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Studējošo zinātniski pētniecisko rakstu krājumā ir iekļauti Ekonomikas un kultūras augstskolas (EKA) un Alberta koledžas (AK) studējošo un absolventu valsts pārbaudījuma darbu fragmenti, kā arī EKA, AK un citu augstskolu studējošo zinātniskie raksti, kas tika iesniegti uz **Studentu starptautisko zinātniski praktisko konferenci „Studējošo pētnieciskā darbība: teorija un prakse'2022"**.

Sējumā ir iekļauti raksti, kuros ir atspoguļoti Ekonomikas un kultūras augstskolas studiju programmas „Business Administration" un „Management" angļu plūsmas studējošo studējošo veikto pētījumu rezultāti vadības zinību jomā.

Izdevējs:

Ekonomikas un kultūras augstskola

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Contents

Azhar Shahzad[1], Muhammadrizo Erfan[2]. OPENING A CAR RENTAL AGENCY IN UZBEKISTAN: A MARKET ANALYSIS

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Abstract

Research relevance: The overall assessment of the car park in Uzbekistan, working in the field of car rental, is still no more than 50-70 thousand cars, which is ten times less than, for example, in Europe, where the car rental fleet is at least 2 million vehicles. This research work focuses on identifying the reasons for the decline in car sales and bringing solutions in order to opening a company to the current unstable situation. At the moment, the total volume of the car rental market is at least $ 150-200 million per year. Moreover, the dynamics of the development of this segment of transport services has been growing over the past few years at a rate of at least 15-20%. These rates are due to the fact that the market still has a small capitalization, and, as experts say, the effect of a low base is affecting. This is a situation when, even in large CA cities, no more than a dozen rental companies operate, each with a fleet of more than 10-20 cars.

Research goal: To analyze the marketing of the car rental market in a pandemic situation in Central Asia and find out the client's ability to rent and the target audience.

Research methods: The authors used records, secondary data, and data processing techniques such as graphical assessment, descriptive statistics, and data evaluation to investigate the crisis' influence on the automobile industry and develop a business strategy. In-depth analysis of the field of automotive engineering, as well as the passenger vehicle market's key indicators and the potential patterns in its evolution are examined in detail using statistical data.

Main findings: A sharp decline in real retail sales of passenger cars is a typical "defensive" behavior of the population in a pandemic period, when there is a refusal to buy cars due to high road taxes, fuel prices and a shift in demand towards budget options.

Keywords: car rental; sales; marketing; Uzbekistan; car rental.

Introduction

The peculiarity of the Uzbek car rental market is that the geographical concentration of companies providing such services is primarily concentrated in Tashkent, Dushanbe, and Almaty (almost 70% of the market), as well as in traditional tourist regions – Samarkand, Bukhara Territory, Sochi, districts adjacent to tourist clusters: Chimbulak, Altyn Emel, Charyn Canyon, Saimaluu Tash Territory, and in regions where tourism is primarily presented.

As per marketresearchstrategy.com (2020) research, when it comes to car rental in Uzbekistan, the market dates back to the beginning of 2000s and has since developed into an extensive network of service providers, both domestic brands and companies operating under franchise agreements with foreign car rental companies and corporations in many major cities.

Rental vehicle revenues now reach between $ 150 and $ 200 million per year and in addition, the growth of this particular kind of transportation has been increasing at a pace of at least 15-20 percent over the last several years, because of the market's low capitalization and, according to analysts, the influence of a limited base, these rates are high. Even in major Uzbekistan cities, there are hardly more than a dozen rental car firms operating, each with a fleet of 5-10 vehicles or more and Uzbekistan's automobile rental industry has a fleet of about 50-70 thousand vehicles, which is 10 times less than that of other post-Soviet nations, where there are at least 2 million vehicles in the industry (Travelcars.uz, 2021).

The main user demographics who utilise the services of the car rentals in Uzbekistan or in general can be classified as the following categories:

– Customers who have their own car, but for some reason are forced to look for a temporary replacement. This, as a rule, is either a trip to another city, or the absence of a car due to repairs. Such clients are the largest in the overall structure of demand - about 43%, they belong to the social group of well-paid specialists with a salary of at least 500-1000 $ a month.

– In second place in terms of the share of demand for car rental services are those who need a car for recreation, travel, tourism. There are about 20-25% of such clients. In many ways, the portrait of such car renters looks like a young family with one or two children. The average income for each family member is at least 300 hundred $.

– Corporate clients are in third place in terms of the number of car rental orders. Such orders are mainly related to the meeting of some business delegations, company representatives, partners, etc.

According to KAYAK.com (2022) reports, 90% of all Uzbekistan vehicle rental searches are made in Tashkent, followed closely by Samarkand (8%) and Bukhara (3%), and it costs on average $65 a day to hire a vehicle in Uzbekistan, and the most popular kind of rental car in Uzbekistan is a compact (Ford Focus or similar), which costs on average $276 per week, $1,184 per month, and 39 per day.

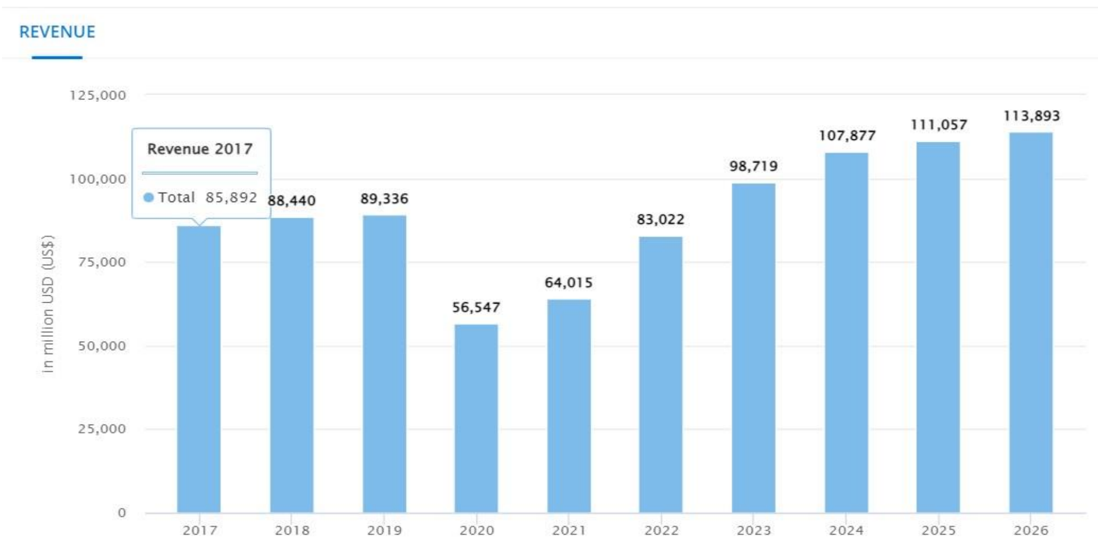

Fig. 1. Car rental revenue forecast (Source: Statista.com, 2022)

According to Statista.com reports the car rentals business sector revenue is estimated to reach US$77 million in 2022, with an annual growth rate (CAGR 2022-2026) of 17.36 percent, culminating in a projected market volume of US$145 million by 2026. Users in the Car Rentals market will number 2.0 million by 2026, with a penetration rate of 4.1% in 2022 and a predicted 5.6% in 2026. In the Car Rentals sector, internet sales are predicted to contribute 59% of total revenue by 2026, with an average revenue per user of US$54.96 per user (Statista, 2021). The data indicates the potential for the growth in the car rental business, the current growth in the renting trend as well as the potential benefits.

Car rental are also considered as one of the most prominent methods of transportation by tourists in Uzbekistan and the number of international tourists' arrival in Uzbekistan is around 6749000 in 2019 and growing (Tradingeconomics.com, 2019). Considering the data in Figure 2, the number of international tourists arriving in Uzbekistan is having a considerable increase and this can be considered as a positive sign for the car rental business.

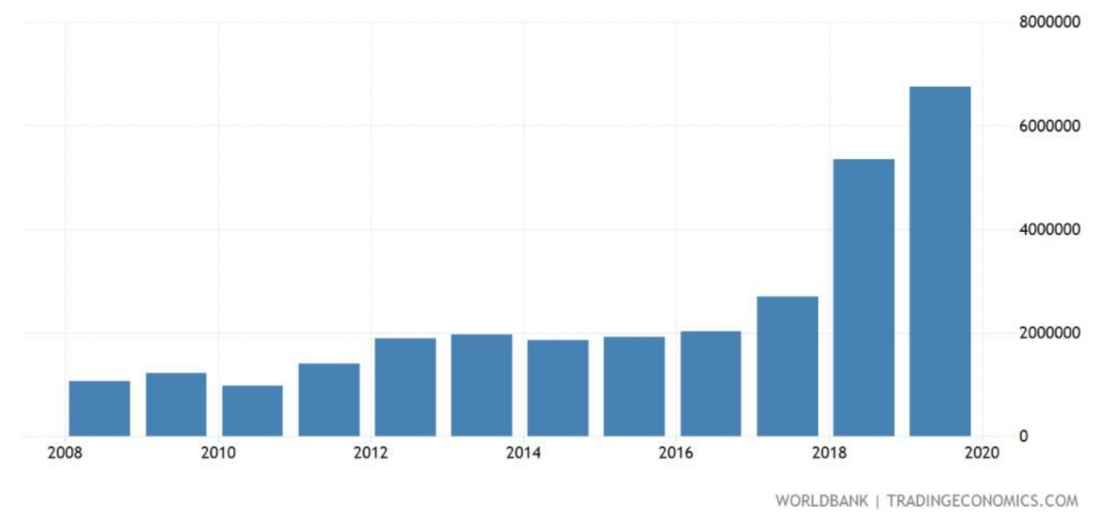

Fig. 2. International tourists arriving in Uzbekistan (Source: Tradingeconomics, 2019)

According to data in Figure 3, there is a considerable increase in the amount of cars being sold in year 2019 and then there is a decrease in the number of passenger cars which are sold in the year 2020 and the decrease in the sale of the new passenger cars can be considered as another positive indicator for car rental business as according to Azernews (2022) report, there are much fewer automobiles per 1,000 inhabitants in Uzbekistan than in any of the other CIS nations, including Russia, which had 334, Kazakhstan, 250, Ukraine, 204, and Uzbekistan's 83 in 2017.

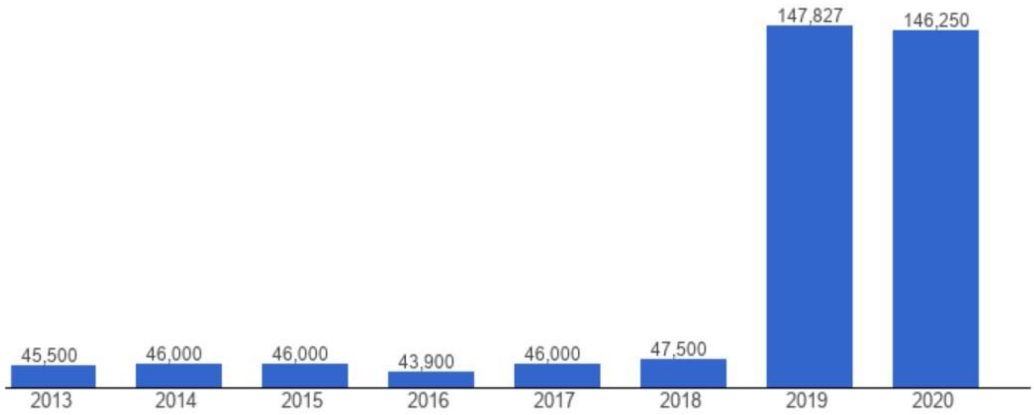

Fig. 3. Uzbekistan: New passenger car sales, numbers per year, 2005 - 2020 (Source: theglobaleconomy & OICA, 2022)

Census data and forecasts from Trading Economics in 2021 put the population of Uzbekistan at 34.6 million people in 2020 and the rise in the population and the demand for transportation can be considered as a major contributing factor for the increase of the car rental business opportunity. Comparing the above-mentioned factors in Uzbekistan and the rise in demands for the renting & sharing of cars due to various economic and environmental reasons, the potential business of renting cars in Uzbekistan is found to be lucrative by the authors and in the next section a brief theoretical analysis regarding the topics is conducted.

Literature Review

As per Uzdaily.uz (2021), Businesses, tourists, and corporations account for the majority of the vehicle rental industry, but there are also many individuals who don't already own a car who use this service to supplement their transportation needs while away from home. Uzbekistan's immature automobile rental industry is heavily fragmented since there aren't enough strong companies to structure and eventually shape the market. There are a great number of minor companies in the automobile rental markets, particularly in regional ones, who either cater to a specific group of clients or provide a car rental service as an extra service (this most of all applies to hotels, tourist centers and campgrounds).

According to Firnkorn & Müller (2011), the long-term tendencies in the automobile sector such as the examination of any car-sharing or car-renting system should be done in the context of the ability to support changes in the mobility sector's consumption patterns over time. Prices that are reasonable, a steady increase in demand for rental cars, quick adaptation to a rapidly changing market, and the ability to develop a customized approach to corporate clients' requests for the range of services and the volume of rentals are all important success factors in the car rental industry (Cepolina & Farina, 2013).

According to Morgan Stanley Bank analysts, by 2030 carsharing would account for at least a quarter of the global car rental industry, which means that automobile sharing firms are increasingly competing with traditional car rental companies (Stanley, 2020).As per Boyacı *et al*., (2015), it is estimated that a private vehicle drives an average of 40 kilometers per day (90 minutes) and sits in a parking place for the remainder of the day, reducing personal transportation costs and increasing mobility for individual users. According to Saidmamatov et al. (2014), the World Health Organization's recommendations state that the air quality in Uzbekistan is fairly unsafe, and renting automobiles rather than purchasing older ones is a fantastic method to help conserve the environment since people drive ecofriendly cars and leave a smaller carbon imprint.

Methodology

The purpose of this study is to investigate the present situation in Uzbekistan's automobile rental industry, as well as the current trends and behaviours of individuals when it comes to car sharing or renting a car. The writers explore how much of an influence different aspect such as the country's economy, progress towards a greener environment, cost efficiency, and a variety of other factors have on why renting a vehicle is a superior option to owning one have on this sector when examining it in depth. According to statistical resources the authors have collected statistical data for this study in order to conduct a future analysis of the vehicle rental market in Uzbekistan as well as the potential for a car rental business opportunity in the country, the information gathered and depicted in the figures is used to analyse and calculate the potential business opportunity in the car rental industry in Uzbekistan. All of the data used in these calculations was gathered from a variety of reliable sources, all of which are listed below.

Results

Car rental business is a lucrative and growing business as there are several factors which makes people turn towards renting a car instead of owning a car such as:

Economical aspect: Ability for a consumer to save money on fuel, cost of maintaining the car, parking charges and other external costs from owning a car.

Environmental aspect: Carbon emission and pollution from automobiles are considered as one of the most damaging factor towards the environment, together with the depletion of the natural resources for the construction and the working of the car such as the oil, the increase in the number of the cars can be considered as one of the most environmentally damaging aspect and many people in Uzbekistan are currently opting for other alternatives such as Eco friendly cars such as electric cars and also ride sharing and renting instead of buying.

These above-mentioned reasons can be considered as one of the major aspects which supports the growth of the business potential of the car rental business in Uzbekistan.

Growth in the rate of tourism can be considered as one of the another prominent factor which promotes the number of cars being rented out as majority of the international travellers opt for renting a car for their short stay in the country and Uzbekistan's international and domestic tourism ratings are increasing.

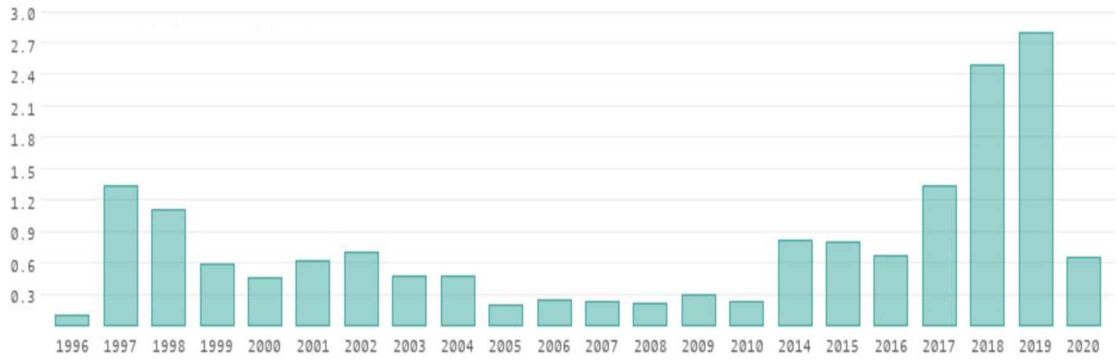

Fig. 4. Uzbekistan's revenues in tourism (Source: Worlddata.info, 2022)

As per figure 4 and data from Worlddata.info (2022), To put it another way, Uzbekistan had a total of 7 million visitors in 2019, placing it 30th in the world in absolute terms, but when seen in proportion to its population, the results are much more comparable as Uzbekistan is the second most visited country in Central Asia, with 0.20 visitors per inhabitant and tourist in Uzbekistan accounted for 0.66 percent of the country's GDP and over a third of all foreign tourism revenues in Central Asia. This information indicates the potential market and demand from tourism as the Car rental business is also one of the necessities of tourists for the local transportation purposes.

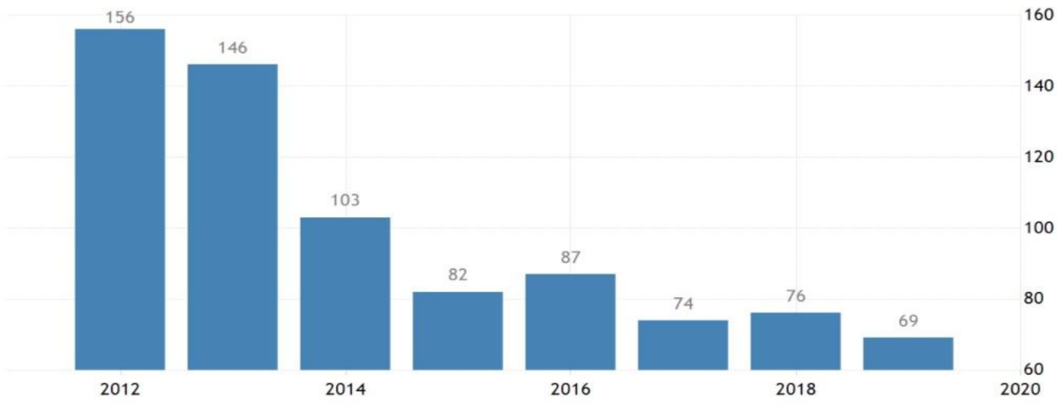

Fig. 5. Ease of Doing Business in Uzbekistan (Source: Tradingeconomics, 2021)

Another major factor to consider before starting any business in a country is the Ease of doing business and the as per the data from Trading Economics (2021), from the World Bank's annual rankings, Uzbekistan is placed 69th out of 190 countries in terms of the ease of doing business and this is an improvement from 76th place in 2018. This improvement in the ease of doing business can be considered as yet another positive sign for the new companies to be formed in the country and the positive aspect for the current business prospect of starting a car rental agency.

The existing competition is another factor to be considered and currently car rental companies from around the world have also begun showing interest in Uzbekistan's major cities, including Europcar, Rental Cars, Car Booking, and others. The most popular services include car rental without a driver for business and personal purposes, as well as car rental with a driver for executive class and this can be considered as a challenge for the current business prospect as even though the market of car rental is a niche in Uzbekistan, there are numerous competitors and this can cause difficulties for new companies.

