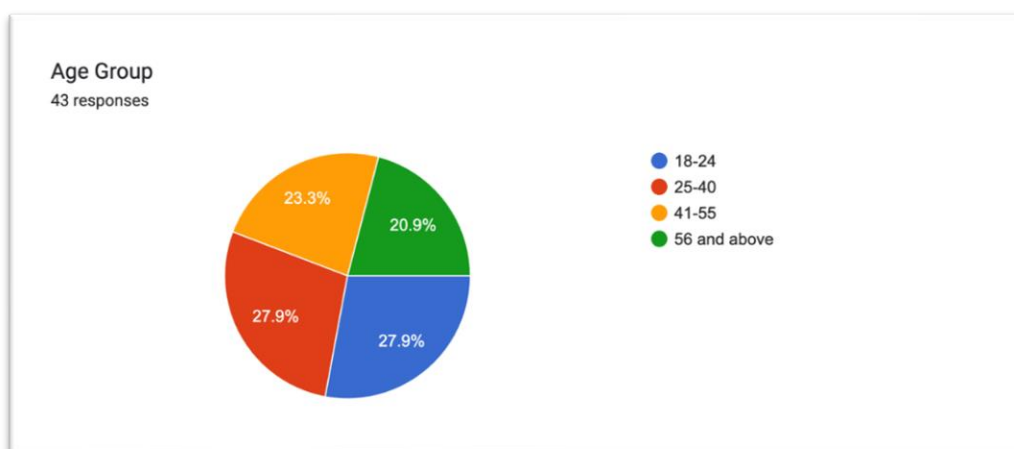


Figure 5.1

In this research study, all age groups of people have contributed. 27.9% of responses are from the 18-24 age category, 27.9% are from the 25-40 age group, 23.3% are from the 41-55 age group, and 20.9% are from the 56 years and above age group. There has been a significant and ample number of responses from each age category.

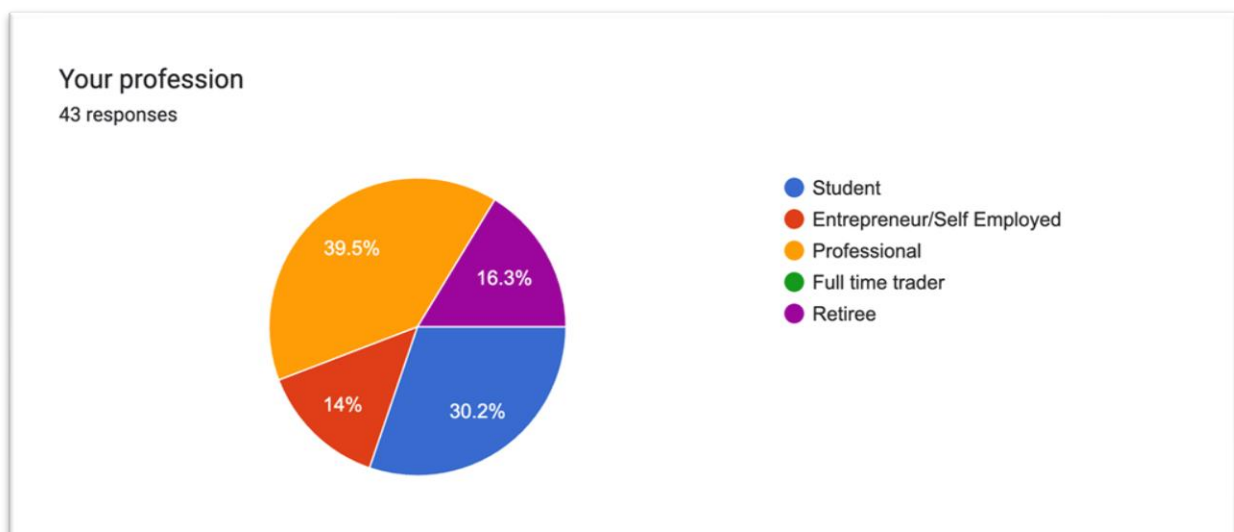


Figure 5.2

This question collects data regarding the profession of people engaged in investment activities in financial markets. There are different categories: student, Entrepreneur, Professional, full-time trader, and Retiree. Most of the received responses are from professionals, 39.5% of total responses, and the least is from the full-time trader category, which is 0 responses out of 43 answers.

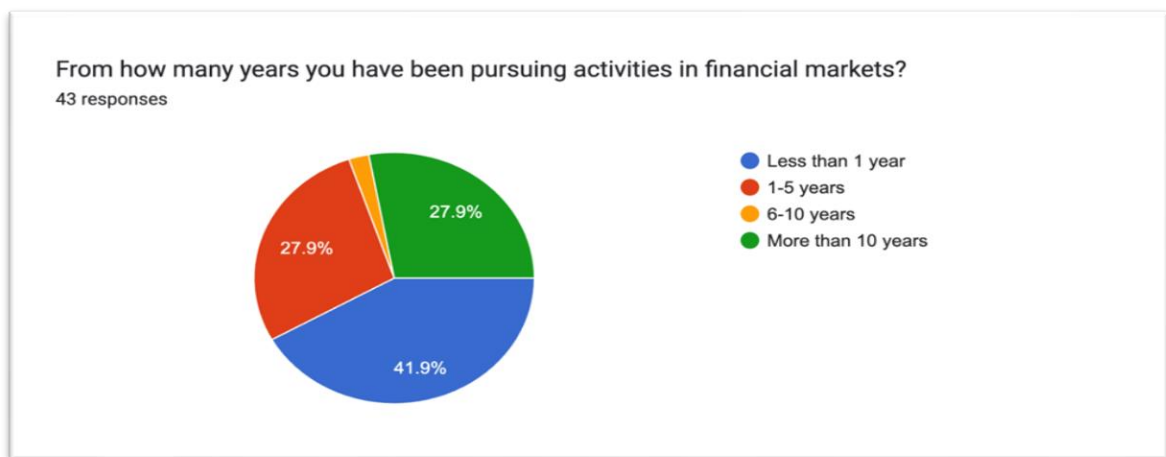


Figure 5.3

This question focuses on the duration of investors investing in financial markets. Maximum responses are from the “Less than 1-year” category. This category comprises primarily students who have recently started participating in investing activities. Apart from this, 27.9% of responses each are received as “1-5 years” and “More than ten years”. The more than ten years category comprises retired people who have invested in financial activities for an extended period.

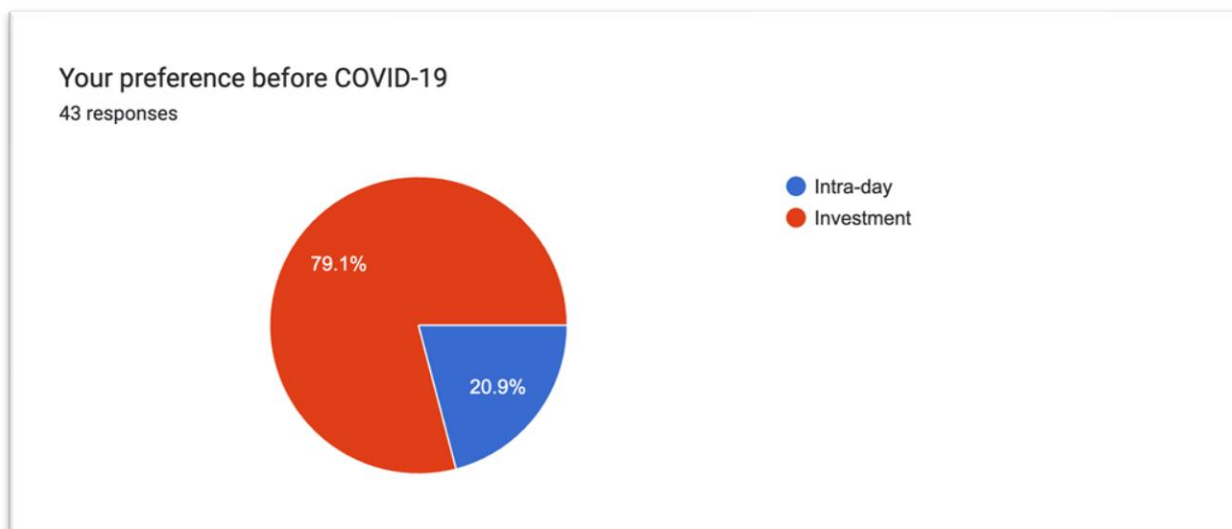


Figure 5.4

This question asked respondents about their preference between intra-day and investment before Covid-19 hit the economy. 79.1% of people preferred Investment, and only 20.9% chose Intra-day in their investment activities. Investment is holding on to stocks for a long time, whereas Intra-day is squaring off all your positions before the end of trading hours of the day.

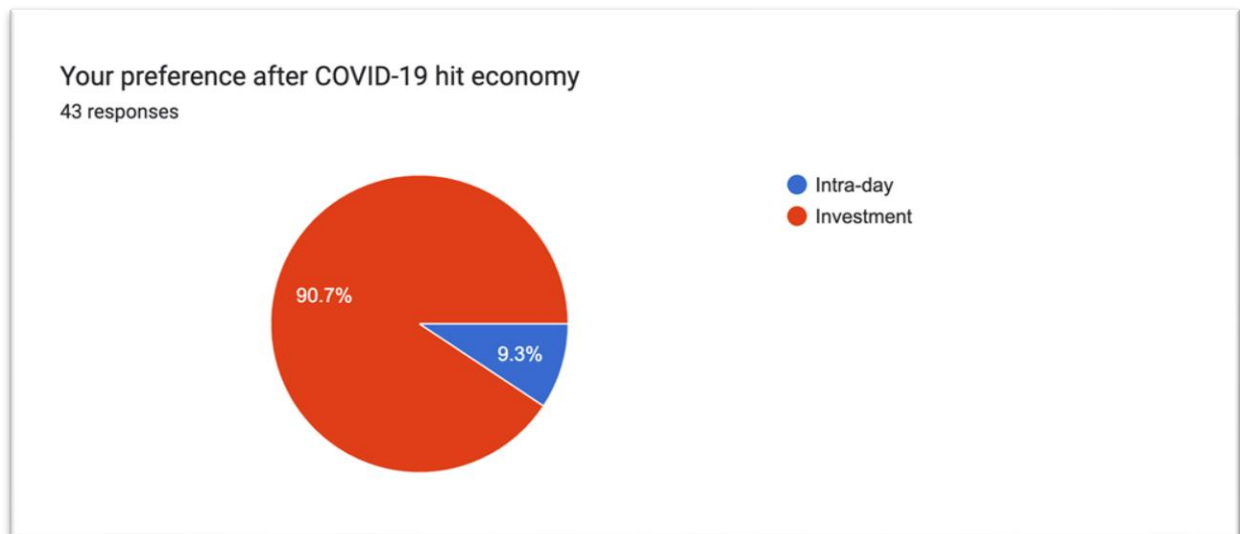


Figure 5.5

This relates to the previous question about their changing preferences after COVID-19 hit the economy. There is a further shift of **11.6%** of people from intra-day training to investing. This shift is due to the volatile and fluctuating share market.

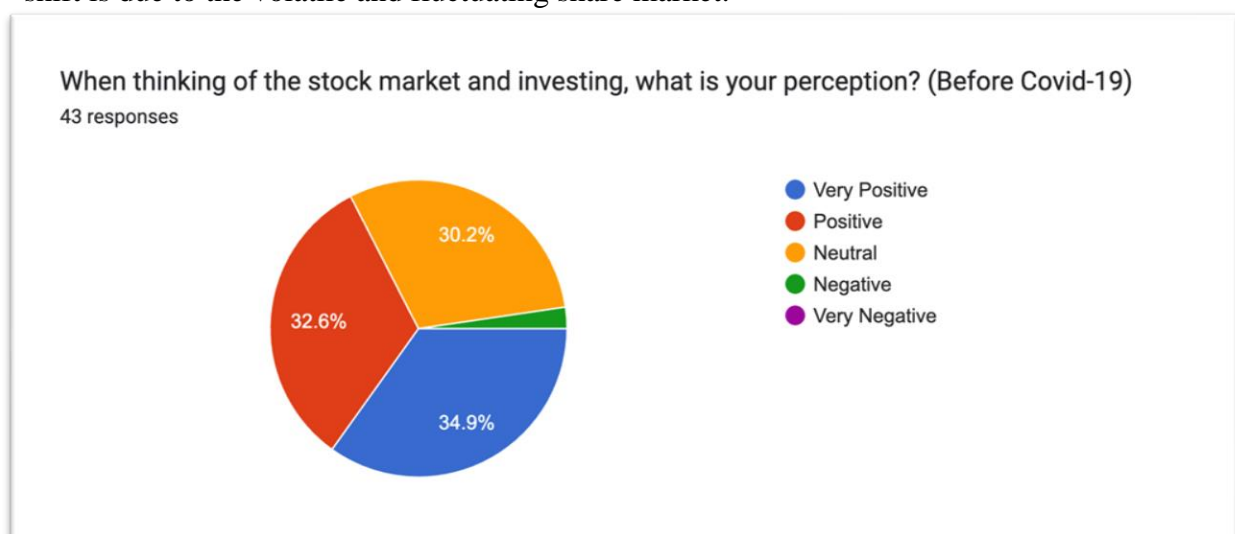




Figure 5.6

The pie chart shows people's perception of the stock market before COVID-19. Most people (34.9%) were very positive, whereas 32.6% were optimistic about the stock market. At the same time, 30.2% of people were neutral about the stock market conditions. Only 2.3% of people were pessimistic about conditions, whereas none of the people was very pessimistic about the stock market conditions. Overall, the market was bullish, and people were expecting good returns from the share market in future before COVID-19 spread.