Conclusions

Based on the authors analysis, it can deduce that the rental industry is moving toward a hybrid business model that combines the conventional format of renting a vehicle with the usage of car sharing services to provide services to clients.

Uzbekistan's environmental policies from the government and other organisation are getting stronger and this also affects the automobile industry and the people in the country are opting more towards the eco-friendly or electric cars and also towards the options of ride renting and sharing instead of the purchase.

The governmental initiatives to make the growth of business in the country has also provided a bonus for the current proposal as currently Uzbekistan is reducing the difficulty for doing the business in the country and this is a favourable sign for the current business idea.

Commercial renting of automobiles is also a future potential opportunity of business expansions in Uzbekistan as the competition in this sector is much less compared to the passenger car rental sector.

Car rental services in Uzbekistan are expected to grow significantly as a result of a rise in domestic tourism, with auto tourism taking the top spot, integrating both vehicle rental and lodging services, and accompanying groups of visitors.

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Azhar Shahzad[1], Muhammadrizo Erfan[2]. OPENING A CAR RENTAL AGENCY IN UZBEKISTAN: A BUSINESS PROPOSAL

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Abstract

Research relevance: The overall assessment of the car park in Central Asia, working in the field of car rental, is still no more than 50-70 thousand cars, which is ten times less than, for example, in Europe, where the car rental fleet is at least 2 million vehicles (Icscarsharing, 2019), which is why there are gaps on this market that can be filled with proper business actions.

Research goal: To analyze marketing of car rental market in pandemic situation in Central Asia and find out the client's ability to rent and target audience.

Research methods: The authors used surveys, records, secondary data, and data processing techniques such as graphical assessment, descriptive statistics, and data evaluation to investigate the crisis' influence on the automobile industry and develop a business strategy. In-depth analysis of the field of automotive engineering, as well as passenger vehicle market's key indicators and the potential patterns in its evolution are examined in detail using statistical data.

Main finding: A sharp decline in real retail sales of passenger cars is a typical "defensive" behavior of the population in a pandemic period, when there is a refusal to buy cars due to high road taxes, fuel price and a shift in demand towards budget options.

Keywords: crisis; car market; sales; marketing; business proposal.

Introduction

The specificity of the car rental market in Central Asia is the fact that the geographical concentration of companies providing such services is mainly concentrated in Tashkent, Dushanbe, Almaty (almost 70% of the market), as well as in traditional tourist regions – Samarkand, Bukhara Territory, Sochi, districts adjacent to tourist clusters: Chimbulak, Altyn Emel, Charyn Canyon, Saimaluu Tash Territory and in the regions where tourism is mainly presented as ecological (natural), the sector of demand for rental services is concentrated on the provision of off-road vehicles for rent - jeeps, as well as car camping services (including rental of motorhomes).

- Reasonable prices.
- Constant growing demand for rent.
- Quick adaptation to a rapidly changing market.
- The possibility of forming an individual approach to the requests of corporate clients for the range of services and their volume.

The main service of the company considered within the framework of this business plan is the provision of car rental without a driver. It is planned to use three main types of cars offered to customers:

1. Cars of a representative class - "Mercedes";
2. Cars of the middle class - such as "Toyota Camry" and "Volkswagen Polo".

Rental rates are as follows:

1. "Toyota Camry" – 30 $ day;
2. "Mercedes" – 50 $ day;
3. "Polo" – 30$ day.

When calculating the general income scheme, the average optimal option for loading the vehicle fleet is used - 75%,

Sales Market Description

In order to fully implement the concept and practical design of the car rental business plan, at a minimum, it is necessary to know the main characteristics of the market in which the services will have to be provided.

These basic characteristics of the car rental market in Uzbekistan include the following types of data:The volume of the car rental market, its dynamics and regional specifics. As per marketresearchstrategy.com (2020) research, the Uzbekistan car rental market dates back to the very beginning of the 2000s and for more than 15 years, the car rental market has transformed from a narrowly segmented niche focused on wealthy clients in the capital into a developed network of specialized service firms, both domestic brands and companies operating under franchise agreements with foreign car rental companies. corporations in many cities of the country.At the moment, the total volume of the car rental market is at least $ 150-200 million per year. Moreover, the dynamics of the development of this segment of transport services has been growing over the past few years at a rate of at least 15-20%. These rates are due to the fact that the market still has a small capitalization, and, as experts say, the effect of a low base is affecting. Those. This is a situation when, even in large Uzbekistan cities, no more than a dozen rental companies operate, each with a fleet of more than 5-10 cars. The overall assessment of the car park in Uzbekistan, working in the field of car rental, is still no more than 50-70 thousand cars, which is ten times less than, for example, in other post-Soviet Union countries , where the car rental fleet is at least 2 million vehicles (Travelcars.uz, 2021).

The structure of the car rental market is based on the main categories of customers. These are people traveling on business trips, tourists, corporate clients. As per Uzdaily.uz (2021) a large share is occupied by customers who do not have their own car at the moment, and tourists.

Since the car rental market in Russia is still underdeveloped, it is highly segmented. Those. there is not yet a sufficient number of strong players capable of somehow structuring and finally shaping the market. In the car rental markets, especially regional ones, there are a large number of small players who either work for a very narrow segment of customers, or provide a car rental service as an additional one (this most of all applies to hotels, tourist centres and campgrounds).

In addition, representatives of the offices of global car rental companies, such as Europcar, Rental Cars, Car Booking and others, began to show interest in many large cities of Uzbekistan. The most popular services are car rental without a driver for business and personal purposes, including abroad, as well as executive class car rental with a driver.

It should also be noted here that car sharing companies are increasingly competing with the standard car rental format, which at the same time can be ordinary rental companies actively diversifying their business. For example, if we take into account the data of studies conducted by Morgan Stanley Bank analysts, then by 2030 carsharing will occupy at least 25% of the entire car rental market.(Morgan Stanley, 2020).As an illustrative example, we can cite statistics for Moscow - more than 280 thousand subscribers have already been registered in the Moscow car sharing system. The number of trips since September 2015 has exceeded 1.3 million. Each rented car is used by an average of 8 customers within 24 hours. According to the analytical agency Delimobil, the average travel time is 37 minutes.

Thus, we can conclude that the rental business will gradually shift towards the use of a combined business scheme, as an organic combination of the traditional format of providing a car for rent, and the use of car sharing schemes for providing services to customers.

It should also be added that the scope of car rental services in Russia will expand to a large extent due to an increase in the flow of domestic tourism, where the leading place will be occupied by auto tourism, combining both the provision of vehicles for rent and hotel services, escorting groups of tourists guides and instructors.

Production Plan

When implementing a project to create a car rental company, a simple but effective marketing mix can be used. This complex consists of three main information blocks.

Target audience of the business. In order for a business project to reach a given profit margin, it is necessary to concentrate most of the company's efforts on meeting the requirements of the main categories of customers. These in the car rental business are:

1. Customers who have their own car, but for some reason are forced to look for a temporary replacement. This, as a rule, is either a trip to another city, or the absence of a car due to repairs. Such clients are the largest in the overall structure of demand - about 43%, they belong to the social group of well-paid specialists with a salary of at least 500-1000 $ a month.
2. In second place in terms of the share of demand for car rental services are those who need a car for recreation, travel, tourism. There are about 20-25% of such clients. In many ways, the portrait of such car renters looks like a young family with one or two children. The average income for each family member is at least 300 hundred $.
3. Corporate clients are in third place in terms of the number of car rental orders. Such orders are mainly related to the meeting of some business delegations, company representatives, partners, etc.

The share of demand from corporate clients is limited to an average of 14%. However, such a small share of demand is well compensated by the level of the average order price, since such customers prefer the level of business-class or luxury service, i.e., expensive executive cars.

To a large extent, they are also interesting when analysing customer demand and the reasons why customers choose a car rental company. The main motive for choosing the services of the company is associated with the level of prices for car rental. Those. When implementing a general marketing policy, one should concentrate most of all on the price factor, both in terms of the level of business costs and the quality of services provided (price / quality ratio).

Advertising. The main methods and tools for distributing advertising for the services of a car rental company can be:

1. Advertising through information resources, both network and print, related to business, business etiquette, tourism. Such information resources can be business magazines, business publications aimed at wealthy clients;
2. Creating your own website, which is not only a good sales channel. It is also an effective tool for positioning a company among clients, partners and even competitors;
3. Advertising through social networks, as well as direct mail network resources such as Yandex.Direct;
4. Placement of advertising posters in business centers, hotels, transport hubs (railway stations, airports), near the offices of travel agencies.

Also, a good advertising ploy will be the company's participation in various regional business conferences dedicated to the development of the regional economy, small and medium-sized businesses, where, in addition to direct advertising, the company can at the same time get its direct customers.

3. Programs to stimulate sales and loyalty. The main methods of stimulating sales in the car rental market are to establish trust between the client and the company, develop long-term partnerships, especially if the client uses the services of the company not for the first time. In addition, taking into account, whenever possible, individual customer requests, their comments and requests, is an effective tool for stimulating sales. As for such methods as providing discounts, using subscription services, they are supposed to be used only for those customers who use the company's services at least once a week.

To distribute advertising and use technologies to promote services, the company's advertising budget will be at least 400-500. per month.

Structure of the Organisation

In order for the goals set by the business plan to be fully realized, personnel are needed who are not only successfully versed in cars, but also able to find the right approach to each client.

Table 1 Salary table of employee (Source: Authors‘ work)

	Salary	**Number of workers**	**Sum**	**Salary per year**
Director	1 500	2	3 000	36 000
Administrator manager	500	1	500	6 000
Client manager	400	2	800	9 600
Lawyer	700	1	700	8 400
Mechanical technician	750	2	1 500	18 000
Total permanent payroll		7	6 500	

The optimal layout and number of personnel for a rental company with a fleet of 20 cars may look like this: Salary for employees is fixed.

Financial Plan

Investment costs for opening this business are 364 800 $ (see Table 2).

Table 2. Investment costs (Source: Authors' work)

Opening investments	
Company registration, including obtaining all permits	2 000
Office space preparation, renovation, design.	5 000
Fleet registration, insurance	2 000
Website development plus advertising for the first month	800
Purchase of vehicle equipment, preliminary maintenance	350 000
Other expenses	5 000
Total	364 800

Conclusions

Summarizing the data obtained, the selected country has great potential in the development of this business. Moreover, the niche has not yet been completely closed by large competitors (Yandex,Citimobil,Infinleasing), which creates confidence in the development of this business. Given rising fuel prices and driving taxes, there has been increased interest in renting cars rather than buying them. In addition, it will be much friendlier to nature.Also, given the average earnings in the country, the amount of labor force, it will be profitable to start a business here.At the end, we can add data from Morgan Stanley Bank analysts that by 2030, car sharing will occupy at least 25% of the entire car rental market. (Morgan Stanley, 2020)

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Munira Kosimova. MANAGEMENT IN CATERING INDUSTRY: ON EXAMPLE OF STAGE 22 RESTAURANT IN RIGA

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Abstract

Research relevance: Catering industry is growing rapidly as our perspective on comfortable life changes. According to "Lursoft" website, there are 5297 companies registered in catering sector in Latvia. 55.38% of companies are registered in Riga. 65.37% of them are restaurants and mobile catering services, 17.41% is delivery, 17.22% - bar business.

There are couple of reasons: busy work schedule to prepare food at home, people seeking amusement, desire to create a pleasant moment with loved ones. On the other hand: great advertisement of "eating out" lifestyle and successful management. Even if the demand for catering enterprises is huge, the number of competitors in the industry is not small. To develop in such tight competition, when, for example, dissatisfied customer can easily choose any other place, is extremely hard and requires innovations, uniqueness and a good managerial and leadership skills.

Management in such industry is necessary as there are plenty of things and activities to control, starting from hygiene and food quality, ending with marketing and price placement.

Research goal: The main goal of this research is to determine how management influences the growth of catering industry and what kind of managerial skills are required to lead the enterprise.

Research methods:

Data collection methods: 1) secondary data analysis; 2) survey.

Data processing methods: 1) graphical method

Limitations: information about catering industry of Latvia take place from 2017, and there is no such detailed and concrete information from more recent years.

Main findings: Management is an important part of the organization building and it influences all the other connected spheres. Enterprises with skilled managers have higher chances to successful performance.

Keywords: catering industry; management; enterprise; leadership.

Introduction

Topicality: Management is one of the most valuable and important topics in catering industry. Considering the fact that a manager directly works with employees and influences them, which means influences the whole work process of the company, by decision0making and his attitude. Manager of the restaurant/ hotel/cafeteria has different type of responsibilities and spheres of influence.

Catering industry is growing rapidly as our perspective on comfortable life changes. According to "Lursoft" website, there are 5297 companies registered in catering sector in Latvia. 55.38% of companies are registered in Riga. 65.37% of them are restaurants and mobile catering services, 17.41% is delivery, 17.22% - bar business.

For a company to develop in a very tight competition, it is necessary to rely on passionate and educated managers, leaders of teams.

Research aim: To describe and evaluate the influence of a manager in catering industry on example of restaurant Stage 22 in Riga.

Research hypothesis: Manager and his work performance influence the growth/fall of catering enterprise by influencing the work process and employees

Research methods: The survey was used as quantitative analysis to accomplish the research aim. Data processing was made by using graphic analysis.

Research results: Manager and his characteristics, such as his leadership style, decisions and attitude to work has a primary influence on work process/ image of a company and motivation of the team.

Management is an important part of the organization building and it influences all the other connected spheres. Enterprises with skilled managers have higher chances to successful performance

Management and Catering Industry.

Catering industry growing rapidly nowadays alongside with the development of technologies and internet, with globalization and a share of cultures and cuisines. Even if there is are various ways of getting food, no matter if it is a restaurant, small café, bar, the similarity is in preparing a food and properly serving.

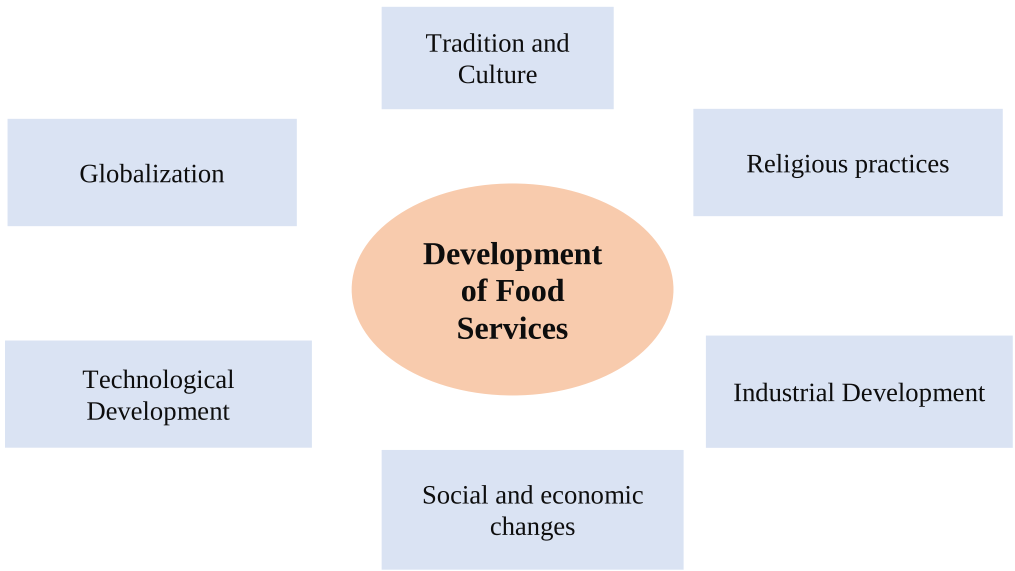

Fig. 1 Factors influencing development of food services (Source: NCERT, 2021)

According to Figure 1, NCERT (2021), there are several factors influencing the development of catering industry, such as globalization, traditions and culture, religious practices, technological development, industrial development and social and economic changes. Author refers the growth of catering industry as a great television marketing of different type of cuisines, such as Indian, French, German, Korean, Pakistani, Russian, Eastern European, Thai, Chinese etc.

According to website “targetjobs.co.uk”, “Catering managers are responsible for planning, administering and supervising an organization’s catering operations and services. Catering managers lead teams of chefs and catering assistants. They are responsible for running the day-to-day catering operations and services in restaurants, hotels and resorts. Catering managers are responsible for monitoring the quality of the food and service and for making sure that their outlets perform well. The most important part of the job is achieving good quality within a budget and maintaining high standards of hygiene and customer satisfaction. Typical activities include: planning menus in consultation with chefs; ordering supplies; hiring, training, supervising and motivating permanent and temporary staff; ensuring that health and safety regulations are strictly observed, recorded and archived; monitoring the quality of the product and service provided; keeping to budgets and maintaining financial and administrative records” Targetjobs (2021).

Catering Industry in Latvia

According to a website Lursoft (2018) total 5297 catering enterprises that are registered in Latvian Republic for the year 2018.More than 65% of them are restaurants and mobile catering services. More than 17% are delivery companies and the rest are bars (see Fig. 2). More than 12% of them attracted international capital.

According to Lursoft communications manager Indra Urtāne, the most “crowded” for catering companies is, of course, the capital -Riga. More than 55% of companies are located in there. Second –Pieriga, more than 18%, next are Jurmala, Liepaja and Jelgava. (see Fig. 3)

The largest revenues out of all enterprises got “Lido”- 36.46 million, and “McDonalds”. Next SIA Baltic Restaurants –15.20 million. (see Fig. 4.)

According to Lursoft, catering industry in Latvia increased (9.66%) in 2016 (523.69 mln. euro). Second largest revenue– prison catering and fast snacks restaurant. Largest debtors are SIA GoldTop (652 thousand and SIA Cilija Pizza (451.070 July 2017))

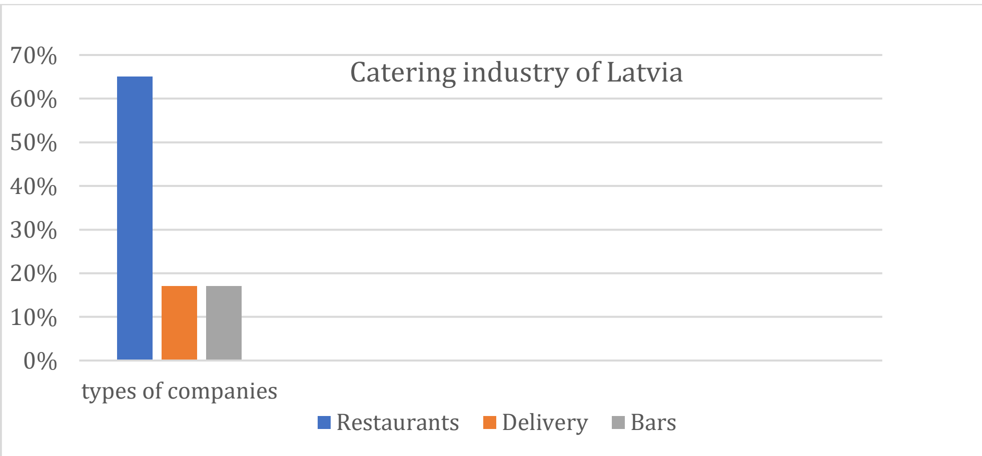

Fig. 2. Catering industry of Latvia (Source: Author‘s work)

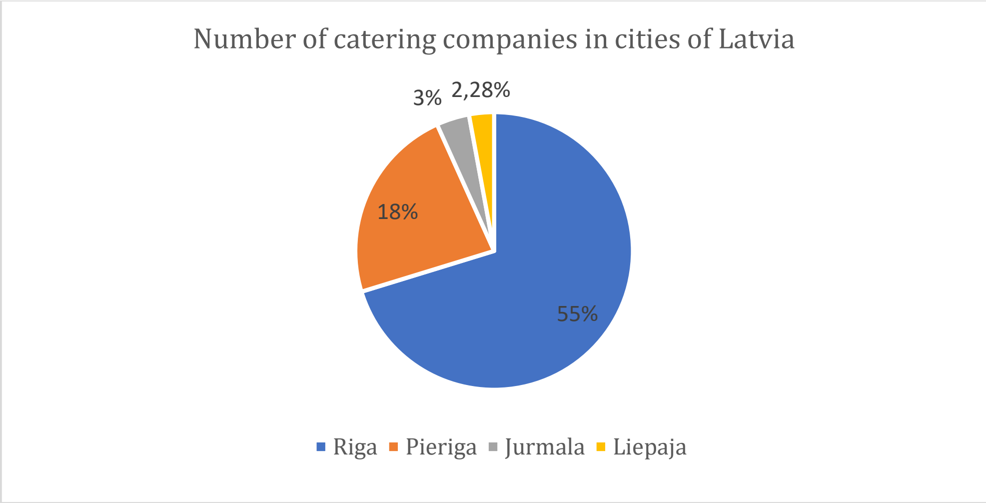

Fig. 3. Number of catering companies in cities of Latvia (Source: Author's work)

Fig. 4. Largest turnovers (Source: Author's work)

Methodology

In this research was conducted secondary data analysis: theoretical part of the research- "Literature review". It consists from information used from open scientific resources, internet resources statistical data from the website "Lursoft" and gives information about catering industry overall and in Latvia. Additionally, it consists from information about the role of management in catering industry.

Second part of the research, results, consists from Stage22 (Kempinski) employee survey. There were 10 responders, and 7 questions about leadership style of the manager, his overall performance and influence on work process and success of a restaurant. Results of survey showed in graphical method.

Results

Survey made by author based on questions from Ryba, K. (2021) conducted amongst 10 employees of restaurant "Stage 22" in Kempinski, Riga. Questions were sent online through an email. Ten participants (employees of restaurant) were asked total 7 questions and requested to give an answers using Likert Scale rating from 1 to 5:

1. Very low
2. Low
3. Average
4. Higher than average
5. High

Table 1. Employee survey (Source: Author's work)

Questions	**Rating**				
	1	**2**	**3**	**4**	**5**
Rate your manager's communication style and its influence on team dynamics			2 responders	4 responders	4 responders
Rate your manager's influence on organization's effectiveness			1 responders	5 responders	4 responders
Rate how your leader participates in strategic development of company			2 responders	2 responders	6 responders
Rate to what level your leader motivates the team			1 responders	5 responders	4 responders
Rate the level of productivity of your manager's leadership style			2 responders	4 responders	4 responders
Rate how your manager performs his/her work. How he is engaged into actual work process?			0 responders	4 responders	6 responders
Rate to what level there is the need for the manager in your restaurant. Is this position needs a leader, or the restaurant possibly could perform the same job without him?			0 respomders	2 responders	8 responders

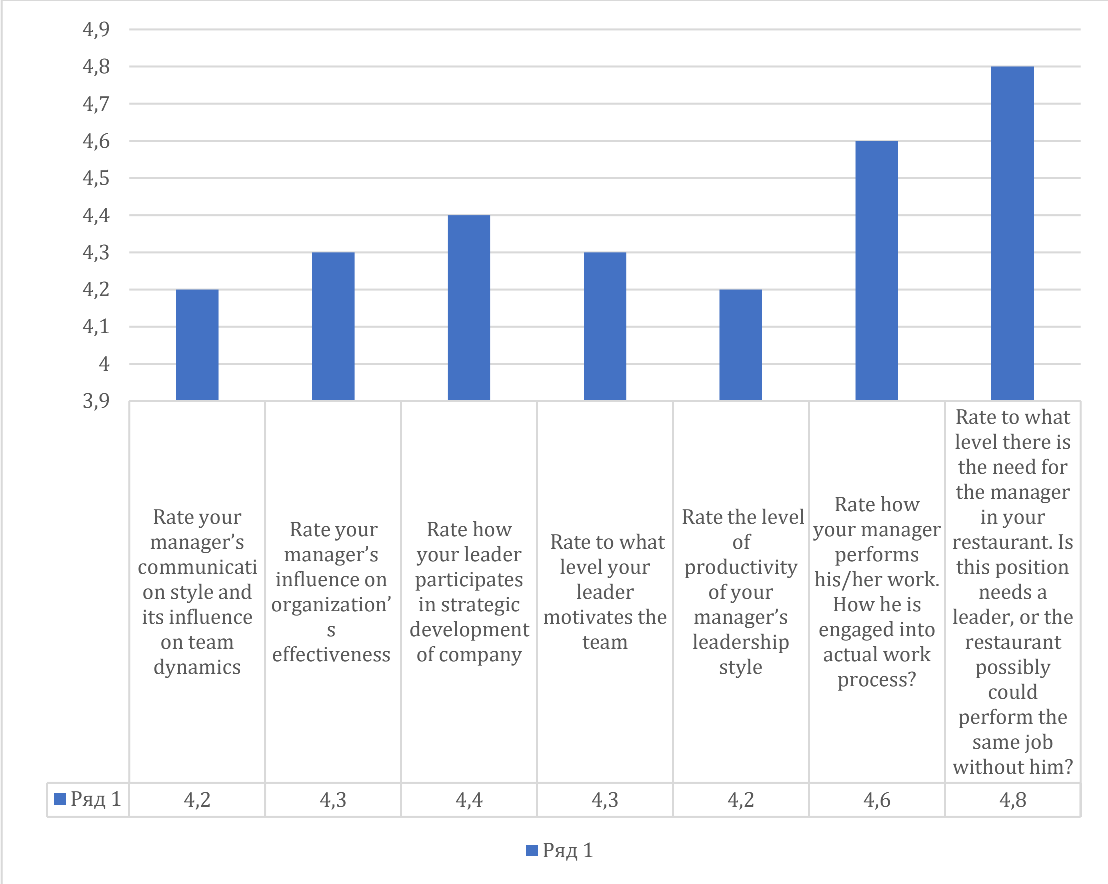

Fig. 5. Results of employee survey (Source: Author's work)

The results of a survey showed the importance of manager's work and performance, as all of the responders 10 out of 10 rated highly the need for a leader in question 7 of the conducted survey. All of the average answers to all 7 questions were rating manager's influence, communication skills, participation in strategic development etc. higher than average, higher than 4.

Conclusions

In conclusion, based on the theoretical part it is possible to refer to a catering industry as one of the biggest business industries, that attract enormous number of people, based on several factors, traditions, religion, location, trends etc.

Management in such industry is necessary.

Based on survey it is clear that the characteristics of a management describe overall organizational culture. Starting from motivation of a personnel and ending with enterprises overall performance and competitiveness in the industry.

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Robin Jose. POSSIBILITIES OF ELECTRIC BIKE BUSINESS IN LATVIA

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Abstract

Research relevance: Global e-bike sales revenue is expected to grow from $27.3 billion in 2021 to nearly $47 billion by 2030, at a compound annual growth rate of 5.5%. E-Bike Sales to Grow From 3.7 million to 17 million Per Year By 2030. 3 million electric bikes were sold in the EU a substantial increase of 23% compared to the year before.

Research goal: To find possibilities of Electric Bike Business in Latvia.

Research methods: Collecting data and trends from formerly conducted case studies about E-Bikes.

Main findings: Day by day the number of car users are increasing globally that means more traffic. The minimum distance covered by an average electric bike is 25km in a single charge. you can go up to a 10km range and safely return to your home. It is a combination of saving Time & Money. Comparing to fuels electricity is less expensive. More people are looking for a eco-friendly life style now a days so this would be a good choice for them. There are two types of E-Bikes available in the market. Those are bicycles with a battery-powered "assist" that comes via pedaling and in a throttle, it is foldable and easy to carry. When you push the pedals on a pedal-assist e-bike a small motor engages and gives you a boost so you can zip up hills and cruise over tough terrain without gassing yourself. It is essentially a regular bike that is much physically easier to ride. Health-conscious people are choosing the bicycle type. In this market one of the challenges is the E-Bike rental companies. They are allowing the public to use their bikes with the help of mobile application for a low cost.

Keywords: electric; time; saving.

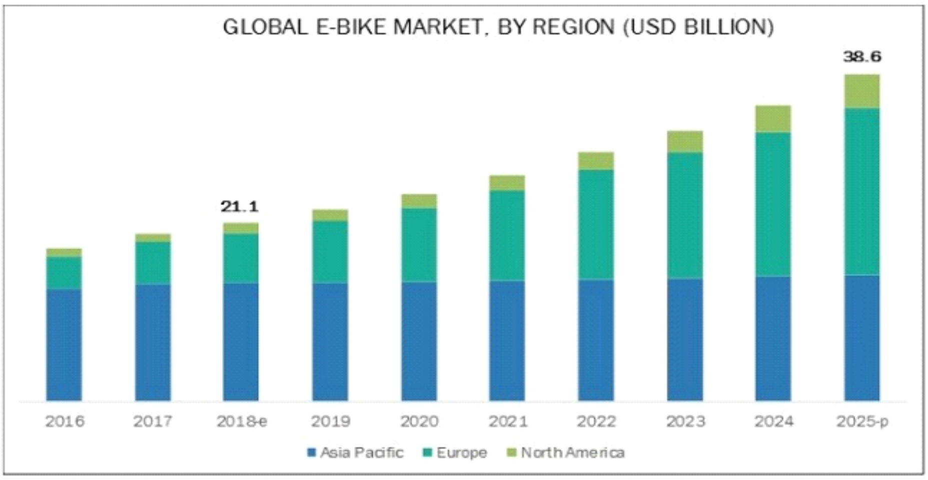
Introduction

The rise in fuel prices and growing suburbs and neighborhoods have spurred the demand for e-bikes. Global e-bike sales are expected to grow from 32 million in 2014 to at least 40 million in 2023. Some countries maintain a historical affinity for biking as an integral part of living. Fortunately for the improved health of many people and the environment, nearly a million people ride a bike to work. Many cities are adding short-term bike rental systems and this could be a great opportunity to position e-bike business in the process. The greatest advantages provided by this means of transport are in the morning time while leaving home, our time is appreciated at every minute and speed makes this model of electric transport attractive for many urbanites, as the time of preparation of the vehicle is considerably reduced. It also eliminates the need to look for parking, which not only means an inestimable time saving but above all significant money savings in the urban economy. It is possible to convert a routine displacement carried out under pressure into an opportunity to do exercise, since we work on our cardiovascular system during the ride. In addition to avoiding traffic jams, we are taking care of our body, so the known excuse of not having time to exercise can been resolved in the most practical and comfortable way possible. In short, it is compatible to take care of yourself while going to work. Given the advantages of the electric bicycles both from an environmental and energy savings point of view, especially in urban transport, in this work we set out as an objective to study the research trends about scientific publications related to electric bicycles. The e-bike market is one of the industries which are having potential growth constantly. More research has been going on turning every vehicle in the planet to be eco-friendly as a part of this an initial step being taken by the e-bikes. In among European culture cycling is a part of healthy life style so the e-bike companies are more concentrated in the Europe and developing countries. So, considering the increased number of cars are going to make more traffic in the city it is causing more pressure on the people while at work long waiting in traffic may impact your day even more stressful. The worst climate conditions are the only challenge to the e-bikes so far.

Table 1. E-bike sales in Europe in recent years (16/3/2022) (Source: Author‘s work)

Year	**Sold in million**
2019	3
2018	2.45
2017	2.2
2016	1.7
2015	1.5
2014	1.25
2013	1

The e-bike market was valued at USD 26.73 billion in 2021 and is expected to reach USD 53.53billion by 2027, Apart from increasing consumer preference toward recreational and adventure activities, the adoption of e-bike applications in several sectors, like logistics and e-bike rental services, is expected to drive the market studied during the forecast period. As cities around the world emerge from lockdowns, the demand for e-bikes is picking up the pace of their convenience and cost of operations. With the continually growing environmental and health concerns, due to the increasing emission levels, the governments. and international organizations worldwide are enacting stringent emission norms to reduce carbon emission levels, Asia-Pacific is expected to dominate the global market. In Asia-Pacific, China led the regional market. The largest consumption of electric bikes was in China, which boosted the sales figure, thus influencing the growth of the global market for electric bikes Regions such as Europe are witnessing a shift in consumer motive for buying an e-bike from leisure to daily use. The e-bike market investments are increased as per in the summer the usage of e-bikes is high. More companies are stepping forward to do invest in this business. The renting of e-bike business is another trend we are experiencing in the summer. This is a onetime investment for the customers most of the companies are guaranteed two years of warranty for their bikes so the customers can use and try it for them as they want if any type of complaints occurred the company warranty can be used and save their money.



Source: Secondary Research, Expert Interviews, Company Presentations, and MarketsandMarkets Analysis

Fig.1. E-bike sales in millions (16/3/2022)

Literature Review

There are several challenges that are unique to electric bikes: electric-assisted range, recharging protocol, and bike and battery checkout procedures. The E-bike industry product segment is estimated to be the largest segment by product type and is expected to dominate the global market throughout the period of forecast. The rising of health awareness among people is the main reason supporting the growth of the e-bike segment. Increasing demand for eco-friendly transportation to propel growth of the market due to increasingly busy lives and the need to commute daily, it has become almost necessary to own a vehicle, as public transport often is not reliable. (Fishman & Cherry, 2015) On the back of that, there is a growing concern for preserving and sustaining the environment for future generations, mainly because of the increasing scarcity of natural resources and environmental concerns. This poses a unique challenge for both society and governments. E-bikes are the ideal solution to this problem. They are environment-friendly, and they solve the problem of the daily commute. This is augmenting the demand for e-bikes. As people's lives get busy, they need to travel around more nowadays. (Shinde, 2016) However, with the continually growing environmental and health concerns, there is an increase in emission levels from transports. Hence, governments and international organizations worldwide are enacting stringent emission norms to reduce carbon emission levels. Additionally, the depletion of fossil fuel levels at an alarming rate has been creating concerns for sustainability for future generations. This factor is posing a huge challenge for governments and society. Thus, e-bikes are proving to be an ideal solution for this problem. Adapting to the new transporting system is challengeable but considering the facts like increase in fuel price and the time lost on stuck in traffic is unaccountable it is not considered to be a daily usage of e-bikes but they can replace cars in some conditions. Combining motor and bike gears in one unit remains one of the next quantum leaps forward in terms of electric bike technology promising even lower maintenance, more efficient and perhaps lighter e-bikes with greater potential for automatic shifting too. There were more companies joining the fray in 2021 and other companies promising to actually start production in 2022. Although they have been in the offing for a while, even the comparatively less complex design problem of integrating gears and motor in a single hub has so far not been successfully adopted in a widespread way by e-bikes (Peace, 2021). Apart from the increasing consumer preference toward recreational and adventure activities, the rising adoption of e-bike applications in several sectors, like logistics and e-bike rental services, also expected to drive the market studied, during the forecast period. In addition, growing environmental awareness and supportive initiatives prompted by government to encourage electric vehicles to further support demand in the market.

Methodology

For the research method I use to collect data from the formerly conducted case studies. As far as I researched the data shows a steadily rising of interest in e-bikes among the people. There have been so many case studies have done about the topic e-bikes the one I taken into evaluation was conducted in Australia about the decision-making process of e-bike owners so the data they collected from the owners throughout the process explained many reasons for the choice. 90% of the people are car owners for their daily individual purpose they prefer e-bikes cars are used only when necessary. The research process includes a worldwide community of a e-bike owners under a specified brand called Segway. It also provides more information about the e-bike owners their thoughts about before and after buying the bikes. It was also really helpful for the findings about this topic (Johnson & Rose, 2013).

Results

The main finding of this research is the e bike market is a fast-growing economy and now is the right time to invest in this market. The e-bike industry is amongst the few industries witnessing growth despite the COVID-19 pandemic Responses from the consumers are high right now due to the pandemic situation people are finding different ways to avoid public transportation. As all countries are trying to reduce the carbon emissions the governments and people are much more interested in investing eco-friendly transportation. Rising awareness of health consciousness is also a boost to this industry.

Conclusions

This research identified and evaluated the consumer perception toward various factor about electric bike. The results of this research show that there is a combination of positive and negative effect of that factor on consumer perception. Apart from being viewed just as a cleaner and greener mode of transport for short distances e-bikes are using for varied kind of purposes across Europe. Here most of the respondents are consider the cost and the mileage while purchasing a new bike so there is a potential to electric bike in two-wheeler sectors but their battery is one of the factors which is affected the sales of electric bike because its performance is not good. Research is growing in this industry to develop more efficient bikes. The rental e-bike industry is also a challenge looking forward. In the case of Latvia people are more likely to ride their bike in the summer season buying an e-bike is an investment of extra money and the storage of the bike in the apartment is also a major issue. These two problems can be solved by renting a bike whenever you want. So as far as I learned there are challenges in this field but more attractive to invest in the business. More than that by doing this business is like helping the people to stay fit mentally and physically while showing your responsibility towards nature.

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Shirina Odilova. CAFE MANAGEMENT SYSTEM

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Abstract

Research relevance: The catering industry is a very competitive industry, there are tons of dining places and diners now more than ever, and as per statistics for report linker. Catering business is now in a higher competition around 23 percent since pandemic started lots of places are working only on delivery and made it easier for people start even their business at home. For an example in the US has been reported over 1 million restaurant locations. As well as in Moscow city by itself there is more than 12,000 restaurants around the city which makes the competition high. To reach a success point and remain relevant and well-established Café must have a well developed directed market research that would provide valuable information regarding trends and evolving customer lifestyle and meet the consumer demands. Its very hard to make everyone like it, so there must be a specific target group and a good appeal. As per reports Maintaining relevancy is very hard especially culinary trends are very dynamic and not stable. One of the most important parts of being successful in café and catering business with are number one in most research is location of the place. Must be very careful because its either will break the place or make the place. First year of a restaurant or café is not the scale of success as per Forbes repots more than 87 percent of restaurants are successful in the first year but maintain relevancy and success is the harder part in café and catering business. Therefore, it's a must to study your success and failing point during the first few months to always keep track and enhance for the better since industry is very dynamic and constantly changing, this is why staying ahead of the competition and using restaurants market research methods to keep trach of the competition and measure my own success and marketing practices.

Research goal: The main goal of the research is to describe the catering services development possibilities in Moscow Understating the full marketing process and enhancing the customer satisfaction. As well as defining the right competition.

Research methods: Quantitative online surveys – primary and secondary data. Qualitative case studies - analysing your direct and indirect competitors.

Main findings: Management and marketing are currently one of the most important parts of running a cafe or restaurant. Responsibilities of the restaurant cafe manager include providing quality customer service, organizing, and holding banquets, outdoor events (catering). Managers control the quantity and quality of food and prepared dishes entering the restaurant, compliance with service standards and sanitary and hygienic standards by employees. With a highly qualified manager, this establishment will always remain a competitive cafe or restaurant.

Keywords: cafe; catering industry; management; leadership; marketing.

Introduction

Customer satisfaction in the food industry and the catering service is the main key of success, with customer satisfaction comes lots of responsibilities to be able to provide the correct service and stay in business with remarkable results, discussion in this research paper will be covering all the development process that can be done within the food industry. Business owner in the food industry must be aware that food is essential and its part of everyone lives, which makes it very essential, as per statistics ion USA economy food industry holds seventeen percent. Food industry is the bigger umbrella that have lots of sections fall under such as Food Safety and security, social development, product quality, health, and sanitation issues, and finally and most important as well is nutrition.