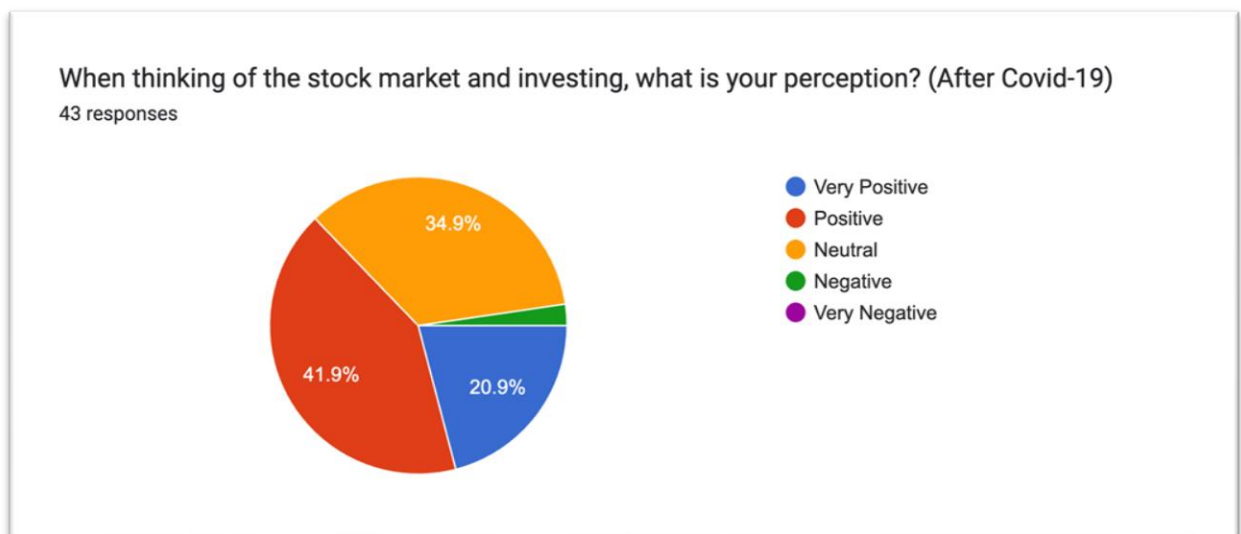


Figure 5.7

This pie chart shows the perception of people about the stock market after COVID-19 hit the economy. There is a decrease of 14% in the very positive perception category of people, a 9.3% increase in the positive perception category, 4.7% in the neutral perception category and no change in the negative perception category of responses. Overall, there is a slight shift of people from the very positive to positive category and an increase in neutral market perception of people.

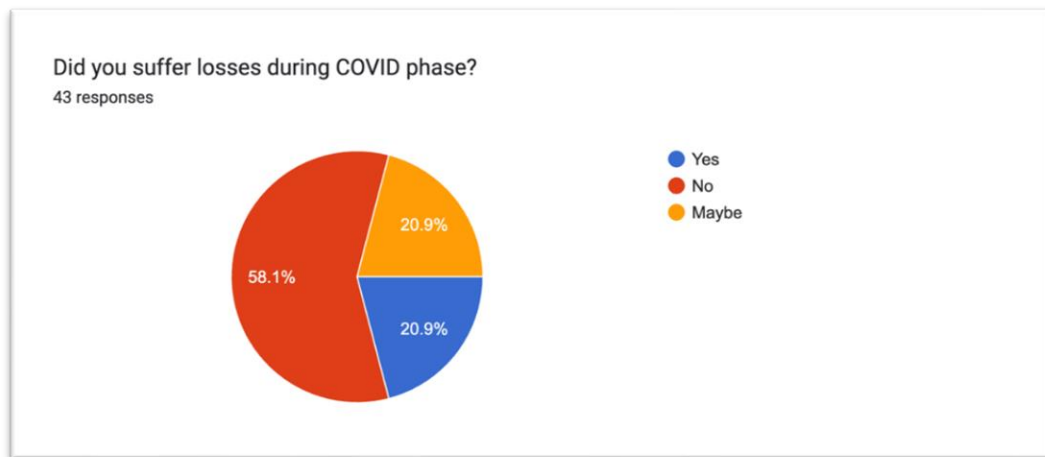


Figure 5.8

The pie chart shows that the highest responders that's 58.1% people didn't suffer losses during the pandemic time while trading in financial markets, whereas 20.9% people are each people suffered losses during that phase, and the people who aren't sure about the fact that they faced losses or not.

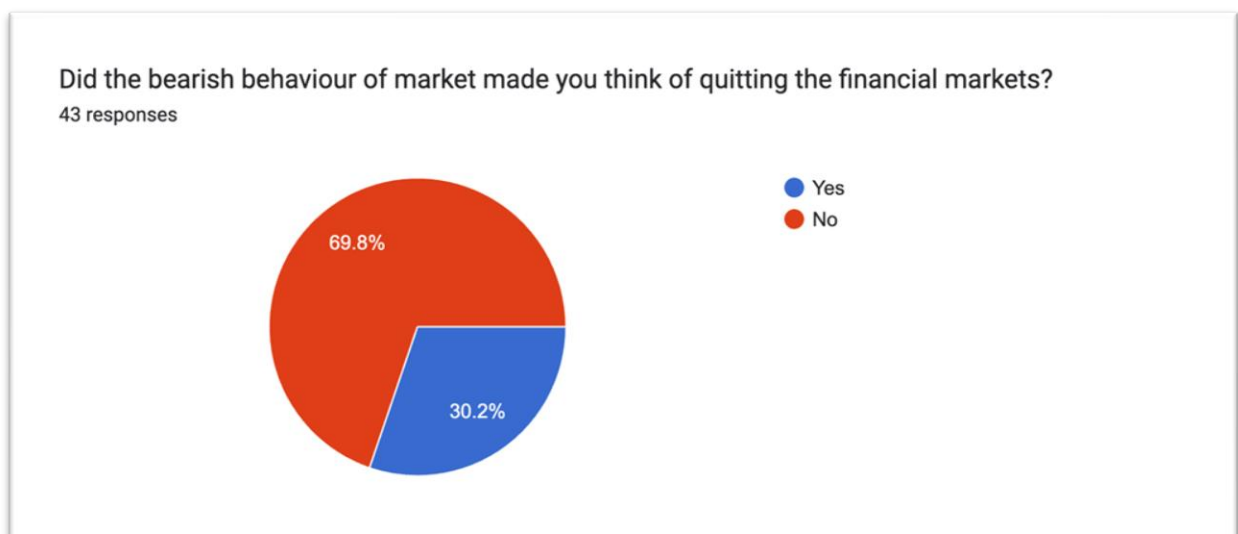


Figure 5.9

The market was highly volatile during the pandemic and was bearish due to increasing daily cases, insufficient health infrastructure, lack of vaccines, etc. This pie chart shows that 69.8% of total respondents didn't think of quitting the financial markets, whereas only 30.2% of people thought of leaving the market. This 30.2% comprises investors who suffered losses during the COVID-19 pandemic.

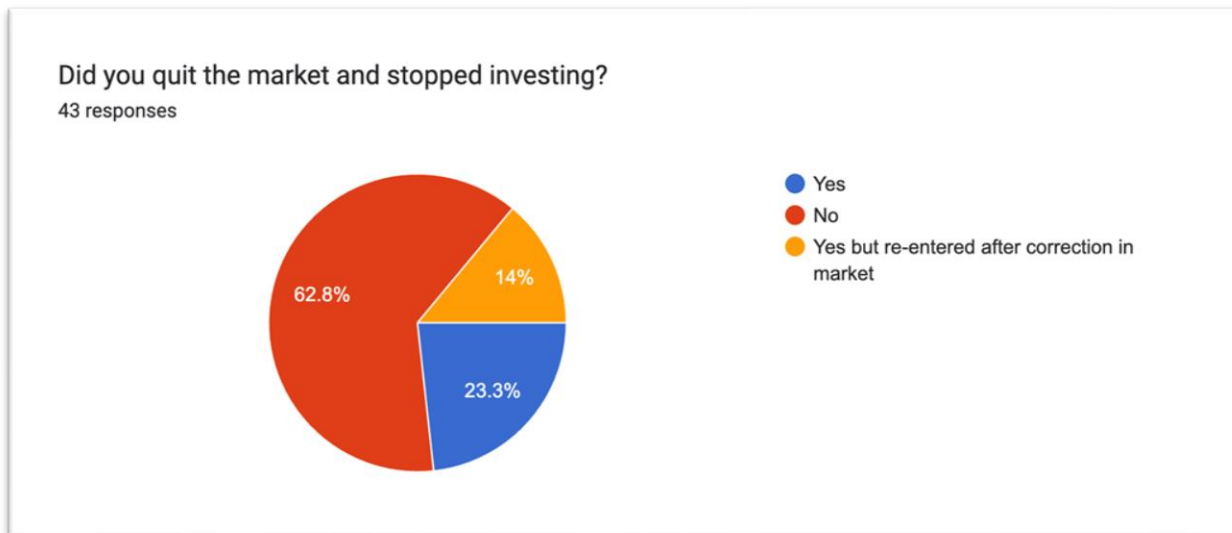


Figure 5.10

Out of 43 responses, only 16 people quit the market due to losses. Of these 16 people, six re-entered the market and started reinvesting. At the same time, the majority of people that are 27 respondents didn't quit the market at all, even after volatile and bearish market conditions.

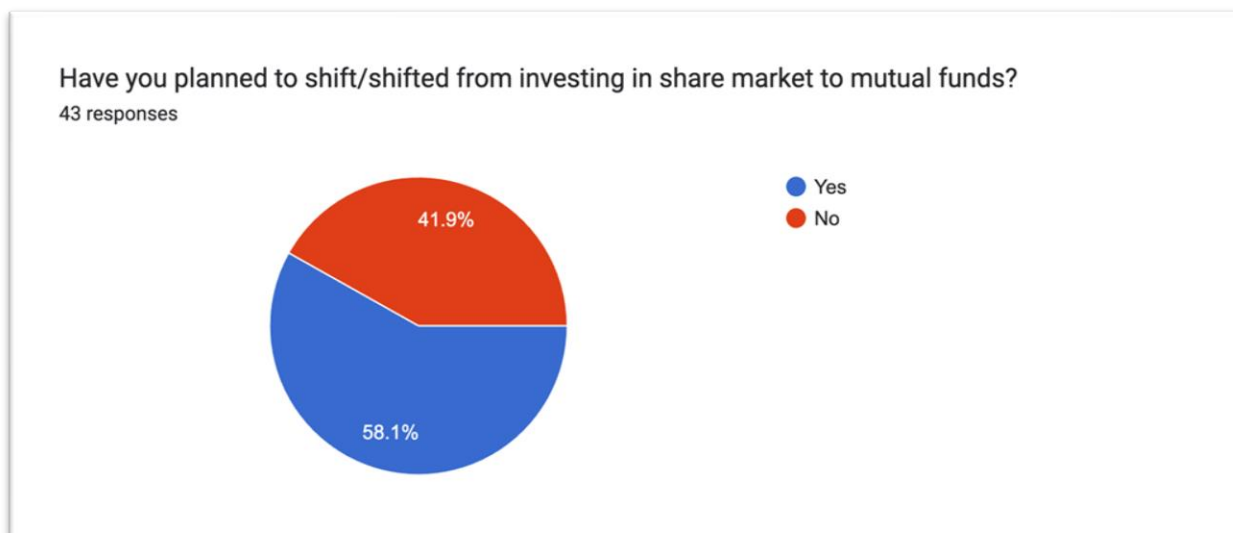


Figure 5.11

The majority of people, that's 58.1%, have either shifted or planned to shift to mutual funds from investing themselves in stocks. At the same time, 18 people (41.9%) haven't planned to change to mutual funds and continue investing in their pre-pandemic way.