Aim: Understand and analyze the food industry and its responsibility

1. Full view of the customer satisfaction.
2. Identify the rile of the food industry.
3. Build a trust between the restaurant and the consumer.
4. Evaluate every client and their needs.

Data collection methods:

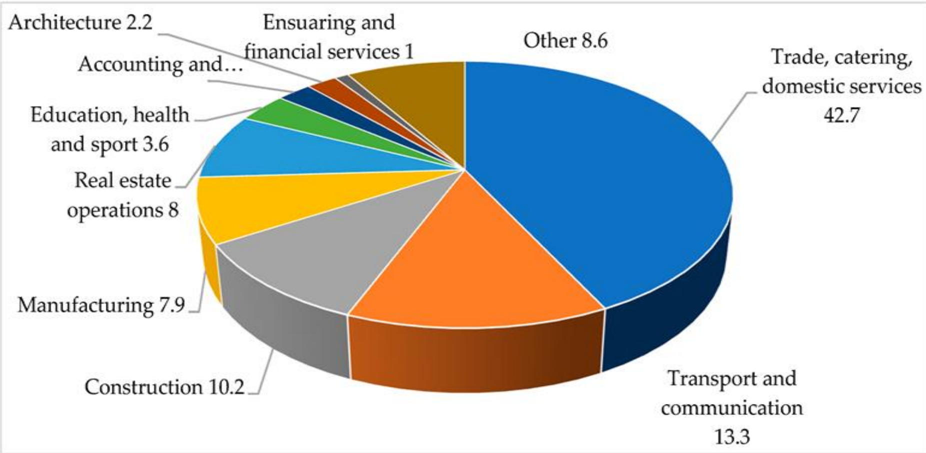
1. Restaurant owners live interview;
2. Questionnaire;
3. Document and statical analysis.

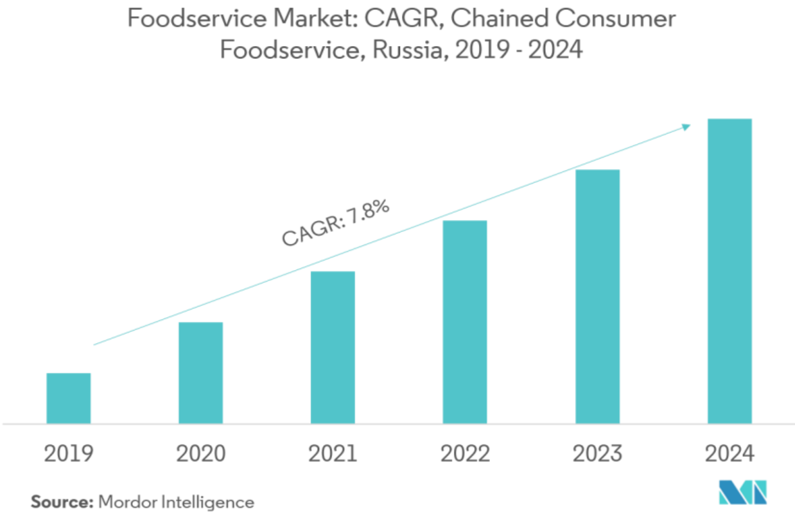
Data processing methods:

1. Research articles;
2. Statistical Research and results.

Moscow has become one of the most famous places in the world where is the large market and opportunities for the food industry in might be bit tough on owners to be very successful since competition os high but there is always a way if you have something special. When it comes to starting restaurant or a café in Moscow. development of the tourism industry and has increasing since 2017 in Moscow since it's been monitored under the las to give more attention and opportunities to this kind of business. Increasing the opportunity and competition will make more places more successful and since population is very high with millions of tourists a place with taste of local food, local environment, or fast and affordable will be coping with the compensation, as per article "NEW OPPORTUNITIES FOR THE DEVELOPMENT OF THE TOURISM INDUSTRY IN RUSSIAN MUNICIPALITIES" tourism has become the fastest growing economic sector and growth rate since 2017 is growing 4.2 percent and up. Moscow had a huge history and a unique culture; their local tourism is very attractive. But with every success comes had work and maintaining competition with some 12,000 restaurants, any new business needs to put in consideration their huge responsibility to maintain the new business and make it successful. And the crisis in 2017 changes the market to be faster since people need more quicker food outlets, such as café, restaurants, and food trucks. As per ksenia zubacheva in September 2017 in article "Moscow's culinary opportunities: How to open a restaurant" the Cuisine restaurants are growing than usual as well.

Plus, huge companies such as apple and more international business had customers service business have brought more business in the market for their less time and their need to eat on the run fast and good quality food. To maintain the customer satisfaction to be wining at the competition must study and understand the target group and the cultures visiting as well to be able to balance between the two sides in the business and be able to reach their taste and level of quality must meet their standards as well. Meeting client standard is your own free marketing, word of mouth and great reviews on social media and rating plat forms for restaurants and service is the main marketing. Good reputation is the key to success in the very dynamic business. As the char below shows the growing percentage of the industry.





Food supply is the backbone of the industry, it's a must to maintain relations ships with supplier and have quality control upon the products how it can be stored as well for usage.

Food supply must be within schedule and always on the top of the priorities to stay fresh when stored and ready to be served for clients. Food supply is part of the food processing when we as restaurants can face issue that need a deeper look to maintain quality of the food, majority of it is seasonal products and food processing, since it's a raw ingredient.

When opening a restaurant usually cannot except any return very soon and this what makes lots of restaurants fail in the beginning, they would do a start up with all the money they have and then the main problem faces them in their business study as well where a real return will not come at least 4-6 month after the place is open when its have its high reputation and their loyal clients as well. Plus, their marketing on social media to reach level when new client as see great reviews about their food, product, and service. This is where most food businesses fail if their have already choose the right location and the right target group with their menu, competition as well is big part since its s new café or restaurant trying to have their share in the market as well.

In conclusion, since there is a huge competition between companies and food and services business as well, means the opportunities are available for more new businesses if the right idea and is planned and projected in the correct way in the real grounds. First need to understand the market and all its aspects, choose a great location where you the place can shine and have a foot traffic is it's a fast food. Understand that renting a place in Moscow to start a business is very expensive so its must be planned well and have a very strong business plan. Must understand in Moscow if it's a café must be aware of the businesspeople will be in the place since its more of a balance depends on target group and this includes families in both ways if its fast food or a café and restaurant. Its most importantly the honesty and integrity of the place, this is a higher marketing idea as were discussed previously word of mouth and reputation is what makes any Food business very successful.

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Kamola Khurshidova. DEVELOPMENT POSSIBILITY FOR COSMETICS COMPANY IN LATVIA

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Abstract

Research relevance: The purpose of this work is to identify the main problems in the cosmetics industry related to the production and use of cosmetic products in different parts of Europe, as well as in Latvia, in an attempt to eliminate the obstacles facing the efficient use of production and services now and in the future.

Research goal: To find out Possibility for cosmetics company development in Latvia

Research methods: Secondary data analysis, Interview

Main findings: Cosmetic business is developing well despite the fact that cosmetic production harms the environment. The use of the cosmetic products is increasing around world and a variety of the chemical compounds used in manufacture of the products grows at same time. In this way, risk of intoxication, allergic processes and the prolonged chemical exposure, side effects and the indiscriminate use are also increased. The present work aims to highlight biological risks that the cosmetics can pose to the human health against toxic substances used in its formulation.

Keywords: cosmetic; business; analysis; research; product.

Introduction

Topicality: The global market for cosmetics and personal care products is growing and will only increase in the coming years. According to the almost century-old tradition, the undisputed leaders among manufacturers are transnational companies, which account for the majority of all manufactured products. The largest market for cosmetics is the US, followed by Europe. Recently, new and emerging markets for cosmetics have become increasingly active.

Research aim: To study the possibility of developing a cosmetics company in Latvia. Identify the main problems in the cosmetic markets of European countries in terms of the legal framework regarding the use of cosmetics. Analyze the impact of these issues on the current and future use of beauty products in the European Region

Research methods: Data collection methods, secondary data analysis, interview

Research results: As a result of the study, the possibility of developing a cosmetic company in Latvia was studied. The main problems in the cosmetic markets of European countries are identified in terms of the legal framework regarding the use of cosmetics. The impact of these problems on the current and future use of cosmetic products in the European Region is analyzed.

Market Study

Study of the market is the key point when developing a cosmetic product as it is the starting point of the every project and the more detailed it is, the easiest it will be to use the idea. This includes product and packaging requirements such as the product category, desired function, the texture, size, colour, odour, etc. Once the model is approved, it can be shared with the other departments to start the product development. Research and the Development team will use it to create the formula and the product prototype. Packaging team will select the product pack based on the requirements as indicated in the report. The first stage is definitely decisive; it will determine whole process and the product success.

Product formulation. The idea is conceived in the board room meeting and after considering various options, the affirmation is passed to the research and development lab. The research team commences with a prototype which is in fact a non working one where the aesthetics is the first thing that has to be considered. This model is passed on to the relevant people so that they may give their opinion to make any changes if required. After the part of the products is zeroed on, the chemical making of the cosmetics is worked upon.

Based on requirements of the marketing study, scientific team will work on cosmetics product evaluations. Each claim is analyzed and the several prototypes are created for the comparison. Concentration, chemical reactions, allergies, or the costs are also evaluated to match the certain requirements of the product to ensure product safety.

Raw material and packaging plan. Before the beginning of the production, the chemicals are rigorously tested for quality, performance and other parameters. Once formula has been defined, teams need to select the raw materials and the packaging suppliers. List of the requirements such as the substances function, allergens, colour, size, odour are to be sent to the several suppliers to be compared. Quality and costs, function are analyzed for a product final validation. As soon as the raw materials are approved, the formula is then finalized and also the prototype is created.

Product artwork. After selecting the packaging suppliers, it's time to work on artwork design for packeging. Teams will design product outer packaging as packaging is the first thing that consumers will see and also read about the product. Text, graphic, colors, everything's is chosen according to outer packaging and the marketing report requirements.

Quality and compliance. In order for the cosmetic to be launched, product has to be safe enough to use and also comply with the regulations where it will be commercialized. Many quality testing must be taken such as the microbiological, the toxicology, and stability tests in order to proof the product safety.

In addition, all the product components – including the chemical substances and the packaging, must be checked and in compliance with the country of the commercialization. Compliance teams should gather all documents and important information about the product that are required by the countries legislation such as the Product Information File, Cosmetic Notification Form, and Safety Data Sheet etc.

Final validation of the product. When the each steps of the product development have been checked and also approved, it is time for a brief check. The final product is then reviewed to ensure its conformity with initial marketing report. If the cosmetic prototype passes final tests the production can be started. The product will be commercialized while the teams will already be working on the next one. New product development processes are also different from one company to another. The product type, strategy and company size determines how the product development will be implemented. But, all of them will agree to say that it is long and complex to settle. Many stakeholders are involved and also most of the time they do not understand each other and product Lifecycle software can be a solution as it has been designed to streamline processes, in order to be more efficient and to focus on consumers.

Interview with Manager of Cosmetic Company in Riga

How many potential customers do you estimate are in your target regions for this financial year?

I am expecting the potential customers to be around 40% of the total population. Since the people between the ages 14-60 is around 61% in Latvia we can expect only that. Apart from that, international customers up to 2 lakh people.

Briefly describe your target customers and any other distinguishing features, expanding on any of the areas you have already highlighted above:

Traditional consumer -. The traditional consumer is an individual who is influenced by media in the purchase decision process but does not invest his\her own time in pursuit of the latest trend.

New entrant- This is a consumer that begins to put on the makeup when becoming an adult, starting from the word of mouth, showing increasing curiosity towards the products and then finally experimenting with them.

Beauty addicted- This is fashion victim of the cosmetic products and could be considered a lead user, in terms of understanding use, positioning, and also appeal of a new product.

Beauty expert- As a professional, he\she is likely to be especially loyal to the particular set of the high-end brands to access a degree of the reliability and the consistency in the work

What customer need or problem does your product(s) and/or service(s) address?

Many of people like to wear the make-up every now and then. Making a little effort to highlight the features should not feel like a task, but sometimes it does when people feel like product have ruined the look after spending almost an hour on it. Perhaps you have got everything right but need to fix some minute problems that may seem overwhelming. Our product is a solution for that.

Explain your approach to pricing your product(s) and/or service(s):

One of the challenges faced by the cosmetic brand firms is setting one price that unifies all internal objectives: one price that simultaneously boosts top-line growth, is aligned with the brand positioning, and increases penetration and growth. Our pricing solution was address this challenge by using the data and the statistics to find a price that does just that. We apply best practices from all the industries when we help cosmetic firms optimize the pricing.

- Price positioning and strategy
- New product pricing
- Market launch pricing
- Promotional optimization

Latvian Cosmetics Companies

I closely worked with one of my friend who studied in the environmental science in Riga and he passed me the necessary information regarding the market and manufacturing process in the cosmetic company and I researched a lot through the social media as well as the respective websites and collected the data regarding the regions, competitors, customers etc.

Some of the companies that are shortlisted and regarded for sourcing of the product are some of the raw material supplying companies in the Latvia and around the Baltic states. The level and quality of these services vary among Fair Trade Organizations. The main areas in which advice is offered are: product development and design, product costing; product labels, packaging and pricing, technical improvement, export and import procedures, and shipping, business management, export market information, market promotion, design of sales literature, legal requirements.

Table 1: Comparison of two cosmetic companies in Latvia (Source: Author's work)

Name, location, website	**Average prices**
MADARA COSMETICS Marupe, Latvia https://www.madaracosmetics.com	Anti- oxidant body sunscreen – 19 euro Age defying face sunscreen – 29 euro Luminous perfecting concealer – 20 euro Vitamin C recovery cream – 38 euros So let us take average price as 27 euro
Strengths	**Weaknesses**
Lot of research before marketing a product Environmental Sustainability, Social Responsibility and Corporate Governance – ESG Report Good quality	High prices Inaccessible to county places
Name, location, website	**Average prices**
Orange cosmetic,SIA Unijas iela, Riga http://www.keune.lv/	Similar products with average price of 25 euros
Strengths	**Weaknesses**
Large production International distribution around 47 countries	It is mostly a private label company and merges with the marketing stalls for the sales

Table 2: Comparison of two cosmetic companies in Latvia (Source: Author's work)

Criteria	**MADARA COSMETICS**	**ORANGE COSMETIC**
Year of foundation	2006	1998
Number of rooms	30	72
Price	25-35 EUR	UR

Analysis of External Factors (PEST)

Political. Political aspects can be definitely a consideration as particular government intervenes in the economy of a country.

In particular this includes the areas like Political stability, Legal framework for contract enforcement, Pricing regulations, Taxation and etc.

Economical. Economic factors mainly affect purchasing power of the customers. The more customer demand for product more profit to organization, at same time if there is no customers demand it's going to affect organization in the negative manner. So economic factors are very important external factor that affect cosmetic industry. Economic factors include Unemployment rate, Economic growth rate, Interest rate and etc.

Social. Customers will try an assortment of the products until they find the one. But after that? They stop looking. They become brand loyalists.

Brand loyalty spreads horizontally too. Someone finds their favorite shampoo from Company A and then sees a new moisturizer made from the same guys. They buy the moisturizer because they already love the shampoo.

Technological. Technology is a consideration for business and it effects in a positive way.

This machine is also portable, it provides clean application and it even adjusts a night and the day time routine.

Analysis of Risk and Prevention

The use of the cosmetic products is increasing around world and a variety of the chemical compounds used in manufacture of the products grows at same time. In this way, risk of intoxication, allergic processes and the prolonged chemical exposure, side effects and the indiscriminate use are also increased. The present work aims to highlight biological risks that the cosmetics can pose to the human health against toxic substances used in its formulation.

This work relates main toxic chemical substances present in the cosmetic products to possible health complications reported in scientific literature. Currently, cosmetic industries have increased use of the compounds with the preservative action, the surfactant, fragrances, stains, etc. in formulation of the cosmetic products. Such substances potentiate quality, property and the shelf life of the cosmetics, but on other hand, many of these substances are toxic to human body, presenting health risks ranging from a simple mild reaction to an anaphylactic process or even a lethal intoxication.

Thus, indiscriminate use of the cosmetics may present itself as an emerging issue of the public health. In view of above, this work seeks to encourage improvements in search for the new methodologies for the quality control in production and the consumption of the cosmetic products around world

Prevention. Today, innovation, research and the development of the new cosmetic products have increased use of the compounds with the preservative action, surfactant, fragrances, stains, etc. Such substances enhance quality, the property and the shelf life of cosmetic formulations, but on the other hand, many of these substances can be harmful to the human health because of the frequent, prolonged and the indiscriminate exposure. There are many agencies around world to regulate quality control, safety and production of cosmetic products, which are responsible for adjusting standards and guidelines for the safe and healthy use of such products by population, minimizing health risks. To encourage improvements in manufacture, marketing and use of the cosmetic products by population, it is necessary to apply a unified cosmetic-vigilance around world. This public health strategy are a genuine means of obtaining information on safety of the cosmetic products and their ingredients, preventing risks associated with using cosmetics become a serious public health problem.

Methodology

In this research was conducted secondary data analysis: theoretical part of the research- “Literature review”. It consists of information used from open scientific resources, with which you can familiarize yourself by clicking on the links indicated in the column "Literature used".

The second part of the study consists of an interview with the manager of a cosmetics company in Latvia, as well as a comparison of two cosmetic companies in Latvia.

Results

Through interviews, it became clear that the target consumers of cosmetic products in Latvia are 40: from the general population, namely new customers who are just starting to get acquainted with cosmetic products; traditional customers who don't spend their time learning new trends; connoisseurs in the field of fashion;

One of the challenges cosmetic brand manufacturers face is setting one price that unifies all internal goals: one price that simultaneously drives revenue growth, aligns with brand positioning, and increases penetration and growth.

Comparing two cosmetic companies in Latvia, it was revealed that both companies are trying to make a quality product, the only difference is that one of the companies has access to the foreign market and the price range is significantly different.

Conclusions

Based on the results of this study, it can be concluded that there is an opportunity for the development of cosmetic companies in Latvia, since Latvia has a fairly competitive and developing market for the development of a cosmetic business. Interest in the use of cosmetics among people is growing.

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Mazluma Tulkinova. DEVELOPING AND ORIGINATING NEW TYPES OF ICE CREAM BUSINESS IN TURKEY”

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Abstract

Research relevance: The Mado Ice Cream Store offer an Ice Cream Turkey product and Service for a customer. Providing the variety different taste of Ice Cream Turkey and generate a new taste of Ice Cream Turkey. Our client is customer identifying as Low class and Middle class who can buy our product with a low and affordable prices. Our target is to make an Ice cream who suit for everyone with unique age and gender. One of the weaknesses of the soft serve ice cream business is seasonal because of the external factors like climate so to make the business still in-demand in a winter-like climate, the proponents will suggest to pair the soft ice cream with hot desserts to make it balance or invent a new form of ice cream that is suitable to an unusual climate.

While currently there are many competitive businesses like our but we only business have a very special delivery services, pickup and free parking place. The result on the Product survey shows that 75% of the respondents prefer the soft form of ice cream which is suitable to our propose business. We will sell our product with low and affordable price. The quality of Ice Cream Istanbul will up to our customer standard.

Research goal: Explore ice cream business development possibilities in Turkey.

Research methods: Statistical data, secondary data, graphical, May be questionary or interview.

Main findings: Our findings indicate that the rise of economic homogamy cannot be explained by hypotheses centered on meeting and matching opportunities, Sales operations can leverage the mountain of to be had records to assist income leaders make facts-primarily based totally selections that enhance the effectiveness of the whole thing from income pressure layout and improvement to income compensation, income method and systems, and income analytics and intelligence.