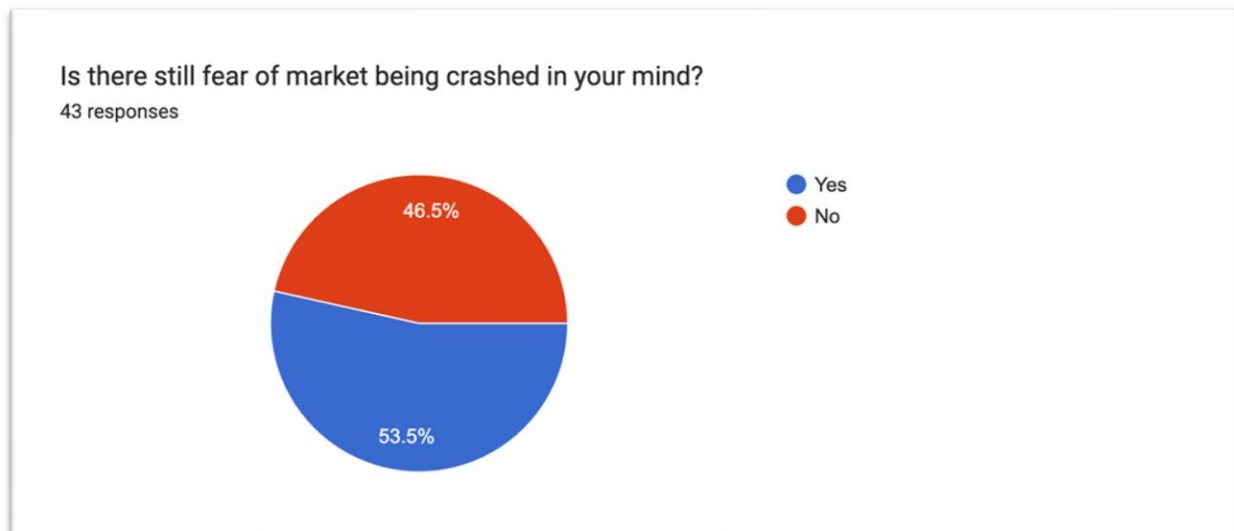


Figure 5.12

This pie chart shows a mixed response to the fear of being crashed in the financial market participants' minds. 53.5% of people still fear the market being hit, whereas 46.5% of people have overcome this fear.

## 6. CONCLUSION

The COVID-19 pandemic had an effect on the economies of several nations, including India. The lockdown imposed by the Indian government brought everything in the busiest country in the world to a standstill. Nearly every nation in the world was impacted by the COVID-19 pandemic, which had a number of negative outcomes such as the demise of the global market economy, a steep drop in oil prices, and an increase in unemployment. The impact of COVID-19 on India's stock market, economy, and rate of economic expansion weren't far behind. It was a panicky situation for everyone, and so was it for investors. Stock Market Indices and Stocks also behaved accordingly. The financial market of India also started nose-diving. It has been found that investors shifted from investing in stocks to investing in mutual funds as well as e-gold due to uncertainty and volatility in the share market. Although, as per SEBI (Securities and Exchange Board of India) "monthly bulletins 2020, the net investment of mutual funds decreased sharply by INR 5,688." Another finding is that more investors now tend to invest rather than intra-day activities after

COVID-19. Moreover, a significant amount of investors who quit investing in financial markets, re-entered the market after there was a correction in the market.

BSE-sensitive index declines are momentary, and each one offers investors the chance to invest and earn a better return, particularly for those with a long-term time horizon. Overall, the perception of Indian financial markets is positive and investors are expecting great returns in future.

## 7. LIMITATIONS OF STUDY

As is typically the case, all studies have certain limitations. The following are four potential drawbacks of this research paper:

1. **Time:** Since there are inherent limitations, such as time limits, there is never enough time to complete an error-free investigation.
2. **Primary Data:** Most of the research study's conclusions are derived from the authors' primary data collection. The potential for erroneous or incomplete information provided by the individual is one of the drawbacks of using preliminary data. A communication breakdown if the experimenter cannot effectively communicate their inquiries could lead to receiving inaccurate information. It has been observed that people occasionally give hypothetical answers just to reply, which causes incorrect data to be accepted.
3. **Secondary Data:** The Internet-based data, which served as this research study's primary, secondary data source, could be wrong or not derived from reliable sources. As a result, its dependability is primarily low.
4. **Recent Event:** COVID-19 is very recent, so it would take some time to understand its repercussions. Therefore, there is insufficient information available as secondary data on the internet. Researchers are still to publish their results since they are yet to analyse them due to the recency of this event.

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# Impact of Product Packaging on Consumer Buying Behaviour

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## ABSTRACT

Companies engage in a variety of different innovations and tactics to gain a competitive advantage and make their goods competitive over their opponents in the market, in an effort to attract more people to buy their products. However, the value of product packaging as an influencing force for consumer buying behaviour has been severely underestimated. This study has been conducted to understand the relationship between packaging of a product and consumers' buying behaviour. To achieve the objectives of the research, questionnaire survey method was used to collect primary data from consumers of all age groups in Srinagar city of Jammu and Kashmir. The results show that the appearance of the packaging of a product influences a consumers' decision to buy the product. The results have identified six elements of packaging that should be acknowledged and considered while designing the packaging of products. These elements are colour, size, graphics, shape, packaging material, and product information and layout. The study also explores the link between packaging and impulse buying and finds that demographics and external factors affect a consumer's impulse buying decision triggered by attractive packaging of a product. The study also concludes that simplicity and complexity of packaging influences consumers' purchasing behaviour. Consumers are more likely to be attracted towards and remember products that have simple and ergonomic packaging, than products that have complex designs and shapes of the packaging.

**KEYWORDS:** *Product packaging, buying behaviour, impulse buying, marketing, brand*

JEL: M31, M37, M110

## 1. INTRODUCTION

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In recent years, the packaging of products has gained increased importance, for businesses and consumers alike.

In simple words, packaging refers to the outer covering or container that surrounds the product, which is used for promoting, storage, managing and safeguarding the product from external threats like damage from sunshine, breakage, humidity etc. Packaging can also be referred to as the container that is required to transport a product for final consumption by the consumer, in contrast to bulk shipping packing like cartons, or huge crates. Packaging is the practice of enclosing or protecting items of importance for distribution, stowing, or sale that are purchased by the customer.

When procuring a product, people go through a sequence of successive stages. A buying process are the phases undergone by a consumer while making a purchasing decision. A typical purchase by a consumer comprises of the identification or recognition of needs and wants. The search for information and data is followed by a review of all options. Finally, the consumer decides to buy a product, and a post-purchase assessment follows.

J. Pilditch, in his book. "The Silent Salesman: How to Develop Packaging that Sells", says that packaging of products becomes sort of a silent salesperson for a brand in an offline store, as it is the only communication and advertising between a product and the final consumer at the point of sale.

Packaging is crucial in keeping fresh produce of fruits, vegetables, and herbs, and processed food safe and secure while in transit, storage, at the time of sale of food, and before its final consumption.

"Silent salesman" in the form of packaging is envisioned to impact purchasing choice at the point of purchase by way of packaging design, shape, colour, and so on. Most businesses engage in packaging to achieve competitive advantage over other businesses that is unrelated to price, by using the box of the product to portray a good picture of the product it holds.

Product packaging has shown to play a vital role in building brand recognition and awareness, and proven to heavily influence consumer buying behaviour. It has become an aspect of production and marketing that cannot be disregarded.



The ideal packaging, with a clear, succinct marketing statement, represents a company's identity and values. It speaks volumes about a company's or brand's basic principles while also acting as an important communication route between the consumer and the brand. Brand messages that are true to their values and take pride in authenticity and sustainability provide customers with a complete experience and contribute to strong brand loyalty.

The importance of appropriate packaging has grown dramatically over time, since as eager as buyers are to see what's inside, that initial glance of the product, from its packaging, can become the difference between long-term brand loyalty and a frustrated customer base. Brands have raised their packaging game, understanding that not only high-quality items, but also appropriate packaging, are essential for high consumer satisfaction. Whether purchased online or in-store, the packaging is a buyer's initial impression of the goods, which frequently leads to representing the product and the company as a whole.

Innovations in technology and creative trends have a big impact on product packaging. While minimalist designs and elegant, slick product packaging were popular in the previous couple of years, in 2022 the emphasis will shift to practicality, sustainability, and organic, handcrafted design. Recent trends in product packaging include value-engineered packaging, sustainable packaging, minimalistic designs, personalized packaging, etc.

## **2. LITERATURE REVIEW**

Gonzalez (2007) claims that the main purpose of packing is to safeguard the product from damage that might occur during transport, storage, sale, and use. Gonzalez claimed that as a result, packaging is becoming increasingly significant in marketing communications because it must quickly and effectively express the proper value of the product to the consumer at the moment of sale. As a consequence, in order to ascertain which of these elements is most important for a client purchase choice, it is required to analyse the package and its characteristics in further detail.

Marketers should consider a few elements, per Nawaz Ahmad (2012), in order to make packaging complement their brand's positioning, provide advantage over competitors, maintain continuous innovations, or increase their price premium. Creating packaging may potentially provide a number of business advantages, such as:

- Pointedly improved product delivery, pleasure, or enjoyment;
- increased impact on consumers at the time of purchase;
- new distribution channels or possibilities;
- palpable representation of the brand or brand values.

According to Keller (2006), since most purchases are made on impulse, the efficacious package must achieve multiple sales duties: capture attention, communicate the product's features, build consumer confidence, and create a positive overall impression.

Aside from the growing relevance of self service, consumer wealth, business and brand image, creative packaging may add to customer advantages and profit for supply chain players. Products destined for markets beyond than the domestic market are gathering additional aspects that must be considered from a packaging and marketing standpoint. These aspects might include export packaging or meeting the needs of supply chain partners. Given that consumers are more concerned with packaging quantity, material, and recyclability than ever before, providers farther upstream in the supply chain may need to take end-user packaging requirements into account.

Packaging has a wider audience than methods of advertising and can set a business apart from its competing businesses. Not only at the time of purchase, but also each time the product is used, it supports and reinforces the decision to buy. A product may be able to reach new target audiences or get over financial obstacles by packaging in different serving sizes. Brand choice may also be influenced by packaging, especially when it comes to products for children. (Rizwan Raheem Ahmed, 2014)

According to Rundh (2005), packaging serves various essential functions in the retail supply chain, from the filler to the customer. The first and most obvious purpose is to protect and confine the product from the filler to the end-user, but emerging consumer demands have imposed a slew of other demands on the package. In a highly competitive climate, a second function is to show and advertise the product on the supermarket shelf by capturing the consumer's attention and creating a good impression in order to encourage the consumer to buy the product.

Consumers are becoming increasingly likely to spend a little bit more for the convenience and prestige of superior packaging as consumer wealth increases. The firm and brand image are instantly recognisable thanks to packages. Innovative package design has the potential to

greatly benefit both manufacturers and consumers. Therefore, multipurpose packaging serves as both a means of content protection during the distribution system and a crucial component of the marketing mix. Package draws customers' attention to a certain brand, improves its reputation, and affects how they perceive the goods. It also gives products a special value.

According to Brewer (2006), consumers pick specific colours for various product categories as a result of colour associations they form with popular market brands. When used as a packaging indication, colour might have a significant impact, especially if it is unique to a specific brand. However, based on the links to their own culture, individuals from different cultures are exposed to distinct colour implications and develop colour preferences. Additionally, Brewer (2006) found that in low participation product decisions, aesthetic criteria are more important than informational ones, making graphics and colour crucial and very important.

According to Gonzalez M. (2007), the main objective of packaging is to protect the product from damage while it is being transported, stored, sold, and used. Gonzalez claimed that as a result, packaging is becoming increasingly significant in marketing communications because it must quickly and effectively express the proper value of the product to the consumer at the moment of sale. In order to ascertain which of these components is most important for a client purchase decision, it is required to analyse the package and its characteristics in further detail.

According to Orth et al. (2007), package design plays a significant role in communicating a brand's image. At times, it's meant to send high-quality images, while other times it communicates inexpensive prices.

According to Quazi, (2008), both local and macro consumerist concerns are addressed through consumerism. Micro-consumerist concerns include things like unfair pricing, deceptive packaging, false advertising, and misbranding practises. While the larger settings like environmental degradation, the healthcare system, anti-nuclear issues, etc. are the major focus of macro consumerist issues. Fairness in trade practises or fairness in business operations are other names for the micro issues of consumption. This study examines the effects of one macro issue (environmental consumerism practises) and four well-known and widely discussed micro consumerist concerns (misleading advertising, deceptive packaging, bad customer service, and unfair pricing).

Consumers are getting more concerned with making eco-friendly purchases as they become more conscious of the need to protect the environment. "Green buying" is the practise of

making ecologically responsible purchases. The research model in this study examines the effects of predictor variables (environmental concern, organisational green image, and environmental knowledge) onto the criterion variable with the moderating influence of perceived product price and quality (green purchase intention). (Underwood, 2003; Rettie & Brewer, 2000; Barber, Almanza, & Donovan, 2006).

Clifford Zirra Tizhe Oayaa (2017) says to pique the interest of their clients, businesses should focus their efforts on creating exceptionally attractive product packaging. To improve customer ratings or evaluations of the product, businesses should guarantee that their goods stand out from those of their rivals. The information that is used should be a priority for organisations. When advertising the product on the market, the information provided on the label and its worth must be emphasised. It must also be more technically helpful. It is advised that the company keep up its packaging design efforts because it has been discovered that they are quite effective at luring customers to try out purchases.

Nawaz Ahmad (2012) concludes that women understand the value of packaging quite well in general. They want it to stand out from competing items and be appealing and simple to use. Additionally, they would prefer the packets that should be kept for later usage. According to some, labelling is a crucial legal document since it indicates the product's dependability. Different packaging signals have been proven to influence in what way a product is seen, according to previous research on packaging. It can be challenging for consumers to distinguish between the packaging and the product since factors like package colour, design, and images can affect how a product is viewed. According to the study, the colour of a product's packaging is the most important factor, followed by the image or picture on the box.

Lockshin (2008) says that never underestimate the significance of purchase. Marketers frequently evaluate consumer perceptions of brands while ignoring packaging. We are aware that packaging greatly influences how customers perceive things because of how they respond to unbranded goods. A product's packaging can influence how a customer experiences it. However, we don't spend much time investigating the relationship between product packaging and user experience.

K.L. Keller (2009) concludes colour is a crucial aspect of the visual features of packaging, and some designers believe that because customers have a colour vocabulary, they have expectations for specific colour schemes for particular items. Colours may improve a point of

differentiation to a brand, and the brand may also possess a few colours that rival brands cannot imitate or can only partially imitate. The author claims that colour is an essential component of packaging's visual appearance, and that the information and meaning it offers must be congruent with those of other marketing initiatives.

To better understand how consumers, use and interact with product packaging, Bizongo performed a market study. In order to generate practical information for experts in the packaging sector, more than 33,000 customers were surveyed. 63% of consumers agreed to have purchased a daily household product because its packaging looked appealing. Compared to five years ago, consumers are 46% more willing to test new brands. This information strongly suggests that packaging is playing a bigger and bigger influence in customer purchasing decisions. Consumer attention has recently evolved to include the three key areas of packaging design, sustainability, and technology.

Danish Ahmed Siddiqui, et al. (2019), states that the buying behaviour of consumers is influenced by packaging aspects such as packaging artwork and colours, packaging size and shape, product information, and packaging material. According to the study's findings, packaging features have a competitive advantage in terms of product quality and features. Therefore, manufacturers cannot discount the value of packing as a marketing tool. It increases the attractiveness and visibility of the goods. The study also concluded that when consumers find a product appealing and distinctive, they tend to acquire it right away.

Poturak, (2014) looked into people's perceptions of how packaging affects consumer buying behaviour, and revealed that a number of factors, including innovation, packaging colour, printed information, background image, packaging material, and product wrapper design, have an impact on consumers' purchasing decisions. Nevertheless, there is one more important factor—price—that always takes precedence over all the others. The cost of a product has a significant impact on consumers when they make purchases. When buying a product, people over the age of 22 pay more attention to written information. They are more focused on the product's functionality than its aesthetics. Because each of the aforementioned characteristics has an impact on specific target audiences, marketers should be aware of them all.

According to Rettie & Brewer (2000), one of the most imperative aspects of a product selling strategy is the packaging design. At the point of purchase, most decisions regarding the

purchases of goods are made. This leads to the conclusion that the only marketing material a customer may encounter while assessing a product is the package itself.

The findings of Sadique Hussain's (2015) inquiry on the impact of packaging on consumer perception and purchase intent highlight the critical role that packaging plays in swaying consumer buying behaviour and communicating product information. The box contains a comprehensive list of product information, including the item's weight, sort, manufacturer, production site, ingredients, and date of manufacture.

Topoyan and Bulut (2008) state that packaging enhances the brand experience. Customer satisfaction can be positively impacted by better brand packaging.

### **3. RATIONALE OF THE STUDY**

A study of the relevant academic literature has led to the conclusion that the impact of product packaging on consumer buying behaviour has been documented. Nevertheless, a study of the existing academic and published literature has discovered that there is minimal research into the effect of packaging on impulse buying behaviour explicitly. There is also minimal research done on the influence of simplicity or complexity of packaging design on consumer behaviour.

This academic study aims to identify the different elements of product packaging that influence the buying decision. The study also aims to evaluate whether product packaging contributes to impulse buying behaviour of consumers. This study proposes to investigate the influence of the degree of simplicity/complexity in package design on consumer behaviour.

The results generated from the efforts of this academic study could possibly be of benefit to both businesses and consumers, as the paper aims to determine the relationship between product packaging and consumer buying behaviour, and if certain types of packaging could potentially influence consumers to purchase certain types of products.

The results of this study will also help brands and packaging designers concentrate their efforts towards the elements of packaging that have an influencing effect on consumers and their purchase behaviour.

Future researchers can build on this study to further examine each feature and how it affects product packaging, explain how packaging features relate to other product categories, or

conduct comparative research to possibly identify various packaging features' effects on a variety of similar or dissimilar products. Also, further research can be done on the link between packaging of products and product differentiation.

#### **4. OBJECTIVES OF THE STUDY**

The research aims to analyse the impact of product appearance on consumer interest in a product, by collecting primary data from consumers in Srinagar, through a questionnaire.

The study has the following objectives:

- To categorize the elements or characteristics which should be emphasized while designing packaging of products.
- To investigate whether product packaging contributes to impulse buying behaviour of consumers or not.
- To investigate the influence of simplicity or complexity in packaging on consumer buying behaviour.

#### **5. RESEARCH METHODOLOGY**

##### **5.1. Research Design:**

To determine the methods of data collection, it was essential to identify the nature of the project. As the main objectives of the study were rather exploratory and more dependent on non-numerical data, the project was based on qualitative research. This research aims to explore the link between characteristics of product packaging and consumer buying behaviour. Hence, an online questionnaire was designed as it is an organized way to gather a larger sample and hence reduce errors in data collection.

##### **5.2. Sample and Procedure**

The questionnaire survey method of collecting data was found to be most appropriate and efficient. This seemed to be the most suitable method to collect data from a large number of people from all walks of life and could be compiled easily to provide tangible results. The data can be developed and analysed in a straightforward manner, due to the quick and uncomplicated access to a large sample without constrictions on time or location.

To conduct the survey, a questionnaire in the form of Google Forms has been used. It is easily accessible, and would help us gather a larger sample. The use of Google Forms also adapts to the current challenges caused by the outbreak of the Coronavirus pandemic. This is because it allows us to gather sufficient data without having to meet people.

The population of the study will be consumers aged below 18 to above 45 years, from Srinagar city in Jammu and Kashmir, from which the sample size of 120 consumers was taken for conducting the study, through random sampling in order to generalize the findings.

### **5.3. Sample Method**

The survey was randomly sent to 150 people out of which 120 responded. All of the responses were deemed suitable and fit the sample.

### **5.4. Survey Design**

The survey was structured with multiple choice questions, rating scales, as well as multiple answer questions.

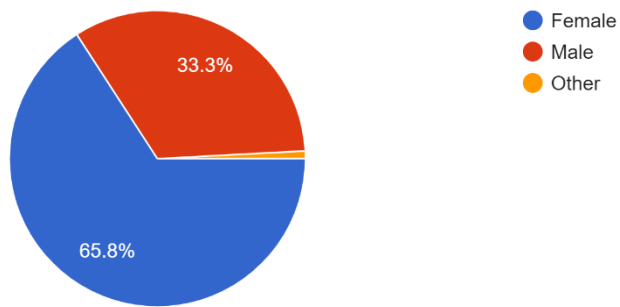
The survey was split into 2 sections:

- a. General Demographics: This section consisted of basic information that helped gain an insight into the respondent's background like their first name, gender, age.
- b. Packaging related: This section consisted of 12 questions for identifying the relationship between product packaging and buying behaviour of consumers. The answers to these questions will help identify the elements of packaging that influence consumers' buying decisions, and fulfil other objectives of this study.

## **6. DATA ANALYSIS AND INTERPRETATION**

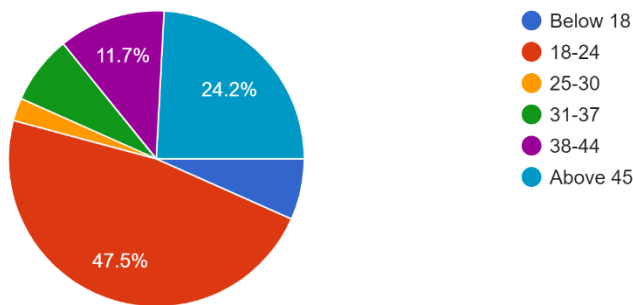
### **6.1. Demographics:**





**Fig 6.1.1** Gender distribution of the sample.

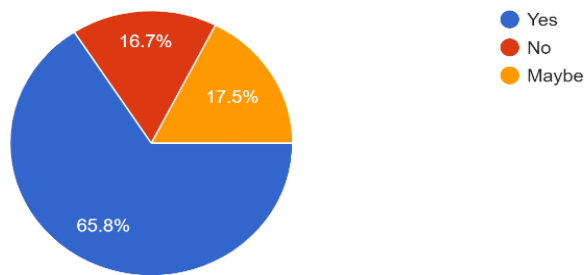
A total of 120 responses were collected, out of which 79 (65.8%) are female, 40 (33.3%) are male, and 1 is unspecified.



**Fig 6.1.2** Age distribution of the sample.

57 (47.5%) of the respondents fall in the age group 18-24. 29 (24.2%) of the respondents are above 45 years of age. 14 (11.7%) of the respondents are between 38 and 44 years of age. 9 (7.5%) of the respondents fall in the age group 31-37. 8 (6.7%) of the respondents are below 18 years of age. 3 (2.5%) of the respondents are between 25 and 30 years of age. Hence, the sample covers all major age groups.

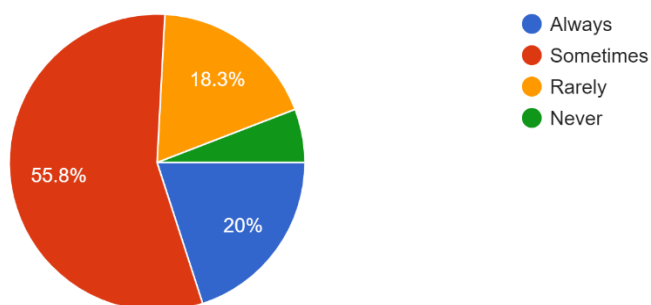
## 6.2 Packaging related:



**Fig 6.2.1** Do you associate some specific packaging colours with some brands?

79 (65.8%) of the respondents have found to associate specific colour or combination of colours of packaging with particular brands. 20 (16.7%) of the respondents do not associate specific colour or combination of colours of packaging with particular brands. 21 (17.5%) of the respondents are not sure whether they associate some specific packaging colours with particular brands. It is possible they unconsciously do so.

Majority of the consumers of all age groups are likely to associate some specific colour or combination of colours with some particular brands. Gender may also influence a consumers' propensity to associate specific colours with particular brands. People who identify as women are more likely to associate some specific colour or combination of colours with some particular brands, than people who identify as men.

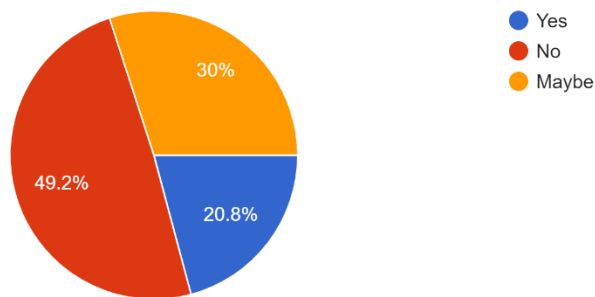


**Fig 6.2.2** How often do you pay attention to the colour of the packaging when making a buying decision?

67 (55.8%) of the respondents sometimes notice the colour and colour combination of the packaging when deciding to purchase a product. 24 (20%) of the respondents always notice the

colour of the product packaging. 22 (18.3%) of the respondents rarely notice the colour of the packaging, whereas 7 (5.8%) never notice the colour.