Keywords: ice cream; Turkey; experienced employee; affordable price; free parking place.

Introduction

Conducting a rationale for Mado ice cream. Ice cream is a sweetened frozen food that is commonly consumed as a snack or dessert. It's make with fresh whole milk, eggs, butter, and cream that are whisked together to create that light make in-your-mouth texture. Mado ice cream is ice cream make by a skilled craftsperson. It also employs processes and machinery that require a "human touch." can include selecting and mixing the ingredients or keeping a close eye on the freezing process to ensure the ice cream is as smooth and of the highest quality as possible. Mado ice cream is a high-end product that is not mass-produced. The packaged ice cream market has been growing steadily year over year. This is an industry with a history of consistent growth that is projected to continue in the future. Mado Ice Cream’s are middle to upper-middle class families that attend fairs, special events and high-traffic parks in Istanbul. Ice creams are anticipated to adapt as a snack meals because of the proclivity of younger humans to snack at numerous Intervals. Consumer fitness cognizance is a prime thing riding product demand. Because of its excessive nutrient content material and herbal and natural composition, the product has received reputation amongst purchasers of all ages. However, growing urbanisation mixed with growing requirements of dwelling play a good sized function in product improvement and sales. Mado Ice Cream will sell ice cream to consumers by the scoop (regular , *sugar , or waffle cone / dish) , pint or quart* . Commercial sales will be made in 1 gallon cartons or 2.5 gallon tubs . Mado Ice Cream will negotiate commercial prices on a case by case basis . The business will begin operations with a core selection of ice cream flavors . Based on an International Ice Cream Association survey , vanilla is the most popular ice cream flavor , followed by mint chocolate chip and cookies and cream . With that in mind . Mado Ice Cream will include these flavors in its initial grouping of core selections . In addition , the business also will offer a growing selection of specialty flavors , based on financial feasibility and customer interest / demand . Core Ice Cream Selections

- Vanilla
- Chocolate Chip
- Cookies and Cream
- Chocolate
- Strawberry
- Mint Chocolate Chip

Market Segmentation

The potential costumes groups for Zero degree ice are below (see Fig. 1):

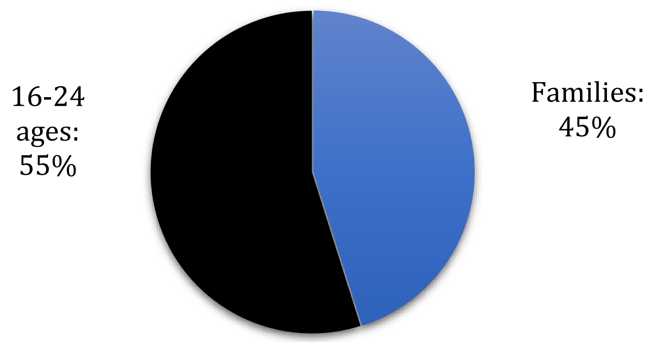

Fig. 1. Marketing share in per cents

Literature Review

Ice cream, as a complicated meals system, includes a frozen matrix containing *air bubbles, fats globules, ice crystals, and an unfrozen serum* phase. Some deficiencies in traditional techniques for trying out this product inspire using opportunity strategies including rheometry, spectroscopy, X-ray, electro-analytical strategies, ultrasound, and laser. Despite the improvement of novel instrumental packages in meals science, use of a number of them in ice cream checking out is few, however has proven promising results.

Methodology

Uses questionnaires and interviews to collect information about the behaviour , beliefs and attitudes of particular groups of people • Wording , order and structure of the survey questions may lead the participants to give . biased answers. Survey researchers need to be aware of the social desirability bias , our tendency to respond in socially approved ways. Another necessity in survey research is surveying a representative sample of the relevant population , the entire group of people being interested

Results

Result to diversify into making the Mado ice cream. Of this sensory analysis to determine consumer preference and acceptance could provide food manufacturers with insight into current ice cream preferences of health- conscious consumers, leading to the creation of new products or improvements to existing prohealth. Second goal is to develop this business idea, to creat workplace .

- Higher employee productivity and satisfaction.
- The ability to better serve customers.
- The opportunity to tap into non-local talent.

Moreover, making good profit rising quality of our products and increasing quantity of new costumers. With this results can expand our gross domestic product.

Conclusion

In recent years, there has been an increased focus on wellness and healthy living, particularly through dietary focus, Ice cream does not fall into a healthy food category and should be consumed in moderation due to its high fat and sugar content. Despite these concerns, individuals continue to purchase ice cream at high rates. Manufacturers are creating more premium, commercial ice creams as well as organ cream. Low-fat, lactose-free, GMO-free, hormone-free, additive free, and/or preservative free options for the increasingly health-conscious number. The results of this sensory analysis to determine consumer preference and acceptance could provide food manufacturers with insight into current ice cream preferences of health- conscious consumers, leading to the creation of new products or improvements to existing products.

Cupper most involves in manufacturing of the ice cream with its uniqueness and lightweight makes the customers wants to have one . This is one of the advantages for our shop to grab this opportunity to establish the new target in the market . For the market competition , we provide the best price and sale every Summer celebration that makes our product differs from other competitors . The material for the product that we provide is a high quality and the brand new so the customer feels satisfy with the product The advertisement on this new product will enable us to compare with other product in Turkey in terms of price , quality of product . After doing some research , we can conclude that we can growth a lot of profit based on the graph analyses' in the financial plan . Based on our goals , we want to maintain the positive cash flow which is we can analyze and view from the financial plan that makes one of our goals to be success . Therefore , we hope that our ice cream will match and suit with Turkey taste , will be well received and not easily forgotten through its special and unique concept . We believe that our product will become most favourable frozen sweets and internationally in future .

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Arina Sherstiuk. ARTISTIC PERCEPTION OF THE URBAN ARCHITECTURAL ENVIRONMENT: THE IDENTITY OF KALININGRAD WALLS

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Abstract

Research relevance: This scientific paper is devoted to the problem of perceiving the architectural urban environment as a comprehensive platform for multi-layered cultural communication and artistic expression. The research's relevance lies in actualizing and performing the idea of providing a dialogue between an artist and a city.

Research goal: The research purpose is to scientifically substantiate and present the project concept dedicated to forming the urban architecture image identified in a collaboration with artists.

Research methods: The research is interdisciplinary, integrative, including the main general scientific methods: analytical, structural, and functional. The research consists of the practical application field of the obtained results gained through analyzing and reflecting on specific urban architectural patterns. The methodology is based on the conceptual research model which describes the architectural urban identity through an artistic perceptive way.

Main findings: The scientific paper confirms the important role of architectural urban identity in the construction of the holistic city image and constructing interpersonal interactions. Research investigations are proved with the realized project concept - an international collaborative artistic project devoted to identifying the image of Kaliningrad walls.

Keywords: city image; identity of wall; architectural patterns; artistic fieldwork.

Introduction

Since the second half of the XX century, the discourse on urban identity has gained relevance in connection with the processes of urbanization, leading to the reorganization of already established urban formations and the construction of a new architectural city image. Contemporary socio-cultural context continues to promote transitional urban states, the consequences of which, in turn, have debatable nature: deformation of the “old” urban identity and the emergence of the architectural image of the “new” city. In this case, there is a need to define and preserve the authentic architectural city image, and to accentuate its architectural and urban identity, including its recognizability and attractiveness not only for its citizens, but also for city guests and tourists.

This article reveals the problem of exploring the identity of the architectural urban environment observed through artistic practices inside the urban space under the participative conditions of a visual and audio-artists group. The author perceives the city architecture as an institutional, social, communicative space, subject to constant evolution and dynamic contextual deformation. Hypothetically, the identity of the architectural urban landscape represents a multilayered temporal-spatial continuum, consisting of the individual's psychological and emotional perceptions of the city, which distinguish this architectural continuum from others.

The article considers artistic practices and the artist's perception itself as tools of identification and decoding of the architectural urban space image. In addition to the theoretical component of the issue, the article has a practice-oriented character and presents the research results regarding an element of architectural urban space - a series of old stock houses walls and facades in the Kaliningrad central district - in the course of a conceptual artistic urbanistic practice developed by the article’s author.

Literature Review

The considered problem of artistic perception within the urban architectural environment identity is due to a complex of factors, which are reflected by theoretical sources in the field of history, sociology, cultural studies, design, semiotics and urbanism. The term “identity”, connoted in terms of the humanities, is used in relation to the individual as a basis for his or her perception through the personal identification of the urban environment with an element of personal socio-cultural lifestyle: social group, place, neighborhood, culture, activities of the individual.

In cultural studies, “identity” is seen as cultural identification and is understood as a person's need for a dialogue with a certain cultural paradigm or its cultural elements and phenomena. Sociology advances the position that the urban architecture image and perception perceived by the resident is largely determined by the urban environment and its symbolic landscape, including visual cultural elements (Osipova, 2011). The paper gives an overview of the general criteria through which the main self-identification of the resident with urban architecture takes place: territorial, temporal, behavioral, psychosocial, social and ideological.

Studying the urban environment in the semiotic and socio-psychological aspects, as a comprehensive sign system, it is necessary to mention its constant socio-communicative movement and contextual formation. In view of this, urban space is able to encode, synthesize and accumulate socio-cultural and personality-oriented elements of architectural perception, endowing them not only with cultural and semiotic semantics, but also with psycho-emotional attachment.

In the context of urbanism, in particular architectural science, the definition and classification of identity as a scientific phenomenon and the subject of research is only beginning to be conceptualized within the architectural phenomenology framework. With the emergence of architectural discourse, the concept of identity is already transformed as a property not of the subject (an individual), but of the object (urban environment) with similar qualities of recognition and identity. Also, the modern system of urban knowledge investigates the influence of the architectural urban environment and its symbolic-significant features on the specificity of subject-object relations “city-individual” formation and the perception of the individual's city image (Skalkin, 2018).

The theoretical basis of this study is based on the concept of urban architecture identity as a synthesis-product of collective and individual experience. In its semantic content, the perception of architectural identity is connected with the emotional attitude to the definition of a multicomponent urban mentality. The concept of «mentality of place» in terms of cultural psychology and social urbanism outlined by a specialist in urban planning, Kevin Lynch in his book “The Image of the City” (1960). Ideological construction of the city image is presented as a psycho-symbolic factor in the formation of urban architectural identity. The city image establishes spatial representations of the urban architectural continuum as a system of interrelated and interacting semantic signs, symbols, archetypes, cultural paradigms and coded information units, emotionally and mentally fixed in the subconscious of the citizen.

Expressing the idea of a “mental image” regarding architectural urban space, Lynch argues that its “readability” depends on the “imaginability” of elementary objects, which may or may not become part of the city image identity (Lynch, 1960). Lynch introduces the concept of “imaginability”, connoted as a commonality of experienced emotions, when perceiving the object-spatial architectural environment of “own” urban area, the city as a whole, the specifics of communication, interpersonal relations, organization of the emotional sphere within interacting groups of people and their perception of the environment. Thus, the “imaginability” of each architectural structure in the city (whether it is a business center, a multi-storey building, a monument of cultural significance or a decorative architectural element) acts as one of the key operants, allowing to identify the “own” architectural city image on a practical level.

Methodology

The study of the artistic perception regarding the identity of urban architectural space is theoretical, integrative with the practical application of the results. The research includes the main general scientific methods: analytical, which revealed specificity and historical line of “city-individual” interaction of artistic and psychological nature in the urban architectural space; structural and functional, allowing to consider the urban architectural space as a multi-layered continuum of connotations and a special integrative cultural code.

The processing of theoretical material was carried out by means of culturological methods of scientific research. In particular, the genetic approach was applied, with the help of which a comparative-historical review and analysis of artistic practices in urban architectural identity research were carried out. Also, the study is dominated by the method of axiological analysis, within which the urban architecture is considered as a meaning-forming socio-cultural form, semiotic code, value orientation of the individual. In order to realize the research aim, the author modeled and analyzed the practical conditions of creative research urban practice - an international audiovisual project with multidisciplinary artists - to investigate the identity of old-style houses’ walls and facades in the city of Kaliningrad.

Analyzing the mechanisms of semantic urban architectural environment influence on the individual-actor activity and its system of internal values, the author classifies influential architectural elements, especially highlighting “old” city districts. Due to their historical aura and produced quotations in the form of landmarks and monuments, such areas actualize mnemonic connections in the individual (Benjamin, 1996). Thus, the author emphasizes the relevance of urban architectural image perception study. First, through the artistic perception of the “old” architecture and the inclusion of “new” small design forms in it; second, through translating an urban polysemantic cultural code, which together, is a significant step in determining the urban architectural identity.

The main scientific approaches of the article are social, artistic and cultural. With the help of these approaches the author considers practices and mechanisms of urban architectural identity research, in particular the ongoing interaction between the city and the individual, as acts of a kind of art-semiotic communication, highlighting the image of the wall as an indicator and translator of architectural identity (Meiser, 2006). Separate messages of such communicative contact acquire their semantic meaning in accordance with the decoding of a certain information element - the architectural code of an old-foundation house’s wall in Kaliningrad.

In the course of the author's creative and research urbanistic practice there is a modeling of spatial and temporal perceptions and emotional and creative reflections of the individual on the architectural environment surrounding him/her (Osipova, 2011). Therefore, the practice of "city-individual" communication, selection of cultural elements of the committed communications and their further substantial processing, synthesis and integration of the results gained in artistically evaluative perception of a certain architectural landscape within the sign systems are all denoted by the process of identification and decoding of information inherent in the urban architecture space.

The practical part of the research is an artistic projection of the collected theoretical information on the artistic and psychological mechanisms of determining the urban architectural identity, implemented in the author's audiovisual project. Ideologically, the project represents the identity construction of the old-style houses' walls and facades, located in the central district of Kaliningrad, with the help of auditory (field audio recordings) and visual (photography) tools produced by a group of multidisciplinary artists. In addition to following the concept of auditory and visual analysis of the investigated objects during urbanistic practice, the methodology of the practical part is also characterized by the inclusion of axiological observation (evaluation of the dichotomy of "an old original layer" and "a new acquired layer"), a detailed description and analysis of which is given in the results section.

Results

The search for the modern urban identity is a complex task, because, on the one hand, urban space needs to make a connection with the authentic code of the city and its history, and on the other hand, changes in the modern city image must comply with the dynamics of new concepts and general global architectural transformations. The identity of urban architecture is embedded in a comprehesive structure consisting of different temporal layers of the evolving communication line "city-individual". The definition of urban architectural identity involves the study of the features included socio-cultural perception of the city by the individual; his psycho-emotional, sensual experience of communication with the urban environment; values derived from various symbolic and mental-associative sources within the city (for example, the form of architectural development or zoned architecture); cultural and historical understanding of the processes placed there.

The nature of produced interactive communication is mutual: urban space is a producer and translator of an encoded sociocultural coordinates system, while the individual appears as an agent-consumer of the sociocultural code belonging to a specific urban architectural context (Jellard, 2020). Producing and actualizing mechanisms of interactive dialogue, the city and urban architecture become an integrative continuum of existing socio-psychological, cultural and philosophical components of society's and, in particular, individual's existences (for example, daily rituals, set of psycho-emotional states, moral notions, ethical norms, customs and traditions).

Perceiving the urban architectural environment in the artistic and psychological aspect as a comprehensive sign system, it is necessary to note its constant socio-communicative movement and contextual formation. In view of this, urban space is able to dynamically encode, synthesize and accumulate socio-cultural elements, endowing them not only with cultural and semiotic semantics, but also with psycho-emotional personal-oriented attachment. In this case, the artistic perceptual approach (including social interaction), reflects the artist-actor's perception of the city and influences the formation of the city image by individual viewers. In terms of the communicative “city-individual” model, the city architecture image is identified with a historical “portal”, a medium of preservation and transmission of statements, (non)visual symbols and signs. At the same time, the dynamic sign-symbolic system, formed by the city, has the function of accumulating mnemonic connections regarding projections of individual interactions with the architectural environment.

The artistic aspect of urban architecture perception, reflection and representation of urban architectural spatio-temporal environment assumes that the representation of architecture is conditioned by the direct-creative involvement of the individual (Mikhailenko, 2010). In the present study, hence, the role of creative-psychological urban practice and its artistic decoding lies in the individual-artist's perceptual rethinking of the identity of the architecture of the building, place, neighborhood, city, as well as the habitual everyday complex of subject-object, role interactions within the urban architectural system.

The presence of role behavior is manifested in the artistic approach of interaction with the urban environment in the urban practice conducted by the research. The study of urban architecture identity is elaborated in the professional environment of multidisciplinary artists, including street art artists, and urban researchers. The artist-individual acts as an actor with his own set of coordinates including perception and channels of communication, interaction with the architectural city space. In the process of communication “artist-city” there is an expression of personal reflections through the artistic perception of urban elements, involving the image of the city's architecture.

The coding of artistic expression in the urban architectural environment produces an artist's psychological sense of socio-cultural difference, the formation of identity within the urban space. Setting certain visual and behavioral scenarios of interaction with the urban architectural environment, artistic perception introduces the artist to the origins of the local cultural paradigm, contributing to the expression and significance of his/her own artistic position and the formation of original artistic reflection, aimed at establishing the image of the architectural environment identity.

In the basis of urban practice there was the idea of the individual artist’s positions transition: from the consumer of urban coordinates (practical everyday use of the city as a tool for personal and social needs) to the individual as an observer-interviewer and actor in the architectural urban space. In order to solve this problem, the author created a conception of the audio-visual project “Patches 33” which was a part of the international exchange cultural project “Radio Instantopia” (Kaliningrad-Berlin, 2020-2021).

The provided urbanistic practice had an artistic character of perception and documentation of urban architectural identity elements. The artist-actor’s task, in the role of the article’s author, was to photographically capture the image of the old stock house wall with a conspicuous indicator - the presence of a “patch” on the wall. The author defines the notion of “patch” in this urbanistic practice as a colored fragment, mostly rectangular in shape (see Fig.1). The absolute reason for the appearance of such a patch-fragment has no obvious primary sources. However, their appearance finds an explanation in the hypothesis that a rectangular painted patch is applied to the wall by housing services workers to paint over graffiti or a color sample for future major restoration and painting of the building facade.

Fig. 1. An example of patch (Source: Author's work)

The territorial choice of the study area is justified by an architectural landscape attractiveness and axiological content. Thus, the visual component of the project: photographic (analog photography) documentation of the walls was organised in the central district of Kaliningrad (formerly Amalienau and Hufen), due to the fact that this area is filled with heterogeneity in the visual, color, semiotic solution of the old stock houses' facades. The actor could move along his own mentally cartographic route of the area, flitting, intuitively choosing patches for fixation - his main tasks were to reinterpret the original architectural area image, to decode and denote the multi-layered visual wall patterns.

The next step, after creating a series of photographs, was the direct involvement of sound artists from Berlin - Carina Khorkhordina and Moritz Krumm. The artists needed to sound the walls, to give the patches voice and noise. By making field recordings in Berlin, the sound artists expressed their personal perception of the patch walls identity through an auditory medium. Moving to a new level of communication "artist-artist" and "artist-city" was the main task of the author's project "Patches 33" and "Radio Instantopia" in general. Locally, the author outlines the patch project's:

- I collect various things. One of my passions is patches and rags of walls.
- I am sympathetic to this inherent fragmentation and lumpiness of the building facades. Events that took place in these areas are covered with secret layers of paint or even scraped together with part of the facade. The multi-layered texture tells an extremely long story. The choice of color and its combination sometimes turns me crazy.
- Why every time does a new color episode appear?
- The wall is patched up roughly and quickly. Repainted countless times it has become an urban descendant of ready-made.
- In these spontaneous strokes, one by one, I find the personal expression of an unknown author. Footprints, alternative mosaic, urban patterns.
- 33. We repeat one pattern after another. Mimic. We become a mirror image of each other. Patches from Kaliningrad walls sound contextually berlinium from Berlin.