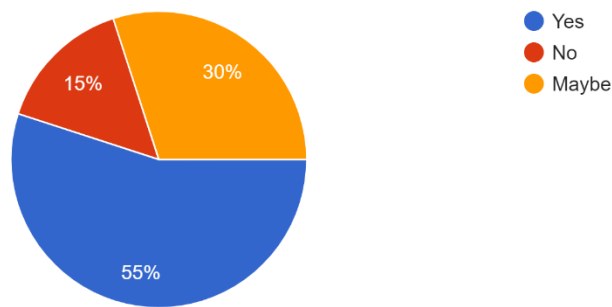
Respondents between the ages of 18-24 are more likely to consider the colour and colour combination of the packaging when making a buying decision. Respondents above 45 years of age are least likely to particularly notice the colour of the packaging. Gender may also be an influence as women may be more likely to notice the colour, than men.



**Fig 6.2.3** For the same product, would you be willing to pay more for premium quality packaging?

59 (49.2%) of the respondents are not ready to pay a higher sum for premium quality packaging, for the same product. 25 (20.8%) of the respondents are agreeing to pay a higher price for premium quality packaging. 36 (30%) of the respondents may be ready to pay a higher price for premium quality packaging, for the same product.

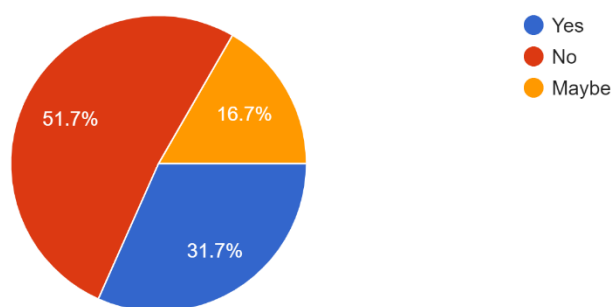
Consumers above 30 years of age may be more likely to pay more for premium quality packaging. Consumers from high-income backgrounds are more likely to willingly pay for premium quality of packaging material.



**Fig 6.2.4** For the same product, would you be willing to pay more for biodegradable/eco-friendly packaging?

66 (55%) of the respondents are prepared to pay a higher price for biodegradable/eco-friendly packaging, for the same product. 18 (15%) of the respondents are not ready to pay a higher price for biodegradable/eco-friendly packaging. 36 (30%) of the respondents may be willing to pay a higher price for biodegradable/eco-friendly packaging, for the same product.

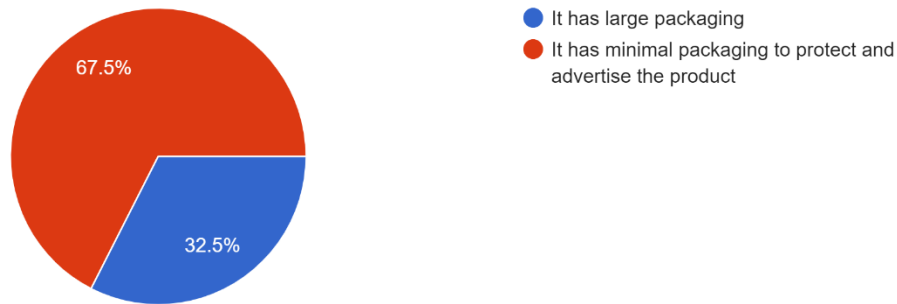
Consumers are becoming increasingly aware of the impact of harmful packaging on the environment. Consumers are considering purchasing products with eco-friendly packaging, over products with plastic or non-biodegradable packaging. Youth, in particular, are conscious of their green choices, and as such are more likely to pay more for eco-friendly packaging of products.



**Fig 6.2.5** Do you associate better quality with larger packaging?

62 (51.7%) of the respondents do not associate better quality of product with large packaging. 38 (31.7%) of the respondents do associate better quality with larger packaging. 20 (16.7%) of the respondents may unconsciously associate better quality with larger packaging.

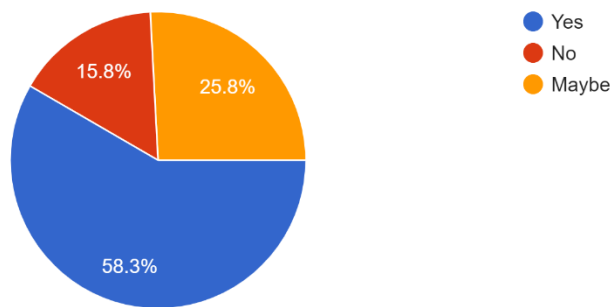
Consumers do not usually associate better quality of product with large packaging. However, this might hold true for luxury products like watches, perfumes, shoes and haute couture.



**Fig 6.2.6** For the same product, price remaining the same, are you more likely to buy it if:

81 (67.5%) of the respondents are more likely to buy a product which has minimal and simple packaging to protect and advertise the product, provided the price remains same. 39 (32.5%) of the respondents are more likely to buy a product which has large packaging, provided the price remains the same.

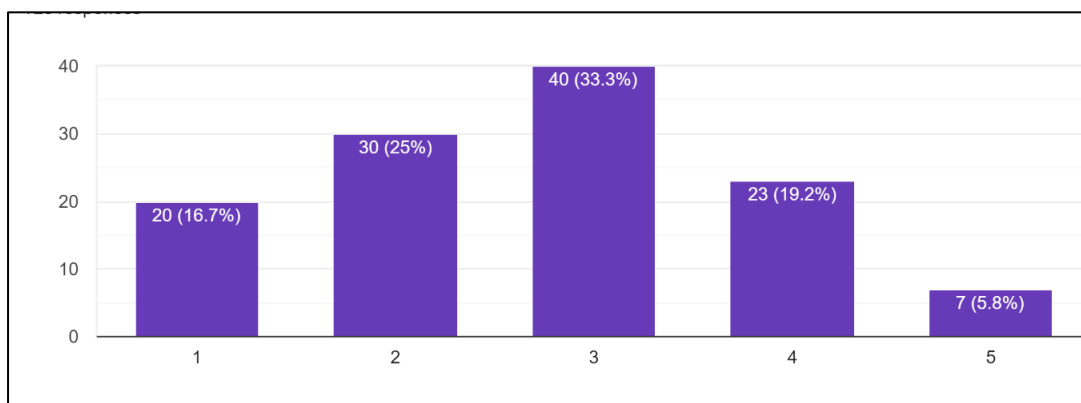
With the growing interest and acceptance of minimalism in all aspects of life, large packaging is losing popularity. Multiple layers of packaging is seen as wasteful for products that do not require special safety and care. Consumers are now associating large packaging with waste and harm to the environment. Packaging that is minimal but still performs the functions of advertisement and protection are gaining traction.



**Fig 6.2.7** Does innovative shape and design of the packaging influence your decision to buy a product?

70 (58.3%) of the respondents' decision to purchase a product is influenced by innovative shape and design of the packaging. 19 (15.8%) of the respondents are indifferent about the innovative shape and design of the packaging. 31 (25.8%) respondents' buying decision may be influenced by innovative shape and design of the packaging.

Innovative, fun and creative shapes of packaging are more likely to gain the attention of consumers who are below 18 years of age, and in the age group 18-24. Consumers above 30 years of age are more likely to buy products with traditional packaging that is easy to store and use.

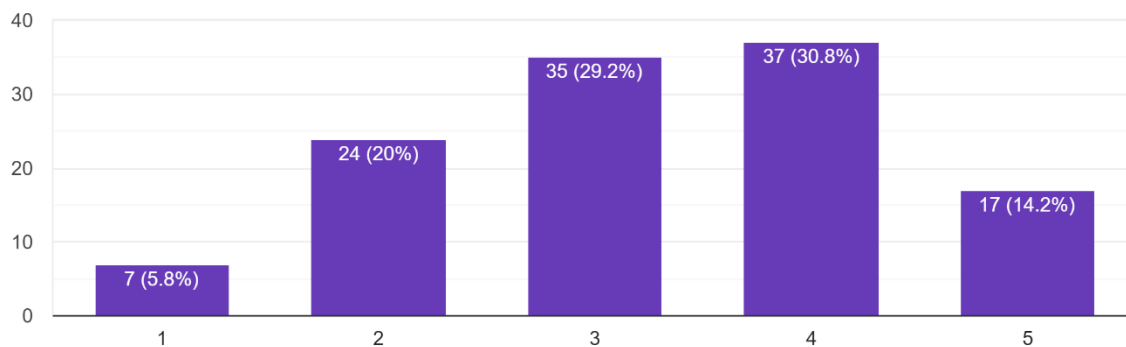


**Fig 6.2.8** On a scale of 1-5, how likely are you to buy a product in place of its competitor, due to aesthetically pleasing packaging? 1 being extremely likely and 5 being not likely.

30 (25%) of the respondents are not likely to purchase a product in case of its competitor, due to aesthetically pleasing packaging. 50 (41.7%) of the respondents are likely to buy a product

in case of its competitor if they found it to have aesthetically pleasing packaging. 40 (33.3%) of the respondents are neutral in this regard.

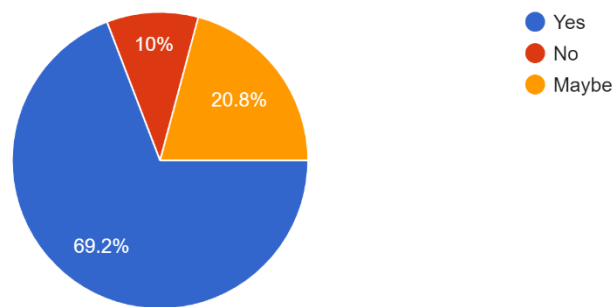
Consumers below 18 years of age, and in the age group 18-24, are more likely to consider the aesthetic value of packaging, when making a buying decision. On the other hand, consumers above 45 years of age are mostly not likely to purchase a product in case of its competitor, due to aesthetically pleasing packaging.



**Fig 6.2.9** On a scale of 1-5, how likely are you to impulsively purchase a new product because its packaging is attractive? 1 being extremely likely and 5 being not likely.

54 (45%) of the respondents are not likely to impulsively purchase a new product because its packaging is attractive. 31 (25.8%) of the respondents are likely to impulsively buy a new product because they found its packaging to be attractive. 35 (29.2%) of the respondents are neutral in this regard.

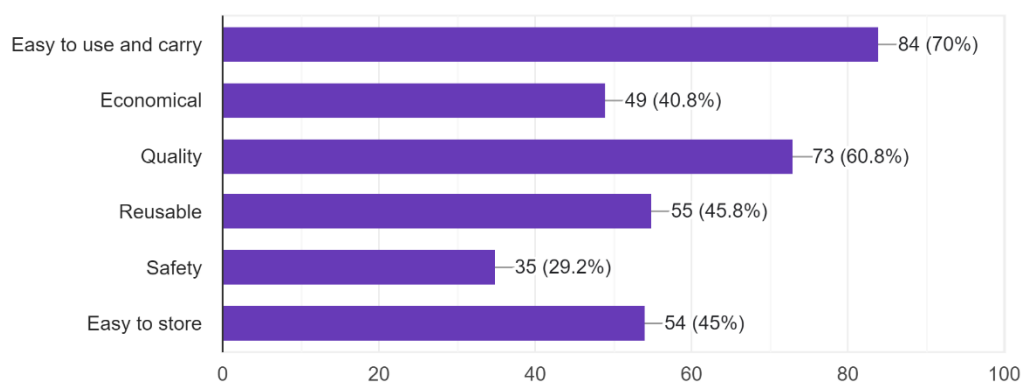
Price plays an important role in triggering impulsive buying behaviour. Consumers above 30 years of age are less likely to impulsively buy a product based on its packaging. However, if they consider the price appropriate, it may deter their buying decision. Consumers in the age group 18-24 are more likely to impulsively buy a product based on its packaging.



**Fig 6.2.10** Do you pay attention to the product information and its layout present on the packaging, when buying a product?

83 (69.2%) of the respondents always pay attention to product information and its layout on the packaging, when buying a product. 12 (10%) of the respondents do not notice the product information and its layout present on the packaging, when deciding to buy a product. 25 (20.8%) of the respondents may pay attention to the product information and its layout present on the packaging, when buying a product.