The project’s final result was to combine audio and visual parts in common online space. A projection of the wall, consisting of 33 patch elements series and audio accompaniment (field audio recordings) to some of them, was modeled on the project's web page. The wall model is considered as an encoded, symbolic image of the urban architectural identity translated through the color-psychological visual patterns of the old-style houses' walls in the central district of Kaliningrad. In this way, the idea of urban practices became effective in the artistic project of audiovisual research of the Kaliningrad walls’ identity. The project “Patches 33” was presented at the public presentation of the international art-educational project “Radio Instantopia” and became a full part of the reporting exhibition in Kaliningrad in August 2021.

Conclusion

Summarizing the study, it should be noted that the research discourse of urban architectural identity acts as a cultural code of communicative construction in the complex urban environment structure, due to which it becomes a relevant subject of contemporary scientific urbanistic research. According to research, the city is a multi-layered product of cultural and social activities, while humans play the role of actors in setting cities as the stage to express their artistic perception of decoded architectural urban patterns in connection with personal life experience. In this regard, the architectural identity is defined as an intangible dynamic elaborated process and sociocultural indicator which produces new identical patterns and coordinates.

Conceptually, the urban architectural identity is a naturally formed holistic recognizable set of tangible and intangible features of the urban environment, focused on the internal perception, due to the identity with the local factors and perceptions of the city. In this article, the phenomenon of urban architectural identity is defined as a socio-cultural construct, formed as a result of artistic interaction of the actor-artist with a particular territorial context and characteristic urban community.

The artistic approach to decoding the urban architectural identity contributes to the individual artist's emotional self-determination and expression of his/her personal artistic experience of interaction with the city, perception of architectural construction image and behavioral patterns inherent in a given urban architectural continuum. At this rate, the artistic point of architectural identity perception has become the important symbolic-contextual content of the architectural object, in particular its external visual indicators. Hence, the urban architecture identity study elaborates through a set of local social processes and cultural phenomena in relation to the individual, occurring in a direct dialogue “artist-city”.

The study using the artistic approach shifts the focus of perceptual attention from the functional purpose of urban development, moving to the perception of visual identity based on the dominant architectural style, the regular presence of architectural patterns. Following the concept of axiological reversal of the sociocultural city architecture position perception. The study not only theorizes and analyzes the artistic perceptual approach, but also includes practical approbation of the original hypothesis regarding the urban architecture identity as a complexly composed time-space continuum consisting of unique psychological and emotional individual's perception about the city.

The study confirms the multicomplex, stratified nature of the urban architectural space identity due to the epochally acquired interaction components - the old building facade - and continuously formed and integrated into the existing continuum of new cultural and information realities - a new patch layer. At this level a special communication vector is formed, in which the architectural context plays the role of a conductor between the individual artist and the cultural-semiotic code, the identity carrier of which he/she becomes.

The study reveals that the visual specificity of the architectural urban environment has a mutually provocative effect on the socio-cultural behavioral individual characteristics and the artist-actor's perception of the placement architecture, district, and city identity. In addition, the more involved the actor is in the interaction "artist-city", the more the individual is aware of the identity and specificity of the local architectural context, the more profound is the produced interaction. The criteria for assessing the individual level of artistic architectural urban continuum perception are revealed by referring to the personal artistic experience of the actor involved in the urban practice.

When studying the actor's behavior in relation to the urban architectural context perception, there is a set of things taken into analysis: a sample and evaluation of subjective perceptions regarding aesthetic, symbolic and moral; the level of integration into the urban psychological environment; personal existential experience in a particular architectural area or city district. Despite the possible multilevel oppositions in the perception indicators, it is important to observe the relative interaction of both components. It is the synthesis of the two axiological approaches in a single urban architectural space that forms the identity of urban architecture - a set of different-time visual encoded patterns of socio-cultural and psycho-emotional city climate.

Thus, the study of urban architectural identity through the artistic perception mechanisms is ideologically characterized as a dynamic interactive temporal-spatial process. Identification of urban architectural identity contributes to the awareness of the psycho-emotional belonging of the individual to a certain urban architectural space and its constituent signed components. The article describes the actual factors of formation and ways of urban architectural identity translation in the context of modern urbanistic methodology. The conducted research has a practical relevance in educational and applied specifics.

Materials and theses of the article can be applied in various areas, for example:

1. in the development of targeted cultural tourism programs;
2. for socio-psychological practices and trainings in the urban space;
3. in the organization of the activities within urbanist associations;
4. in the research activities of higher and professional education institutions.

In addition, the study conclusions can serve as a basis for further scientific research in the development of urban studies theory and practice in the context of artistic and socio-cultural activities.

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Elena Stachel. MARKET OPPORTUNITIES IN THE E-COMMERCE OF SPIRITS IN GERMANY

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Abstract

Research relevance: In 2020 the German spirits industry had a market volume of 3.297 million euros. Especially gin and whiskey are drinks people have lately been enthusing about. The trend coincides with the development of especially young people valuing their life quality highly and choosing conscious enjoyment of life above all. The mentioned spirits support this lifestyle perfectly, as they too are indulged slowly and consciously for full enjoyment. For this reason, beverage brands have brought a wide range of new spirits to the German market. As simultaneously e-commerce is on the rise everywhere, it is likely that consumers also want to buy gin and whiskey online.

Research goal: The goal of this research paper is to investigate the consumption of gin and whiskey in Germany. Furthermore, I will draw a comparison of the traditional retail sale and the e-commerce of spirits, with the aim of finding new business opportunities for the e-commerce of the mentioned spirits.

Research methods: The research methods for this paper are limited to literature and web-based research and secondary data analysis of graphical statistics.

Main findings: The main findings of the research are that the market for spirits in Germany is indeed growing. Furthermore, although there are platforms for the e-commerce of spirits in Germany, consumers have little opportunity to compare different spirits and inform themselves about them online. These specific consumer needs are not yet being met sufficiently, meaning that this represents a potential business opportunity in this field.

Keywords: spirits; Germany; e-commerce; market growth.

Introduction

Whiskey and Gin have never been more in demand. The spirits have successfully reinvented themselves as something worth indulging across multiple age groups. Especially the change in image behind the consumption of these spirits is note-worthy and plays a significant role in the rising trend. Not long ago they were considered old-fashioned and belonging more to the British royal family and today, hardly any drinks are as popular as these newly invented classics.

Following this common trend, the aim of this research will be to find evidence for the assumed growth in the German spirits market and especially for the popularity of gin and whiskey. Furthermore, the aim is also to investigate the current e-commerce platforms in comparison to the traditional retail sales of spirits in Germany. This addition was chosen to further investigate aspects related to an entrepreneurial opportunity that had been previously identified: the opportunity of launching a new informative app for the e-commerce of gin, whiskey and other spirits in the German market.

The hypothesis before conducting the research is the following: The German spirit market is indeed growing and gin and whiskey are gaining popularity among German citizens. Additionally, the hypothesis is that the e-commerce of spirits provides a better customer experience than traditional retail, yet there are still possibilities for improvement.

The applied methods for the research of the development in the German spirit market will be secondary data analysis of graphical statistics from the market research institute Statista, whereas for the comparison of the different e-commerce platforms the research will be based on information from the web and based on literature. The comparison will then be visualized in a blue ocean grid, a common tool used in marketing research to find new business opportunities.

A brief summary of the research results would be the following: The market for spirits in Germany is growing steadily. Since 2014, there had been a steady increase in sales every year, accumulating to an increase of 70,38 million bottles in the six years until 2020. When comparing the e-commerce of spirits to the traditional retail sale, the e-commerce holds many advantages. Nevertheless, the currently available e-commerce platforms still hold too much emphasis on the sale instead of also informing the customers, creating a great customer experience for them and fostering a sense of community among consumers. These disadvantages represent possible business opportunities and unique selling propositions for customers if they are implemented successfully.

Literature Review

Spirits continue to be among the top ten product groups in terms of sales, achieve a high level of consumer reach, and remain a mainstay of the food retail sector's business. Another positive aspect for retailers and manufacturers is that, in contrast to many fast-moving consumer goods, prices for alcoholic beverages have remained significantly more stable. It is important to mention that these results were strongly influenced by a large amount of promotional efforts by the leading spirits brands, which naturally impacted the sales volume positively. Additionally, numerous studies show that consumption of traditional spirits is at a more moderate level among younger consumers between the ages of 21 and 29 in the USA, Europe, and especially in Germany. This development corresponds with other trends such as wellness or fitness and can be seen as an indication of a growing, more responsible behaviour in dealing with alcohol, which is enjoyed in moderation and not in masses. This means that there are already signs of a change in values, which the industry and retailers must monitor and address with new marketing strategies (Zanetti, 2004).

Next, I will explore the opportunities in the e-commerce of beverages. So far, the literature on research findings of e-commerce opportunities is limited to the wider food and beverage industry, however, the findings are also valid just for the beverage industry.

Opportunity 1: Online grocery and beverage shopping attracts target groups with high purchasing power

A number of market research studies show that target groups with above-average incomes in particular are interested in online grocery and beverage shopping or even already buy them online. For example, a representative survey conducted by the consulting firm PWC in 2018 showed that the typical online grocery shopper is employed and has a relatively high income. This can be explained by the fact that employees with time-intensive jobs can earn a higher income, but have less freely available time (PWC 2018).

Opportunity 2: E-commerce can open up new customer segments

E-commerce can also be used to reach customers who, for various reasons cannot shop at retail grocery stores or live too far away from their preferred beverage retailer to visit it regularly. This includes especially customers in rural areas but also customers living in the city, who prefer to shop from wineries and distilleries who are located in rural regions. Also people with disabilities and elderly people who are less mobile would be potential new customer segments. For example, in the HandelsMonitor online survey with 1058 respondents, participants from all age groups, including the over-65s, and all regions (city and village) with more than 80% agreement, stated that they could imagine buying groceries and beverages online (Morschett, 2018).

Opportunity 3: Customer loyalty through multi-channel offerings

E-commerce offerings can also be an interesting addition for existing stationary retail customers. With an online offering various complementary functions can be fulfilled: The delivery is a convenient alternative when a customer is unable to come to the stationary retail outlet (in case of illness, lack of time, etc.). Furthermore, e-commerce allows the delivery of large quantities or heavy products, which often applies for beverages in particular. In many cases the online offer of a product range is a lot larger compared to the stationary offer, as the shelf space is not limited. Because of this, out-of-stock situations can be avoided relatively easily and if an item is sold out in a stationary store, it can be ordered online and delivered home. Lastly, online services such as product advice, recipes, shopping planner, complaint handling or payment systems, discount systems and couponing are possible to a much larger extent than they are in-store, which plays a significant role in customer satisfaction (Wegmann, 2020).

Experts estimate that online shopping will account for a share of 25 % of consumers' food and beverage purchases in the long term (LZ, 2018). Whether and how quickly this will actually be realized cannot be clearly predicted at present. New technologies such as wearables (e.g., smart watches) or virtual reality, augmented reality or the Internet of Things (with automatic food ordering through devices such as refrigerators) may prove to be new factors influencing this development, yet this too is not sure at present, as no viable business model for these technologies is currently established or foreseeable for food and beverages (Wegmann, 2020).

Methodology

Following the primary goal of investigating the consumption and therefore the popularity of different spirits in Germany, data from Statista will be used. Statista is a German online portal for statistics that accumulates data from market and opinion research institutions as well as from business and official statistics available in multiple languages. It is one of the most successful statistics databases in the world.

The first table shows the development of sales of spirits in Germany in the years 2014 to 2020. The data is counted in the number of million bottles sold. The bar chart shows that the sales volume of spirits of all the listed years is at its highest in 2020, lying at 532,42 million bottles. By subtracting the sales of 2014 from the sales of 2020, an increase of 70,38 million bottles in 6 years can be recorded. Since 2014, there had been a steady increase in sales every year, and especially from 2019 to 2020 the sales volume increased significantly.

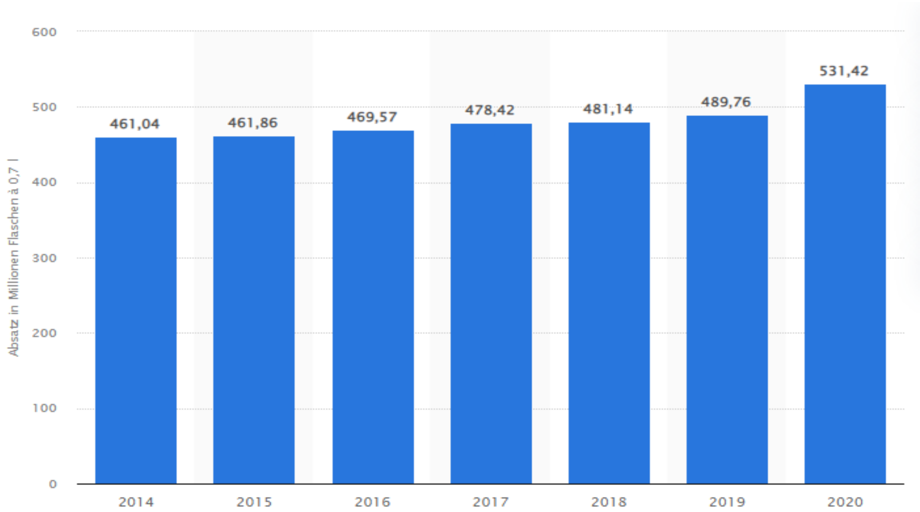

Fig.1. Sales of spirits in Germany in the years 2014 to 2020 (Source: Statista 2021)

Next, particularly the consumption of gin and whiskey will be investigated. The following table shows the frequency of gin consumption by German citizens in the years 2017 to 2020. The data is in millions. The number of people drinking gin once a week, once every fourteen days, once a month and rarely has increased steadily since 2017. Especially the proportion of people drinking gin once a month and drinking it rarely has increased by 1,2 million and 2,18 million, now standing at 2,35 million and 7,58 million. Also the number of citizens stating they do not drink gin has decreased by 3,09 million. Merely the number of people drinking gin multiple times a week has decreased slightly by 0,03 million.

Table 1: Translation of German table description below (Source: Author's work):

Year	**Multiple times per week**	**Once per week**	**Once every 14 days**	**Once per month**	**Rarely**	**Never**	**No answer**
Merkmal	Mehrmals pro Woche	Ca. 1-mal pro Woche	Ca. 1-mal alle 14 Tage	Ca. 1-mal pro Monat	Seltener	Nie	Keine Angabe
2017	0,07	0,07	0,42	1,05	5,4	61,96	1,12
2018	0,05	0,15	0,75	1,35	5,41	61,6	1,14
2019	0,02	0,26	0,86	1,72	6,48	60,43	0,82
2020	0,04	0,34	1,05	2,35	7,58	58,86	0,42

Fig.2. Frequency of gin consumption by German citizens in the years 2017 to 2020 (Source: Statista 2021)

The same questioning was also undertaken for whiskey. Accordingly, the following chart shows the frequency of whiskey consumption by German citizens in the years 2017 to 2020.

The data demonstrates that the frequency of whiskey consumption by German citizens has increased since 2017. For example in the category “once per week” the amount of people drinking whiskey has increased by 0,26 million from 0,49 million in 2017 to 0.75 million in 2021. Although the increase in consumption wasn’t quite as high as it was for gin, it was interesting that there is an overall increase from 2017 to 2020 in all categories, even in the category “multiple times a week”, which hadn’t been the case for gin.

Table 2: Translation of German table description below (Source: Author’s work):

Year	**Multiple times per week**	**Once per week**	**Once every 14 days**	**Once per month**	**Rarely**	**Never**	**No answer**
Merkmal	Mehrmals pro Woche	Ca. 1-mal pro Woche	Ca. 1-mal alle 14 Tage	Ca. 1-mal pro Monat	Seltener	Nie	Keine Angabe
2017	0,14	0,49	1,54	3,15	8,34	55,51	0,91
2018	0,21	0,75	1,57	2,91	7,97	56,06	0,98
2019	0,26	0,72	1,76	2,96	8,51	55,76	0,62
2020	0,32	0,75	1,68	3,22	8,88	55,38	0,4

Fig.3. Frequency of whiskey consumption by German citizens in the years 2017 to 2020 (Source: Statista 2021)

For the next part of my research I will draw a comparison of an existing e-commerce platform for spirits against the traditional retail stores selling spirits. To facilitate this, I will use a list of criteria which allows a structured and objective comparison. The following criteria is crucial in the eye of the customer to allow an optimal customer experience: no customer confusion at the point of sale, little effort for gathering the information needed for purchase, a large range of products, an effortless repurchase, a fun and inspirational experience and a certain sense of community.

First, I will start with the traditional retail stores. In retail stores usually the only information available for the different spirits is the brand name and the price. So because of the lack of additional information and the large range of products, the customer confusion at the point of sale is generally quite high. If the customer wants to have more information about a certain spirit, he must then start looking for information online or find a shop assistant, which however doesn’t guarantee that he will receive valuable information. In other words, the effort for gathering the information needed to make a sensible and informed purchase is high in traditional retail stores. Concerning the range of products, this depends on the store size, so it could vary from small to medium-sized. Next, if a customer wants to purchase a favoured product from a retail store again, the effort to make the repurchase will be as high as the first time, as nothing about the process of the purchase changes. The factor of a fun and inspirational experience can be seen as quite high, as customers have the in-store experience with many tangible products instead of sitting in front of a screen. However, the last factor of a sense of community is not given in retail stores, as there is little to no interaction with others of the same interest.

Secondly, I will move on to the e-commerce giant Amazon, which also offers a large variety of spirits. Because of the additional information offered in the description, the customer confusion at the point of sale is lower than in retail stores, yet still given to a certain extent, as the range of products is very large and there is little possibility to navigate through it. Additionally, even if there is more information available, the effort to gather information is relatively high, as there are no filter or navigation options, so each product has to be clicked on separately. The range of products as previously mentioned is very high and especially the repurchase can be done very easily, through the "one-click purchase" which Amazon is famous for. The factor of a fun and inspirational experience is given to a certain extent, as there are many product suggestions and product bundles, however the pressure to make a purchase is always very present, which may frustrate some customers. Lastly, the sense of community is given because customers can give reviews and share their experiences with products, however there isn't an option to actually interact with other fellow spirit-enthusiasts, which would further increase the sense of community (Amazon, 2022).

The findings are visualised below in the blue ocean grid. The blue ocean grid, developed by Chan Kim and Renee Mauborgne, is an analytic tool to help find and allocate crucial business factors that need to be eliminated, reduced, raised or created to establish a better value proposition for customers (Chan/Mauborgne, 2014). It should be noted that the metrics in the blue ocean grid are merely indicative benchmarks.

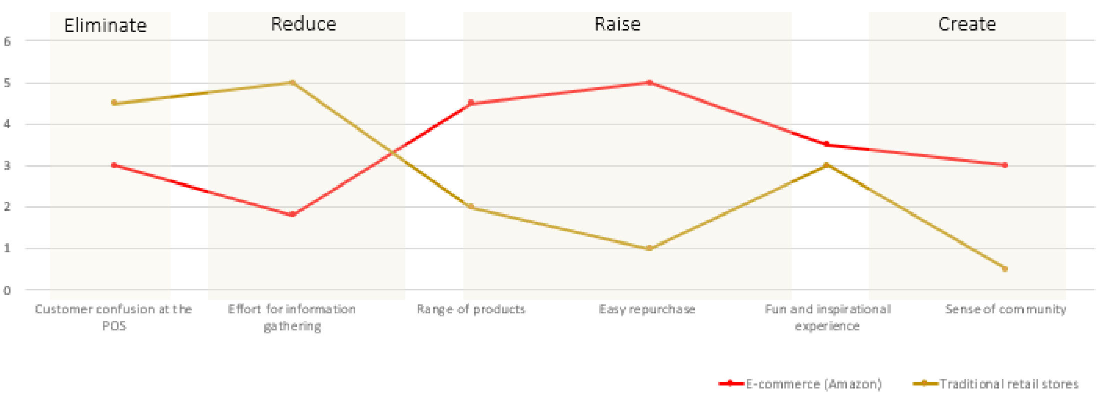

Fig.4: Blue Ocean Grid comparing traditional retail and e-commerce (Source: Author's work)

Results

The main findings are separated into the results of the secondary data analysis and the comparison of retail and e-commerce of spirits. The secondary data analysis showed clearly that the sales volume of the spirits industry is increasing, in the 6 years of 2014 to 2020 by 70,38 million bottles. Also, the study on the consumption frequency of gin and whiskey showed that more people are drinking these spirits regularly. For example, in the category "once per week" the amount of people drinking whiskey has increased by 0,26 million in the years 2017 to 2021. For gin consumption, the biggest increase was noticed in the category "once a month", as an increase of 1,2 million in the years 2017 to 2021 was recorded.

As for the comparison of the retail and e-commerce of spirits, the blue ocean grid above shows that Amazon, as an example for an e-commerce platform, has higher metrics in the categories "raise" and "create" and lower metrics in the categories "eliminate" and "reduce", meaning that the e-commerce platform Amazon has a better overall result in comparison to the traditional retail stores. For example there is less customer confusion because there is more information available on the spirits, there is usually a wider range of products and a stronger sense of community. Accordingly, the customer satisfaction will be higher in the e-commerce than in regular retail sales of spirits.

Conclusions

Based on the prior results, it can be concluded that the German spirits industry has a lot of potential for the future. The frequency in consumption by German citizens and therefore the demand for gin and whiskey is increasing steadily. Brands who recognise this trend and allocate their investments accordingly, can potentially be very successful in the market.

Furthermore, the e-commerce of spirits holds many advantages in comparison to the traditional retail sales and therefore has more potential revenue to be exploited. There is however still room for improvement in the e-commerce to provide customers with even better experiences while shopping for spirits. By providing more information and a better navigation through the range of products, one could minimise the efforts needed for customers to attain the information they would like. Additionally, by providing the possibility for consumers to interact with each other for example by sharing cocktail recipes, one could foster a stronger sense of community. This type of service does not yet exist for spirits and would therefore pose a new business opportunity and a possibility to differentiation from established e-commerce players like Amazon.

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Davide Robbiati. THE DEVELOPMENT OF B2C E-COMMERCE IN ITALY DURING THE COVID-19 EMERGENCY

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Abstract

Research relevance: This article wants to analyze how much the development of the B2C E-commerce market in the Italian peninsula has been influenced since the covid-19 pandemic, in order to have a clear view we have used the research and statistical analysis reported by Hootsuite and by Osservatorio e-Commerce B2C. The Italian B2C e-commerce market has been an important evolution during 2020, indeed the Covid-19 crisis has highlighted a number of critical issues, but it has also an opportunity for great development, especially for some product categories.

By the end of 2020, Italian B2C e-commerce of goods and services reached a total value of €30.6 billion, about 3% less than in 2019. While the services, tourism and transport sector saw a sharp decline in sales (-56%), goods e-commerce reached €23.4 billion, growing by €5.5 billion (+31%) compared to 2019, this is the highest annual increase ever recorded. The sectors with the largest increase in e-commerce sales in italy are electronic devices and food and groceries (2.5 billion euros, +56%).

Research goal: This study aims to analyse the growth trend of e-commerce on Italian soil and how it has been affected by the covid-19 pandemic.

Research methods: Two different methods of analysis and research were used to write the following article, which provided a clear view of the topic from both a qualitative and a quantitative point of view: Literature review of online articles and documents as well as graphical analysis of data collected by Hootsuite and Osservatorio e-commerce B2C

Main findings: The research show that, despite the reduction in growth caused by the global health crisis, e-commerce in Italy is set to grow over in the next few years, generating interesting business opportunities.

Keywords: E-commerce; B2C; online shipping; food and groceries.

Introduction

The world is constantly and rapidly changing, and in order to remain competitive in an increasingly globalised and interconnected market, countries must be able to keep pace with this evolution. The Covid-19 pandemic was just the latest of many obstacles that have tried to slow down the development and digitisation of markets around the world, but, as we will show in this article, the health emergency has led to considerable growth in certain sectors, mainly the digital world and online markets.

In this article we will focus on the growth of the E-commerce sector in Italy in the last few years, how this growth has been affected by the global health crisis and show the opportunities that this sector has to offer in a global context of technological development.

In 2020, Italy shows an increase in the propensity to shop online and an increase in digital shoppers, the percentage of internet users over the age of 14 who buy via e-commerce is

55.1% (it was 52.4% in 2019), in line with the European average (56.6%) but lower than countries such as France (70.7%), Germany (74.4%) and the United Kingdom (84.2%). Despite this, 2020 has brought an important change inIn spite of this, 2020 has brought a major change in the daily lifestyle of people, especially consumers: smart working, distance learning, online shopping, video and streaming content are just a few examples of how the role of digital technology has definitely changed in the lives of consumers, including Italians.

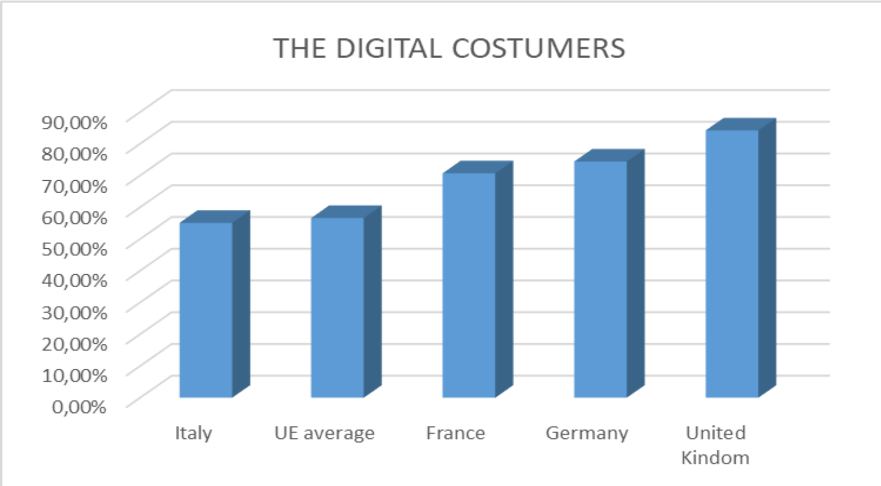

Fig 1. percentage of consumers buying online in some European countries (Source: Hootsuite Statistical Research, 2020)

In this context, ecommerce has played a fundamental role and has had an undoubtedly significant social impact, with positive effects on the future development of our country, making possible to reduce the gap between the large multinationals known worldwide and the small and medium-sized enterprises that make up the Italian economic and industrial landscape.

This rapid development has had a very positive impact on the B2C market. During the 2020s in Italy, this market has undergone a considerable change in terms of data, which show that the health crisis has drastically reduced flows for some sectors to the benefit of those sectors offering consumer goods, such as Food or Electronics. However, the E-commerce market is still developing, as evidenced by the many weaknesses shown when demand exceeds capacity. One of these weaknesses stems from the complex management of the logistics system, which is crucial in the e-commerce sector for getting packages delivered to the home. In the eyes of consumers, this system looks fast and simple, when in fact it consists of many steps that need to be managed in a coordinated way.

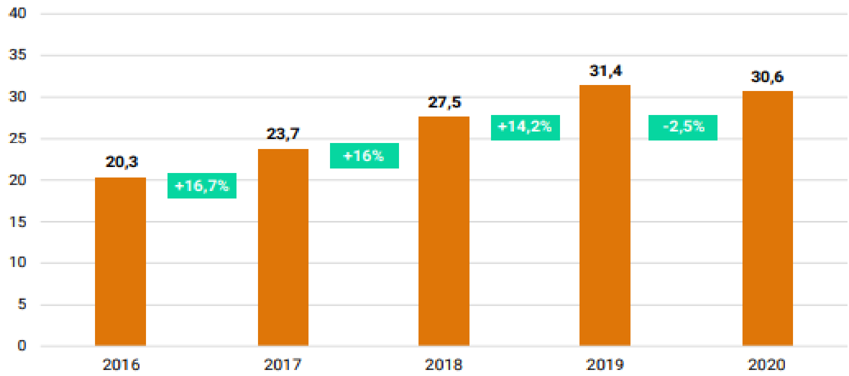

Fig 2. Italian E-commerce B2C market, values in billions (Source: Italian Trade Age, 2020)

By the end of 2020, Italian B2C e-commerce of goods and services reached a total value of EUR 30.6 billion, about 3% less than in 2019. The interesting fact is that if we consider only e-commerce of goods, it reached 23.4 billion of euros, growing by 5.5 billion (+31%) compared to 2019, this is the highest annual increase ever recorded. Unfortunately, the E-commerce figures for the services sector reflect the period of economic crisis brought on by the global health crisis. In particular the restrictions imposed by governments, the difficulty in travelling freely and the fear of the situation we are still experiencing have led consumers to drastically reduce demand in the online services sector. This has led to a reduction in e-commerce in services sector of around 47% compared to 2019. The sectors most affected were transport and tourism (-56%).

Despite the fact that online sales in some sectors have fallen dramatically as a result of the health and economic crisis and the flattening of sales growth, this article aims to show that the e-commerce sector has played a key role in the recovery of business in recent months. During this period, many habits and lifestyles have changed and confidence in the digital world has grown. More and more Italians have decided to buy online (+2 million in 2020), and this is set to grow significantly in the few coming years. The online sales sector is a relatively young one, destined to improve and to grow in quantity and turnover, generating new business opportunities or facilitating the growth of small local businesses.

Literature Review

This section focuses on the theoretical and empirical results of the COVID-19 pandemic and its impact on the E-commerce market. It will also focus on the role played by the food and grocery sector, showing its growth compared to other sectors and highlighting business opportunities. A total of articles were analysed to compile the following sections of the article, comparing the theoretical concepts with the empirical results of the two statistical studies reported by Hootsuite and by Osservatorio e-Commerce B2C.

The data analysed showed how the lockdown imposed by the spread of the coronavirus has radically changed the way Italians shop. The situation that emerged shows that online purchases by consumers, via Italian and foreign sites, in the Food & Grocery sector have increased radically, increasing their value by more than one billion euros compared to 2019.

"At the end of 2019, Food&Grocery was the most dynamic online sector, with the fastest growth rate (around +40%), but the least mature" says Riccardo Mangiaracina, Scientific Head of the Netcomm - Politecnico di Milano B2c eCommerce Observatory. "With the outbreak of the Covid-19 emergency, online demand for food products has in some cases increased tenfold, putting heavy pressure on eCommerce players. The lockdown, the new needs (and fears) of consumers have brought down the barriers to the use of the eCommerce channel (and digital payments) and convinced even the retailers most reluctant to change of the need to enhance their online offer, which is currently inadequate".

All this has been possible because, hand in hand with the growth in online demand and the ever-increasing need to buy online, the last two years have seen a process of both digitalisation and logistical/distribution improvement, which has allowed many shops, previously only physical and specialised in the sale of food and basic necessities, to enter a new context, developing but at the same time full of new opportunities.

One of the aspects that needs to be taken into account most is the ease with which, through online commerce, companies can interface with new customers and users that are difficult to reach with the physical shop alone. It is enough to think of the geographical constraint that limited consumers' purchases to a very small area. Today this is no longer a problem, let's imagine a customer living in Rome who, through advertisements or online word of mouth, discovers a particular shop in Milan where he can buy a certain quality product. The advantage of the growth of e-commerce has allowed Italian SMEs to strengthen their market position, albeit slightly, by closing the gap with multinationals and world-famous brands.

On this topic, Roberto Liscia, president of Netcomm, made the following points: "The integration between large e-commerce players and small retailers, thanks to logistics and delivery platforms, has made it possible to develop a local network that has put the historical and fundamental role of small retailers back at the centre, also serving customers living in small communities".

In addition to the growth of players in the e-commerce market, as mentioned above, the number of consumers choosing the convenience and speed of online shopping has also increased significantly. The situation brought about by the lockdown has involved 2 million new users in the digital Food&Grocery channel, consumers who will not give up the habit of a secure experience. In this article we will compare the growth of digital commerce in Italy in different sectors, analysing which sectors have been most affected by the crisis and which have benefited the most by increasing their sales. The next section will show a graphical analysis of this growth, with the aim of identifying the most profitable sector and the richest opportunities in the field of e-commerce.

Methodology

In order to attain the aim of the article, several newspaper articles and the data of two important statistical researches have been studied, with the aim of analysing, with the help of graphs, how the turnover of E-commerce is divided between the various sectors in Italy and at the same time show which, among all, is the sector that has benefited most from the health crisis, in terms of demand and sales. In the following section the results of the research will be shown and explained.

Results

The number of online transactions has grown exponentially in recent years. New and faster technologies have helped this growth, giving consumers the freedom to choose between different payment methods. Credit cards are the most popular payment method (28%), followed by digital wallets (23%), bank transfer (19%), payment on delivery (17%), mobile payment (7%) and others for 6%.

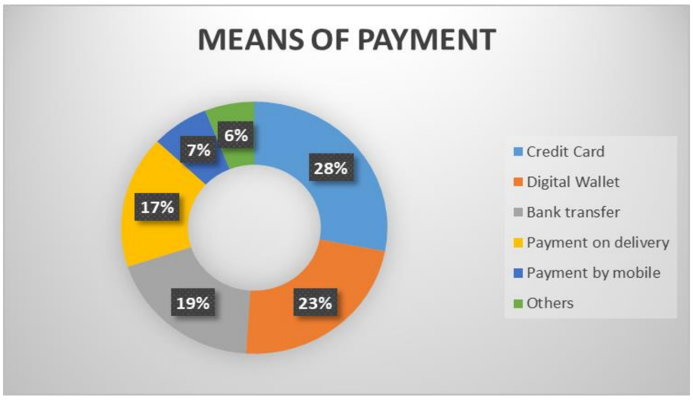

Fig 3. Means of online payment in Italy in percentage 2020-2021 (Source: Author's work)

The growth of online turnover was not homogeneous across the different sectors of the Italian economy. As shown in the graph below, between 2019 and 2020, leisure was the most important sector for e-commerce (accounting for 42.7% of total turnover), followed by Tourism (25.6%) while shopping centres accounted for 15.5%. The other sectors all accounted for less than 5% of the share and together accounted for 16.2% of total turnover.

Insurance accounts for 4.6% of the share, Health and Beauty still only accounts for 0.4% of the total. Home and furnishing accounts for 0.9% of the total. Food is up 19%, driven by both food delivery and FMCG, and accounts for 3.1% of the total. Consumer electronics grew by 17% (3.3% of the total), fashion grew by 16% (2.1% of the total), publishing by 11% (1.8% of the total) where more than one book in four is now sold online.

Fig 4. The E-commerce turnover in the various Italian sector in percentage (Source: Osservatorio E-commerce B2C 2020)

Due to the Coronavirus health crisis and the imposed restrictions, everything has changed and food, with its 3.1% of the total e-commerce turnover in Italy, has become the product sector with the most transactions and with the largest number of new sellers.

Food&Grocery territorial data show that Northern Italy is the most active in online transactions. Today 73% of Italians (it was 68.5% in 2019) can shop online from the supermarket. Numerous new projects have boosted the offer both in the historically better served regions (Lazio, Lombardy, Piedmont) and in the less served ones (such as Abruzzo, Umbria, Tuscany, Liguria, Sicily, Marche).

Analysing the territory at a provincial level, in 2020 at least one new online supermarket shopping initiative was activated in 54% of Italian provinces. Despite this, the gap between Italian regions is evidence because the number of initiatives present in the territory decreases as one travels through Italy towards the southern regions: there are 4.5 initiatives per province on average active in the North, 2.5 in the Centre and only 1.7 in the South.

Conclusions

The e-commerce sector is a mature, young sector with great future growth prospects. This article aims to show how the recent global health crisis has greatly influenced consumer purchasing behaviour, leading to a growth in the online shopping market. The article shows how the Food & Grocery sector has seen the most growth and can be the most profitable sector to start a business in the short term.

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Timo Krause. STATISTICAL ANALYSIS OF POTENTIAL NEW SOCIAL MEDIA APPS IN GERMANY

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Abstract

Research relevance: The enormous importance of social media has not peaked yet. The global number of users of such platforms in the last 12 months has again risen by 10% to about 4.62 billion. To constant and ongoing growth of social media platforms leads to one simple but important conclusion. People want to connect with other people over the internet. Another topic of daily relevance is cooking. In Germany 61% of people are cooking every day and only 3% of people never cook. Cooking and eating together is one of the oldest ways to connect to others and communicate with them. From the earliest of beginnings of Humanity people sat down around a fireplace and ate together after a day of hunting and gathering. The idea of bringing those two things together is what lead to this paper. The idea is to build a social media platform build around food and connecting people. Containing recopies, assistance with decision making and multiple different social features. But an important question which this paper sets out to answerer is: Who would use this social media platform?

Research goal: Identifying if there is a target audience for a food based social media platform and if so, who this audience is in Germany.

Research methods: The following methods where used: Document analysis, statistical analysis

Main findings: A defined target audience on which basis the features of the platform will be designed around

Keywords: target audiance audience; Germany; social media.

Introduction

“Think about what people are doing on Facebook today. They're keeping up with their friends and family, but they're also building an image and identity for themselves, which in a sense is their brand. They're connecting with the audience that they want to connect to. It's almost a disadvantage if you're not on it now.” (Mark Zuckerberg, 2009) This Statement has shown to be true in every possible way. The total number of Facebook users as well as the value of the company, they have all risen by enormous proportions since Mark Zuckerberg said this in 2009.

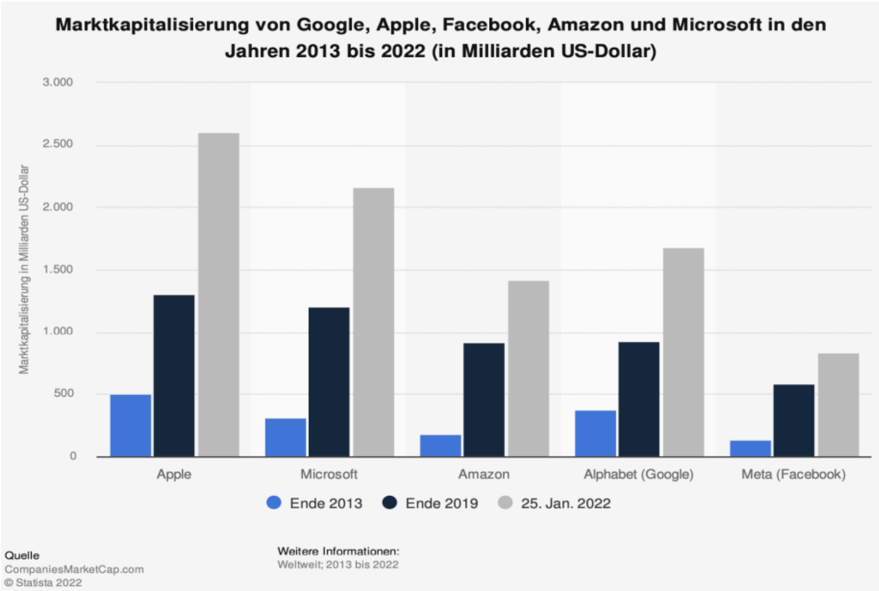

Fig. 1. The markets capitalization (in BUSD of some of the biggest US-tech concerns from 2013-2022. On the right-hand side is Meta which change by almost a factor of 6 (Source: Statista, 2022)

Establishing a new market or market segment is undoubtedly extremely challenging especially for a person with little to non experience in founding a company and how to promote this firm. But here will be the case made, that it is even more challenging to try and enter such a competitive market as the social media market. The reason for this maybe bold statement is, the sheer size of the competitors you have in the social media market. There are Facebook, Instagram, Reddit, Twitter who are sharing the majority of the total market, then there is virtually no medium sized social media company, lastly there are tiny social media company with basically no market share at all. Unless one is already a fairly big company one will not be able to enter this market and compete with the big companies.