Consumers almost always pay attention to the product information present on the packaging. Hence, packaging designers have to keep this in mind and provide all vital information on the packaging itself. The layout of information and other graphics is also an important factor to be considered while designing the packaging. The layout should not be ambiguous and cluttered.



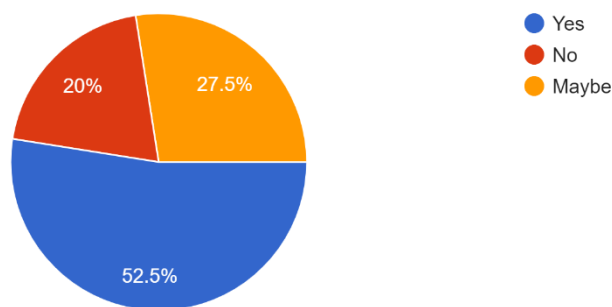
**Fig 6.2.11** What features do you look for most in packaging?

84 (70%) of the respondents consider ease of use and carrying an important factor in product packaging. 49 (40.8%) consider economical feasibility important with regard to packaging. 73 (60.8%) of the respondents find quality of the packaging important when deciding to buy a



product. 55 (45.8%) of the respondents look for reusability of the packaging when buying products. 35 (29.2%) of the respondents look for packaging that is safe to use and carry. 54 (45%) of the respondents also look for packaging that is easy to store, when making a buying decision.

Packaging that is easy to use and carry could be the most important feature consumers look for in packaging, followed by economic feasibility. Reusability and ease of storage are also important features to be considered while designing packaging of a product.



**Fig 6.2.12** Do you think packaging affects your decision to buy a product?

63 (52.5%) of the respondents agree that packaging plays some sort of influencing role in their decision to buy a product. 24 (20%) of the respondents do not think that product packaging affects their decision to buy a product. 33 (27.5%) of the respondents neither agree, nor disagree with this. They are of the opinion that packaging may or may not influence their buying decisions and behaviour.

A majority of consumers are aware that product packaging influences their decision to purchase a product. Some consumers are of the opinion that packaging may influence their buying decisions, but it may depend on external factors as well. A few consumers do not believe that packaging impacts their buying behaviour. However, it is possible they are unconsciously affected by packaging.

## 7. FINDINGS AND DISCUSSION

### 7.1 Elements of product packaging

The research identifies the following elements which need to be considered when engaging in decisions related to packaging: colour, size, packaging material, graphics, shape, and product information and layout.

### **i. Colour of the packaging**

One of the most essential features of packaging for drawing customers in is colour. It is frequently one of the first things people notice since it is more easily seen than other elements from a distance. Consumers of all age-groups always notice and take into consideration the colour of the packaging.

Consumers can picture popular businesses, their logos, and the colours of their packages when they think of some of their most well-liked products. Consumers have been observed to connect certain brands and items with specific colours. Packaging with appealing and significant colours may make a good first impression on customers. Packaging must include colour psychology, and choosing the wrong colours might have a short-lived negative effect.

Consumers may relate colours with their emotions. Different colours can incite different feelings and emotions in consumers. For instance, the colour red is linked to rage and fierceness whereas the colour blue is connected with peace, serenity, and wisdom. Green is typically connected with the earth, while black adds a touch of elegance. As we all know, the colour white symbolises equality and purity. Many food packaging businesses in the UK are hiring a team of specialists for the selection of colours to be used in packaging to improve user experience in order to acquire a competitive edge in the market. The appropriate message may be conveyed via colour. The colour and layout of the packaging may make a business appear sophisticated, eccentric, traditional, or humorous.

Colour of the packaging can also help consumers identify a brand. People begin to associate particular colour schemes with a brand, and it becomes imprinted in their minds. Consequently, colour aids in product differentiation.

Since colour is so complex, there are no set rules for selecting colours. The key is to consider pragmatic approaches to choose colours. It is important for brands to consider the target market and the message the product is trying to deliver.

### **ii. Size of the packaging**

There is a belief that consumers associate larger packaging with better quality, and hence more value. However, this belief has now become obsolete.

As minimalism grows more popular among people of all age-groups, consumers are recognizing that larger packaging does not automatically equate to better quality of products. There is a shift of thinking to “less is more”. They no longer prefer multiple layers of packaging. Also, as consumers become increasingly aware of environmental damage, they come to understand the non-sensical waste that is generated by excessive and wasteful packaging. Packaging that performs the required basic function of protecting and promoting the product, is becoming the choice of the consumers.

However, for luxury products like watches, shoes, haute couture, perfumes, this may not always hold true. Some consumers relate luxury products with large and designer packaging. As they are paying a premium price for these products, they expect to be delivered with packaging that speaks to the luxury and status of the brand and product.

### **iii. Shape of the packaging**

Consumer behaviour is also influenced by the shape of the packaging.

Elongated packaging draws attention more quickly than traditional forms. Unusual and striking shapes that appeal to the target demographic, such as animal-shaped or toy-shaped packaging for children, and elegant and classy packaging for people who prefer feminine things, are more likely to immediately attract the consumers' attention.

The packaging's shape is an element that may set a brand apart from the competition, in addition to the brand and label. It is obvious that many manufacturers place a lot of emphasis on the packaging's visual appeal at the expense of its bland form. When compared to other items on the shelf, experimenting with shape is likely to draw customers' attention.

Consumers of all age groups give utmost importance to the degree of ease of use and carrying, when deciding to buy a product. In addition to this, consumers also want packaging that would be easy to stack on shelves and store in cupboards.

Nonetheless, consumers are getting increasingly intrigued by innovative shapes of products. Particularly, consumers in the age-group 18-24 are more likely to be influenced by the innovative shape of the packaging. It might not yet be something they actively look for, but modern and creative packaging is something that could catch consumers' attention from afar.

#### **iv. Graphics**

Icons, logos, and designs are used to draw in customers. If the product is a brand, then the brand's logo will obviously be prominently displayed on the box. Instead of using language to describe a product's features, use icons to simplify the layout and speed up informational delivery. Attractive visuals work wonders to draw in customers.

Designing effective packaging should include factors other than just looks. Be wary of design choices that could compromise the quality of the reproduction by pushing the boundaries of print. The use of fine or extremely detailed graphics and multi-step methods should be avoided.

It's advisable to avoid design features that provide the manufacturing stage a little margin for mistake. A panel that will be die cut, for instance, may provide manufacturing difficulties due to the complex patterns that run throughout the panel.

The graphics of the packaging become important for a brand when it comes to gaining an advantage against competitors, as consumers buying decision is affected by aesthetics of the packaging.

#### **v. Packaging material**

Packaging made from high-quality materials undoubtedly looks more appealing. Packages with low print values, poor paper quality, or faulty fastening do not catch the attention of customers. Nobody enjoys purchasing items that are poorly packed. Even while higher-quality materials are more expensive, they more than make up for their cost through increased client acquisition.

However, consumers of different age groups are not equally likely to pay more for premium quality packaging.

Green packaging, sometimes referred to as sustainable packaging, employs resources and materials, and processes of manufacturing to use less energy and lessen the harmful effects of packaging on the environment. Green packaging involves the use of recyclable and biodegradable materials in place of constituents like plastic and Styrofoam. Energy utilisation and greenhouse gas emissions are reduced as a result of green manufacturing practises.

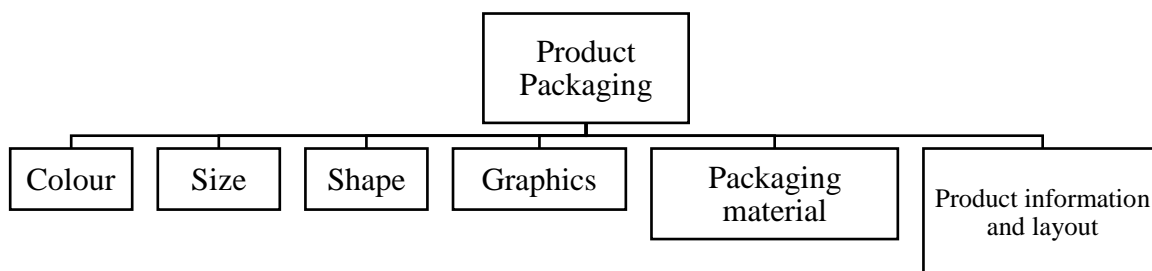
Consumers of all age groups are ready to pay a higher price for sustainable packaging.

#### **vi. Product Information and layout**

The buyer approaches the package to read the contents after being drawn in by the colour. They are discouraged from looking into the product further by the busy layout, bad typography, and unnecessary information. The customer is almost always positively influenced by product packaging that concisely communicates key details about a product's features, advantages, and manner of use in an attractive arrangement.

The packaging should also reflect the necessary information related to the product, such as directions for use, warnings, ingredients, manufacturing and information dates, and the price of the product.

Consumers will almost always pay detailed attention to the product information. Hence, it becomes essential to ensure that all required information is displayed in an unambiguous and concise layout. But it is important to keep in mind to not include unnecessary information as that will make the packaging look shabby and overcrowded.



*Fig 7.1.1 Elements of product packaging*

## **7.2 Product Packaging and impulse buying**

Unplanned purchases of products made on a whim or impulse are referred to as impulse buying. Attractive and “perfect” packaging can go a long way in influencing consumers’ buying behaviour. Different elements of packaging, like size, shape, colour, graphics, etc., have a varying influence on consumers’ decision to purchase a product. However, packaging may not incite a consumer to impulsively purchase a product they have never purchased before. There is a weak link between product packaging and impulsive buying behaviour of consumers.

Though the elements of packaging (size, shape, colour, graphics, product information and layout, packaging material) are quite important to the consumers, there is one factor that will almost always be of utmost importance to the consumers. That factor is the price of the product.

No matter how attractive and pleasing the consumer finds a product's packaging, if they consider the price to be unnecessarily high, they will not purchase it.

Consumers from high-income background are, however, more likely to impulsively purchase a new product because they found its packaging to be attractive and appealing. They have the financial means to do so. Hence, the income and financial status of consumers can influence impulsive buying behaviour triggered by packaging.

Also, Gen Y and Gen Z consumers may be more likely to impulsively purchase a product due to its interesting or innovative packaging. They are more likely to consider the aesthetic value of the products that they purchase.

Impulse shopping and time availability are strongly correlated. In other words, the more time someone has available to them while making a purchase, the more likely it is that they will make impulsive purchases.

### **7.3 Simplicity or complexity of packaging**

Two main working memory-processing systems in our brains control how we behave and respond in daily life. The visuospatial sketchpad, the initial system, keeps track of the visual cues we encounter every day. It alerts us to the presence of an aisle with products and a POP display in front of us, in order to avoid running into them. The phonological loop repeats information to keep it active in our working memory, including information that is not visually represented, such as numbers and information we wish to be aware of.

These systems do, however, have limitations. We are unable to retain every detail and maintain everything at the forefront of our minds. We psychologically withdraw when we are overloaded with information, and we get bored and indifferent when we are under stimulated. As such, consumers may not remember every detail about products they want and like. For a brand, this becomes a problem as they always want to leave a lasting imprint on buyers' minds. Nonetheless, packaging can make a lasting impression, as long as the rules of memory are followed.

It has been rightly said that the height of sophistication is simplicity. A product will be more appealing and will stay in people's active (working) memory for longer if its design is ergonomic and has minimal chunking. For example, packaging for a product may include elements such as a logo, a brand name, a product name, a picture of the product, a window

showing the product, the serving size, and important instructions. These elements, give or take a few, become the key to speedy customer consumption in a retail environment. Consumers find simple designs easy on the eyes, hence are more likely to actively remember the product and buy it again.

On the other hand, complex designs take longer to find and are viewed less frequently. Packaging that has too many elements, like a logo, brand name, illustration, product name, unnecessary information, and seems crowded may be perceived as unattractive and off-putting by the consumers.

It might be tempting to fill the space with images and text when presented with the "blank canvas" of a packaging design. However, simple and elegant designs have been shown to be more successful in grabbing the attention of customers. Consumers nowadays lack the patience to read long passages of text. Hence, the concept of less is more applies here.

For maximum effect and a longer-lasting impression on customers, the content should be limited to a few bold phrases on a plain background. Too-many-things-at-once designs frequently get in their own way, diminishing their own efficacy by drawing attention away from the most crucial elements.

## **8. CONCLUSION**

In conclusion, product packaging has a strong influence on consumer buying behaviour. Packaging elements- colour, size, shape, graphics, packaging material, and product information and layout, all have distinct effects on the way consumers perceive a product and hence the brand. Therefore, it is necessary for brands to carefully consider all these elements while designing the packaging of a product.

This study concludes that there is a weak link between appealing packaging and impulse buying behaviour of consumers. Demographic factors such as gender, age, emotions, income and financial status, and external factors such as availability of time, location, etc. influence impulsive purchases by consumers. Nevertheless, attractive packaging might gain traction as a trigger for impulsive purchases. Hence, it becomes important for brands to design packaging that would be appealing for the target market.

The packaging must look enticing and perform flawlessly since it will act as your product's silent salesperson when it is displayed on a shelf or hung in a case. Some suggestions for brands and packaging designers are given below, that will help to produce the “perfect” packaging.

1. Design the packaging with the target customer and brand in mind.

Brands should consider their target audience and what will appeal to and be interesting to them. Use visuals that are appropriate since packaging serves as a visual representation of what is contained within.

2. Carefully choose colours and fonts.

The packaging should be striking, but not overly so. Instead of competing or clashing with the product, the colours should enhance and compliment it. Select a typeface that complements the product's branding and is distinctive while being readable. Consider planning visuals that may be used with a variety of products in a product line.

3. Use the right wording.

A product's packaging should include wording that explains what it is and why potential buyers should buy it. Thus, it is best to keep it straightforward. Cluttered designs and overstuffing the package with text should be avoided.

4. Package should be fit for the product.

In terms of form, size, purpose, and materials, the packaging should be practical. It should be taken care that the package is strong, simple to open, and portable. Handles or another method of handling the product should be considered if the product is hefty.

5. Be eco-friendly and take the environment into account.

The waste left over from excessive packing deters many customers. The extra layers of bags, cartons, and plastic should be skipped as consumers now agree that more isn't always better. Such packaging should be created that offers product protection without producing too much waste.

6. Ensure that it can be stored and stacked.



Oddly shaped packages might be difficult for retailers to handle since they may need to arrange the products on a shelf or in their storage or warehouse. Moreover, consumers also consider the storage capability of products. Hence, due consideration should be taken while designing the packaging, keeping in mind how it will be stored and displayed in stores.

7. It is advised that brands should continuously keep up their packaging design efforts because it has been discovered that they are quite effective at luring customers to try out products.

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## **Study of Fintech And Its Impact on Common Man and Businesses**

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### **ABSTRACT**

The research paper analyzes the growth of the fintech sector. It provides an overview of how the fintech structure works, how fintech has impacted consumers and businesses. Fintech has impacted both consumers and businesses in various ways. It made it convenient for customers and businesses to go cashless for customer and even for businesses in multiple ways, such as not handling cash as everything directly goes into the bank fintech also has a few drawbacks for both businesses and people overall with the coming of fintech it has revolutionized the financial and banking sector. The purpose of this study is to overall understand what role does fintech plays in your economy and how does it affect the life of common man and businesses. what we found during our research was that fintech has affected both the business and common man in various ways, people have found it easy to make their payments with fintech but along with that they feel that they have started spending more because the money is directly cut from band account, the problem of change has been resolved, business also find handling of payments easier than handling cash.

**KEYWORDS-** *Fintech, Banking, Finance, Sector, Common man, businesses*

### **1. INTRODUCTION**

The term "fintech," as it is more often referred to, describes cutting-edge technology designed to deliver various financial services better. Fintech, at its core, helps businesses, business managers, and consumers to handle their financial operations, lifestyles, and procedures more effectively via the application of specialized algorithms and software on computers and smartphones. The words "fintech" and "financial technology" are mixed.

Financial technology is a term used to describe goods and businesses that use cutting-edge online and digital technologies in the banking and financial services sectors.

Fintech is broadly used in the following sector

Banking

Investment & Savings

Payments gateways

Through this research paper we will try to analyze fintech on the basis of payment gateways. Fintech now has a range of financial activities typically performed without a person's help, such as money transfers, checking your account balance on your mobile phone, and asking for credit without having the hassle of visiting a physical bank also you can raise money for any reason such as a trying to start startup business or even handling your investments. As per EY's 2021 Financial Technology Adoption Index, one-third of customers use two or more fintech services and are becoming more familiar with how fintech affects their daily lives.

### 1.1 Emergence of Fintech In India

India is emerging as a significant global economic power, and with that, the inclination to leverage technology for financial services has simultaneously increased. Fintech is rapidly changing the face of the banking industry. More and more banks are adopting digitization and cashless processes. India today is a growing fintech hotspot. In fact, it is one of the largest in recent years. Though the reliance of growth on financial services is an excellent risk for financial fraud and misuse of personal financial data.

During the previous recent years, especially after the covid situation, people have massively adopted the use of digital payments in a country like India, which makes it convenient to go with essential financial services. A report from FCCI and Boston Consulting Group states a

fintech score of USD 150-160 billion by 2025 is expected to be achieved by India. Earlier, banks have always served as a gateway to payment. Still, with fintech, banks' monopoly is gradually weakening. India's payment infrastructure has significantly improved because of initiatives like Bharat Interface for Money, a unified payment interface, and a quick payment service. Other than that, government projects such as “make in India” and even “Digital India” projects have even played an essential contribution to rapid growth and Fintech uptake in India. The Reserve bank of India has also been motivated to establish a genuinely cashless society by pushing the usage of electronic payment in India.

Governmental initiatives like the adoption of demonetization and the However, demonetization caused a lot of chaos and frenzy, and it was a driver for a paperless, cashless economy. In addition, the promotion of contactless and cashless payments for preserving social distance has accelerated the digitization process in response to the COVID-19 pandemic. With the introduction of innovative platforms like Paytm and MobiKwik, phones, and other digital mediums, digital prices undeniably have been a flag bearer of the fintech market in India. Reliance jio digital and Facebook A worldwide alliance is anticipated to transform India's digital payment industry, focusing on hyperlocal digital commerce that spans rural and urban regions

The system of cashless transactions in India is growing and achieving great heights and the market today is shifting towards benign global development in the banking sector. To go cashless is a order in today's world and not just something is just there for it, there has been a lot of effort in the previous few years to drive financial and fintech inclusion , there has been better access provided to traditional banking also. There have been various amendments by the banking act to show that the Reserve Bank of India, governmental institution and even Banking sector are having a stable growth (Vinay Kandpal, Rajat Mehrotra,2019).

The ecosystems related to fintech are non-linear and complex along with being heterogeneous, the complex network of fintech agent do interact with each other and proved a large array of financial products, the technicality of fintech is increasing day by day, with this various new players entering the market and fintech definitely is on the verge of growth (Priyadharshini,Muthukannan, Barney Tan,Daniel Gozman,Leben Johnson0, 2020)

## 1.2 Impact of Fintech On Common Man and Businesses

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India right now is at the vanguard of its financial revolution. Computation and automation are right now at that point in financial system where digitalization today is on the verge to take a center stage in payments, exchange and clearing, and also where regulations are abide by through the fintech and its system is definitely an upcoming big thing and is already having a massive impact on a commoner, people have started to adopt to internet banking, paperless lending, mobile and even the use of mobile wallets, and secure payment gateways, a huge portion of transactions are being done online through various digital platforms . Hence, the technology vulnerability of these big firms, mainly how they adopt adequate safe customer data, is paid a lot of attention. It is also essential to counter its adverse connotations on the entire financial system.

With fintech, the financial transactions and payments which a business generally offers are at improved and better levels. Payments are made within very less minutes because of the security and speed offered by fintech platforms. It also has a very easy to use and a safe or secure interface which makes payment quick and simple to do. Common men and businesses from various sectors and verticals in today's world are trying to use fintech to be in pace with others and the coming future. Healthcare-financial technology is creating amorous new opportunities in the healthcare sector. It assists in alleviating the current challenge and rendering good experiences for both medicare service providers and patients. Apart from providing seamless financial services, fintech offers various ways of lending to customers and for the purpose of insurance.

The retail sector is also at a point of revolution. Especially when it comes to customer experience and payment, retailers offer an omnichannel experience that allows its customers to engage with various retail outlets through its platforms. Technology today is empowering various strategies of markets by giving them insight into customer preferences and empowering them. Crowdfunding-Crowdfunding has become much more leveled with the institution of technology of fintech. Banks, NFBC, and other leading financial UnitedHealthcare fine tuning towards online payment for collecting funds to reach them out to various hinterlands and also offer good quality market services as an alternative investment.

## **2. REVIEW OF LITERATURE-**

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The study attempts to close the gap in the existing academic literature on the emergence of innovation-focused financial technology (fintech) enterprises. In addition to using resource-based theories, business models, human-centered design, and open innovation, the analysis presents a conceptual overview of the significant value drivers underpinning fintech. The essay explains how fintech can facilitate creativity in the established financial sector and improve the triple bottom line by resolving issues affecting those residing there. (Ádám Hoffmann,2017)

Fintech is supposed to believe as a game changer. Complex algorithms and big data have given rise to a new financial environment, as well as fintech platforms and traditional institutions are competing and benefiting from the partnership. The new landscape has the possibility to connect billions of people customers who are unbanked to financial systems. However, concerns have also been raised that this cutting-edge technology could as an outcome of machines being replaced by people in the workforce. Industry y experts also say that while various Employees must adapt to technological advancements. enhance expertise and advance inquisitive., machines and humans could work together more effectively, resulting in better outcomes. In an ideal situation, fintech rules should perhaps be able to strike a balance between maintaining financial stability and providing customer satisfaction (Julapa Jagtian, 2019).

The tension between customer acceptance and regulatory requirements calls for innovation in the business model, and try required the creation of compliance toolkits that will the fintech - related startups to face cross-jurisdictional requirements that are difficult, trans. There are plentiful opportunities for innovations with rapidly emerging technology, and fintech also has a contribution to make the regulators. Most people are focused only on consumer-centric approaches, and there are many ways to get in touch with the needs of the banking public. The awareness the relationship between regulators and fintech businesses can construction regulations that aid in the development customer confidence in fintech technology (Anne Laure, 2019)

Businesses that deny credit are similar to online borrowers, especially for fintech firms arranging credit for businesses not qualified to do traditional bank financing. The results for people who lend online are hard to distinguish from either receiving a loan from a bank or receiving no funding. Customer satisfaction is evident, and Bank customers are happier than



people who borrow online and more self-assured than those denied any form of credit. Businesses now have become more aware of the availability of online lenders they remain pretty unlikely to be trying to be competitive with banks. (Mark E. Schweitzer and Brett Barkley, 2017)

The size of various market segments served as the starting point to forecast future development. The market potential is estimated through six potentially addressable markets, and then relevant subsegments are defined. The forecast includes three scenarios, a real case, an optimistic, and a pessimist's scenario. Each has different assumptions, and fintech represents as a complement rather than a substitute (Prof. Dr. Gregor Dorfleitner, Jun.-Prof. Dr. Lars Hornuf, 2016)

India has a population of around 1.3 billion people, and a significant portion of the population is under and unbanked. Fintech is viewed as a game-changing, disruptive innovation that has the power to upend the established financial markets. India has seen remarkable growth over the previous five years, and more change is anticipated. There are around 1500 FinTech startup firms operating in India; of these, nearly half were started in the past two years. The fintech industry needs to be encouraged further with different initiatives by the government, other regulatory bodies, and start-ups. ( P. Krishna Priya, K. Anusha, 2019)

Fintech provides alternative solutions for banking services and non-banking finance services. Fintech provides digitalization transactions and is more secure for the user. Fintech services India Fastest growing in the world and will change the habits and behavior of the Indian finance sector. The Indian fintech software industry is anticipated to grow from its current USD 1.2 billion to USD 2.4 billion by 2020. In 2016, it was projected that the fintech industry was worth over USD 33 billion. The market is anticipated to develop at a CAGR of 22% during the next five years, reaching USD 73 billion in 2020. (Dr. C. Vijay, 2019).

In India, FinTech mobile app options have significantly increased over the last three to four years. Researchers claim that there is still uncertainty over how well these apps work for users of different ages. We suggest a system to assess the usability of mobile apps in order to calculate their adoption rate among the elderly population. Survey results demonstrate that older persons cannot effectively use the current FinTech mobile apps in India. Around 74.04% of Indians are illiterate, and a sizable proportion of them live in rural areas. Our suggestions

may be expanded to senior consumers everywhere, not just in India. (Neeraj Mathur,Lalit Mohan S,Sai Anirudh Karre,Y. Raghu Reddy,2018)

The rise of fintech over the last decade has drawn increasing scholarly attention. During the launch stage, fintech has a negative spatial spillover effect on the surrounding regions. The findings show a diverse impact, which has policy implications for regional development. The research was carried out using regional-level data on China.(LihongYangabc,ShixunWang, 2022)

The last few years have seen the technology-based businesses are expanding quickly and using more sustainable business structures. There has been little research into systematizing efforts and identifying the facilitating factors for such a transition. Case studies relating to Fintech and the circular economy are analyzed and discussed in various industries and contexts. Fintech can help small and medium-sized businesses integrate circular economy practices. Positive externalities associated with Fintech adoption extend beyond enterprises to the entire society by contributing to cleaner production (CP), improving environmental management, production efficiency, and sustainable societal development. (Simone Pizzia, Leonardo Corbo, Andrea Caputo, 2021)

### **3. RESEARCH GAP**

With the sudden and massive growth of fintech around it raised many eyes and there was a lot of research done on how fintech is impacting the banks and also other impacts but there was not much review of literature available on how fintech impacts the common man, us students, small business and people around and how fintech is impacted by covid and how it is performing in the post pandemic world thus we decided to focus our research on the study of fintech and its impact on business and the common man.

### **4. OBJECTIVES OF THE STUDY**

This study is being conducted on the topic, Study of Fintech And Its Impact On Common Man And Businesses. The reason for conducting this research is to get a deep Analysis on what is fintech and how it is impacting business and common man Further, this study helps us to

understand the impact on fintech on common man and business. Hence for these reasons, this research paper is being undertaken:

- To study the role of fintech
- To know the impact of fintech on common man and businesses

## 5. RESEARCH METHODOLOGY

We initially tried to comprehend the nature of the project to understand what methods of data collection to use, the nature of our project is efficient based which requires understanding people around us but also using the data available and going through research to understand things better which we apply, we choose to conduct an online survey with various multiple-choice questions to understand our target people and get a deeper understanding of our topic

Methods used to study Fintech and its impact on common man and businesses-

we have tried to analyze the impact of fintech on common man and businesses

Finally, the impact of fintech and its roles on people's day-to-day lives and on their minds was concluded with the help of a questionnaire

we studied about fintech in the post pandemic world and how fintech has been impacted through various research papers

Preparation of Questionnaire:

All the factors that were studied were not enough to come to any conclusion in order to understand the impact of fintech on the common man. Therefore, a questionnaire was prepared to understand its impact. The questionnaire was made to be simple and we tried to be direct and also make it a little interesting so that respondents could easily relate to all the questions.

Details of the survey we conducted-

|                      |  |
|----------------------|--|
| Type of research     | Our research design was mainly descriptive |
| Research design used | Quantitative                               |

|                         |                                   |
|-------------------------|-----------------------------------|
| Sample Size             | 100 people                        |
| Target Population       | Teenagers, college-going students |
| No. Of questions asked, | 7                                 |

We sent our survey to more than 120 people, including college students living in various parts of India and their family members. Out of the total no of people we sent, 100 successfully responded to our questionnaire. The response rate is 83.33%, which is generally considered a good response rate for research. Therefore, the sample size for this research is 100

## DATA COLLECTION

We used a variety of ways to collect our data, both primary and secondary data were analyzed. We designed a google form with the most relevant questions regarding fintech, which we wanted to know and cover in our research. We primarily targeted Generation Z & Y because we feel they are the ones who use the primary users of fintech and are most influenced by it. After all, they were most accessible, but we also kept it open to others. We distributed our survey to friends, classmates, and family and put it on social media handles such as LinkedIn, Instagram, and various WhatsApp groups. And we got a lot of responses after launching our survey, and we also interviewed some small business owners to know how they feel about fintech and how it has impacted them.

### Methods of data collection

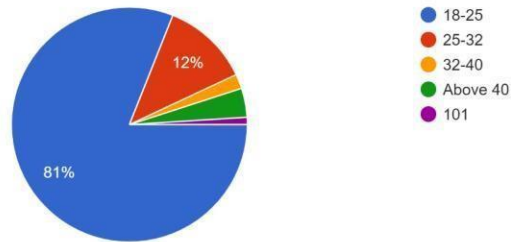
|                     |                    |
|---------------------|--------------------|
| Primary data        | secondary          |
| Google survey       | Articles on google |
| Interviewing people | Research papers    |

## DATA INTERPRETATION AND ANALYSIS

An attempt is made to gather responses from all age groups to derive a holistic and wholesome analysis for this research was made.

Q1- What is your age?

Your Age group  
100 responses



81% of the sample population belongs to the age group of 18-25 years.

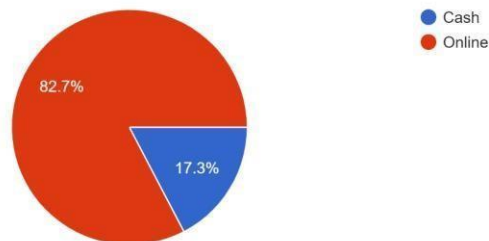
Around 12% of the total respondents who answered fall in the age category of 25- 32 years.

3% of the respondents the age group of 32-40 years.

5% are above the age group of 50 years.

Q2- What kind of payment method do you prefer?

What kind of payment method do you prefer?  
98 responses



Of the 100 responses we have received, around 82% of people i. e 80people prefer online mode of payment it means that they are younger population more inclined towards technology and some others reason for growth of online payment are

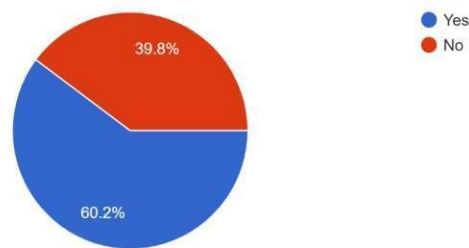
They are more convenient

They eliminate Geographical boundary

Q3- Do you have a brief understanding about the revenue model of various fintech companies (mainly online payment app like Paytm, GPay)

Do you have a brief understanding about the revenue model of various fintech companies (mainly online payment app like paytm gpay )?

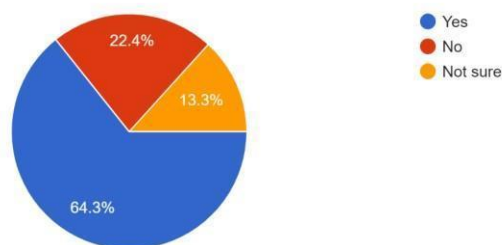
98 responses



Q4- Do you think with the emergence of online payment, is there any change in your expense?

Do you think with the emergence of online payment is there any change in your expense?

98 responses

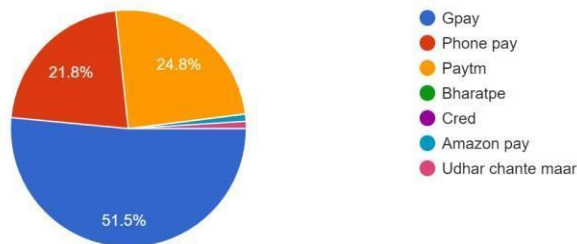


The majority of the population, 84.3%, thinks there is an increase in their expenses due to online payment. By asking them we came to know that it is because of the convenience of the user as nowadays we can make payment on fingertips

Q5- Which among the following apps do you use the most or do you find the most convenient among them?

Which among the following apps do you use the most or you find the most convenient among them?

99 responses

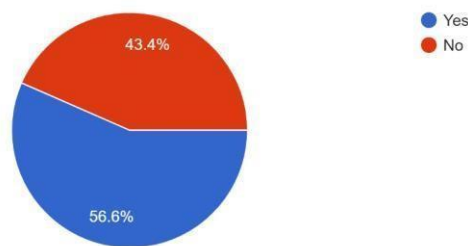


Half of the population uses Gpay as their payment app, followed by Paytm and Phonepe, and a very less population uses other methods.

Q6-Do you get special offers or any benefits from these apps?

Do you get special offers or any benefits from these app?

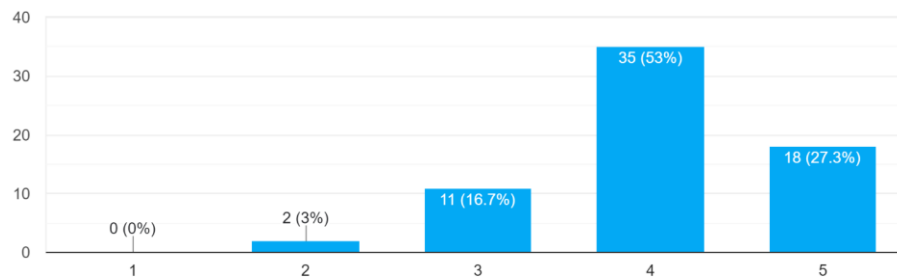
99 responses



For this question, we got a mixed response as some believe that they get offers as it might also depend upon the no of transactions by user value of transactions etc.

Q7- Rate on a scale of 5, how trustworthy do you find online payment apps?

Rate on a scale of 5 how trustworthy do you find online payment app  
66 responses



## INTERVIEWS FROM VARIOUS PEOPLE

**Manish Gulati, Lucknow, a business owner**

Fintech impacted us a lot as a business. It was advantageous. It makes handing the money easy by directly transferring the money to an account, and people pay the total amounts. E.g., if the bill is 1204, they will pay exactly that and not 1200

**Deepraj (talked through a common contact) shiv stores Indore, small business owner**

Apps like Paytm and phone have made it easy for us not to worry about change all the time. By directly scanning, we need to worry about change. Other than that, also it is good for us.

**Anand Bhatia (owner of CD bakery), Indore, talked through a common contact**

Fintech is overall good. It has reduced credit problems now, customers pay instantly, but whenever there is some problem in the network, it becomes really difficult as the transaction gets on hold. The customers, most of the time, do not even have cash.

**Khushi Malik (student at Delhi university)**

Doing transactions online is hassle-free. I do not have to worry about carrying cash, but at the same time, as money does not go from my hand in the form of cash, I tend to overspend as it is very convenient and directly gets cut from my bank account, I only realize later that I have overspent



**Suhani Gulati (student at Christ university)**

Fintech, for me, is very convenient. It is easy to pay for my expenses, and I do not have to worry about cash. Handling cash is difficult though sometimes I am even worried about my safety because of so many frauds happening, so I try to be extra alert while paying.

**FINDINGS**

By researching this topic, we got a detailed analysis about what fintech companies are their business model and how they make money or what is their source of income

We had analyzed the impact of the emergence of fintech on common man and business as Using the fintech technology has made it convenient for a large number of conventional businesses and traders. Guests can easily enjoy the benefits of Fintech

Fintech has a lot of advantages for the common man, such as not carrying cash, having things hassle-free, and having no problem with change

Other than that, it does have the disadvantage that people feel they over spend using these digital platforms because now it is easy for them to pay anywhere and it straight away goes from their bank account. Thus they sometimes do not realize how much they spent.

We studied its impact on business also and found that it has also impacted the business in various ways , it made it easy for them to handle the money as the cash was less and there was no problem of change

though during the pandemic the fintech industry was impacted negatively like rest of financial system but the impact on fintech was quite less

By analyzing the impact of covid 19 on fintech ( payment gateways ),we can conclude that there is a positive impact of covid on this sector as people are during covid more on health and technology and are preferring cashless transactions we can also witness that there are many startups which focused on fintech and there are in the making

**CONCLUSION**

Despite the current growth of fintech, a vast portion of India is underbanked, and due to this, the nation's financial situation and problems are not a thing to handle to handle, but with fintech, it has the superpower to change and transform India's banking sector and also financial services fundamentally. Various factors include enhanced smartphones, internet penetration levels, and government attempts to promote the industry. Also, there is a growing awareness

related to fintech. All of this has provided a much-needed boost for the Indian fintech sector. Also, fintech companies growing partnership with traditional banking, retail, and insurance sectors is supposed to accelerate the financial sector in India.

Due to all of these factors, we expect a positive shift in the fintech industry in India. Talking specifically about the common man, it has impacted the common man and made it easy for them to go to places hassle-free without cash. Talking about business, it has both advantages that people now pay from their phones so they even have to handle less cash and things are organized, but it has disadvantages when there is a problem in the server things get disrupted too overall fintech is a very big change in the financial services, and it is complementing the traditional banking structure

#### SCOPE FOR FURTHER RESEARCH

As we all know, the horizon of fintech is vast, and through this research paper, we tried to touch upon one of its aspects, which is the payment GATEWAY'S. In our future research, we will try to cover different areas of fintech, like fintech in the insurance sector, investment, and savings sector. We will also try to analyze the business model of various fintech firms like Gpay, Paytm, etc., and their revenue model as the future scope for the research

#### LIMITATIONS

Though we tried to study the fintech impact on common man and business we were mainly only able to focus on teenagers and young adults, there are a lot of other age groups that need to be focused on

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