Additionally, the bar to clear, to enter this market is set high. The cost to develop a moderately well thought out and good functioning app can easily be over EUR 100,000. This price comes with big implications for someone who plans to enter the market, no matter how good the idea is. The loan needed for this project is comparable to a loan needed to start a “conventional” company. Unfaced by the similar costs, some might argue, that finding a other company might bares less risk then launching a social media app in 2022, solei for the reason that in different markets the playing field is way more levelled for all companies.

In fact, the most important question when it comes to social media start-ups, will be answered in the following. Is there a market in Germany for a food-based social media app and if so, what would be the target audience for this?

Methodology

To find the answer to the askes question, statistical analysis will be used. In consideration will be brought statistics with the topic of social media as well as statistics with the topic of cooking.

Results

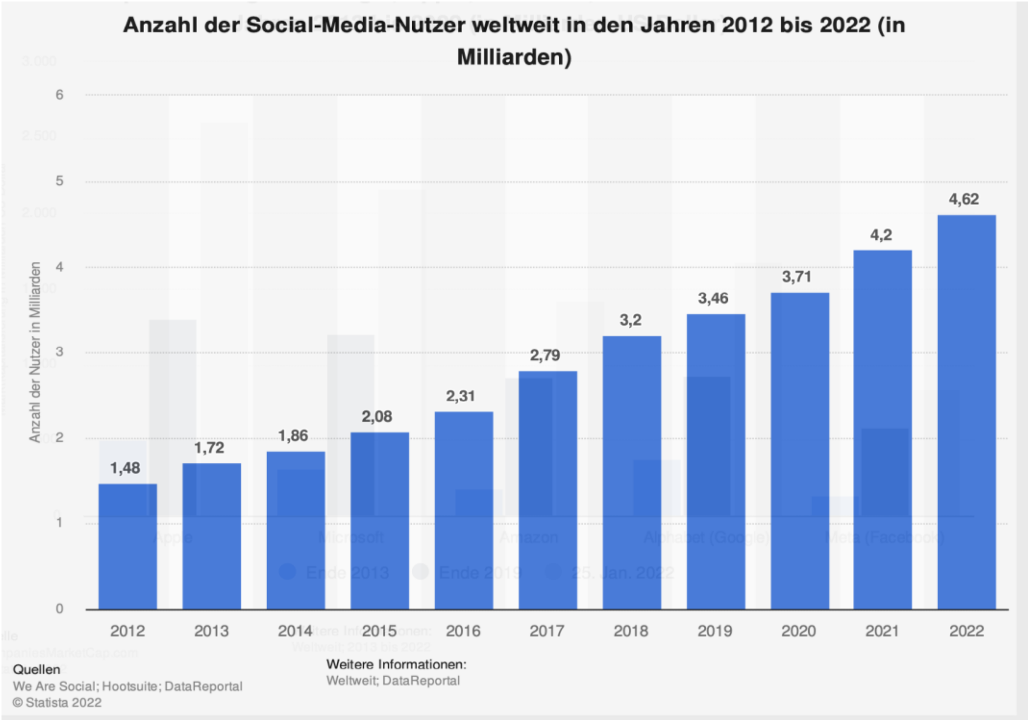

Fig. 2. The global development of usage of social media platforms over the last 10 years (Source: Statista, 2022)

Even though the number of people using social media platforms are at an all-time high this year, there are no worries of regression. Whilst in the previous years the growth was clearly slowing down since covid this trend ended and turned around.

This Statistic is a clear indicator that the market for social media platforms in general is not satisfied yet, still more and more people will sing up to use the platforms.

On the other Hand, the “Covid-Effect” of rapidly increasing user numbers could rapidly be negated due to the incoming regulation liftings and regained freedom in many countries. Thus we will may see a slight decrease of users on social media platforms in the incoming months.

Nevertheless, this Effect won’t be permanent, and the growth of social media platforms will pick up again. To conclude the market is open for new competitors.

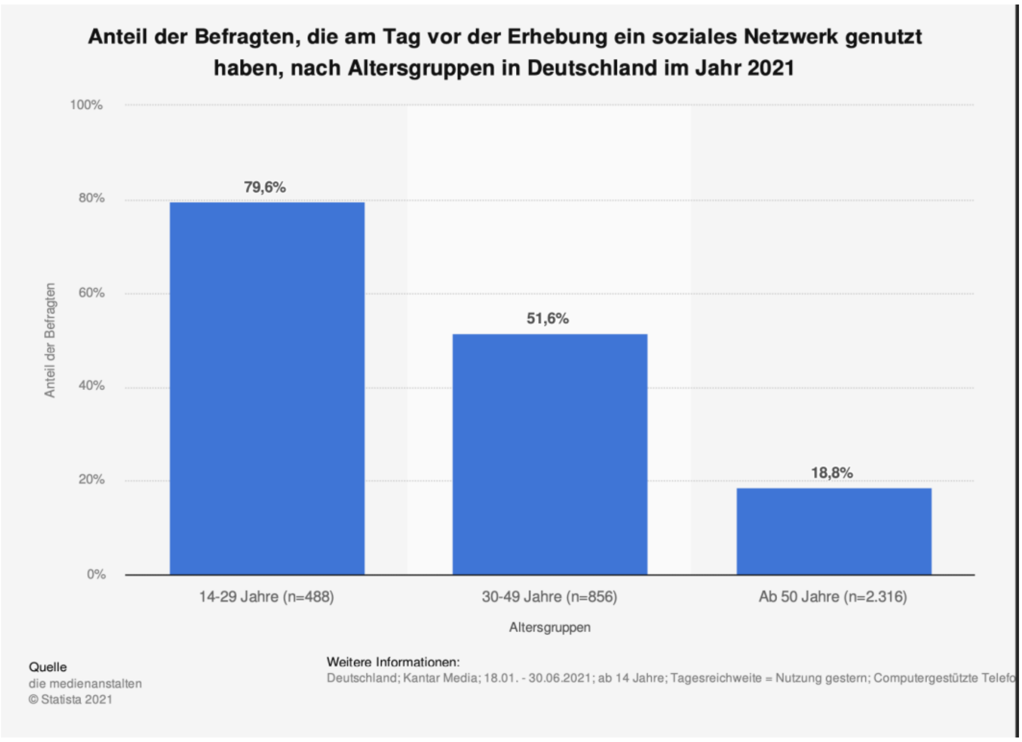

Fig. 3. A demographic display of daily social media usage in Germany (Source: Statista, 2021)

What can clearly be seen here, is that the bulk of daily users lies in the younger age range and that the percentage of daily users decreases with progressing age.

This however does not mean, that the attraction of social media platform will always be something for the younger or more progressive among us. Rather it can be expected, that this bulk will progress more to the right, until this 3 pillars will have reached an equilibrium or something close to is.

This would mean under the assumption the population won't decrease the market for social media platforms will only grow in size and widen.

With widen is meant, that different content will be produced and consumed on these platforms, solei driven by the fact, that older people consume different things than younger people. The 40 year old daily social media user may not be interested in the next fashion trend but in tips for the garden or showing of the great meal he cooked the other day.

In conclusion the platforms will have to mature with their communities.

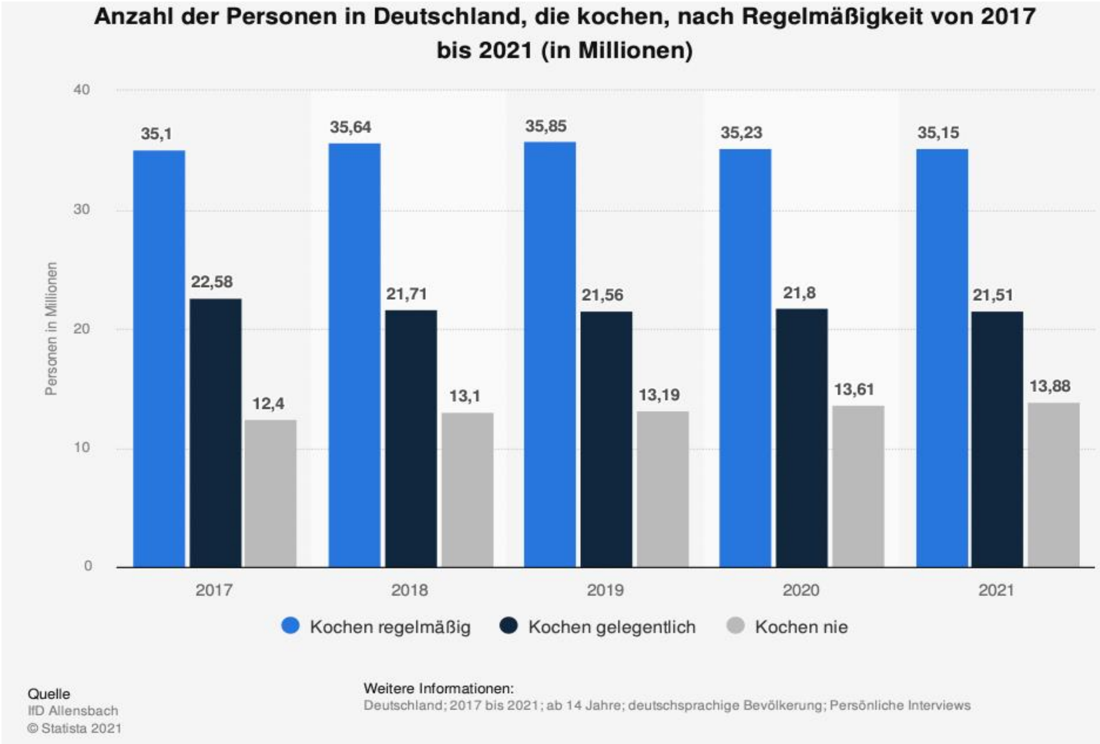

Fig. 4. The amount of people in Germany cooking (regular, sometimes, never) (Source: Statista, 2021)

This statistic leads to the conclusion that only 13.88 M people in Germany are potentially lost for the idea of a social-media app based around food. But on the bright side we have a potential day one userbase of 35.15 M people who cook regularly.

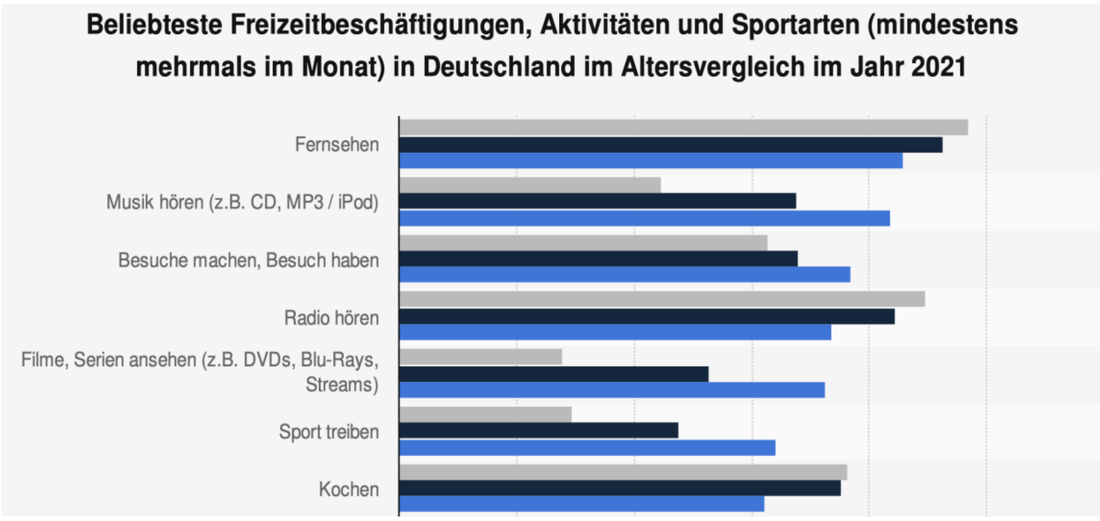

Fig. 5. Part of a survas conducted in Germany 2021 about hobbies of Germany (>50, 30-49, 14-29)

With about 75% of the people given the answer cooking this is the 7th favourite free time activity of the Germans. This is a clear indicator for the popularity of cooking.

So cooking is not just something people do because they must but because they want to and something they are enjoying. For that reason, including a social media app will definitely be able and will find a big userbase.

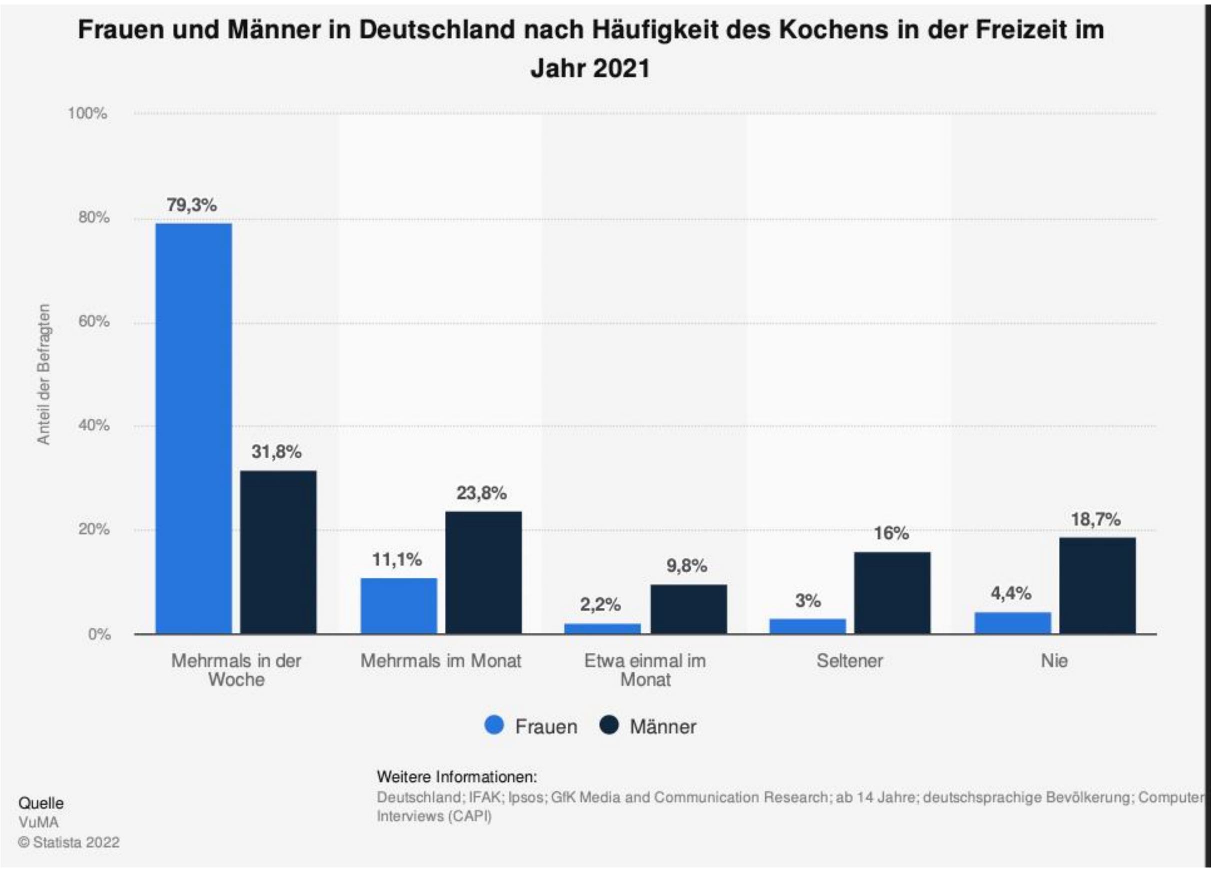

Fig. 6. Cooking habits split by man and woman (Source: Statista, 2022)

When it comes to regular cooking there is a clear disparity to women, thus we should focus on those at the launch of the app.

Conclusion

In conclusion in Germany there is clearly a market for a social media app based around food. In the beginning the application should focus on people around 20–30-year-old an preferably women. But it should be avoided to get stigmatised as a women only app and thus basically excluding half of the potential users. Solely viewed from a user standpoint this project can be done and very successfully so.

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Valentina Beligotti. THE IMPORTANCE OF OMNI-CHANNEL RETAILING STRATEGY IN THE ITALIAN WINE INDUSTRY

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Abstract

Research relevance: This article aims to analyse the importance of the omnichannel strategy to communicate brand values and sell products in the Italian wine industry. Wine sector sales channels are expanding, the consumer is increasingly demanding and active during the purchase process, therefore the companies should be present and communicate actively their brand identity across several channels in an integrated way.

The pandemic situation we are living and the constant digitalization growth of individuals, in particular Millennials who are digital natives, have led to higher propensity for online shopping also with regards to the food industry. Surprisingly, even the physical point of sale maintained its relevance shown an upward trend. This is due to the costumer's need to feel involved during the consumer experience which only the physical store can provide.

Omnichannel has become one of the driving factors of future in-store and online shopping experience. According to a study conducted by Invesp, companies that adopt an omnichannel strategy present a customer retention rate of 89%, compared to a 33% for companies with weak omnichannel approach.

Research goal: The research objective is shows how omnichannel approach can improve the brand awareness and the customer experience within the wine purchasing process.

Research methods: The data have been acquired through qualitative and quantitative analysis methods: literature review of online scientific articles, statistical reports (ISTAT, I Numeridel Vino) and graphics. Particularly have been considered reports about sells trend of wine in Italy, provided by Nomisma Wine Monitor and reports about the implementation of omnichannel strategy, provided by Osservatorio Omnichannel Customer Experience.

Main findings: Being the consumer more and more multichannel, both the online and the physical store management is fundamental to build an in-depth, long-lasting, and emotional connection between the consumer and the brand.

Keywords: customer experience; omnichannel; online store; physical store; brand identity.

Introduction

"No matter where he is shopping, the consumer is the consumer. You have to break down those barriers between channels, empower the consumer in a uniform way and engage them in the same way on your site as you would in tour store".

Sahal Laher

The wine industry in Italy is considered one of the strengths of the economy and culture. This industry is rapidly evolving and is adapting to the new customer purchasing behaviour.

The pandemic has accelerated the offer of online services also regarding the food sector and wine industry, which is part of it, had to trend towards this sales channel.

The wine is considered as a hedonistic product, mostly bought from the customer to satisfy his emotional sphere.

During the purchase process he is looking for a personalized customer experience which the company can provide using omnichannel approach, a mix of channels and devices to communicate actively with the customer and be present during the entire process.

Omnichannel strategy underlines the importance of both the physical and online presence of the company in the customer's environment. This research aims to collect data on omnichannel strategy implementation within the wine industry sector and using the collected results to find out what is the trend shown by companies which operate with omnichannel approach.

The data have been acquired through qualitative and quantitative analysis methods: literature review of online scientific articles, statistical reports (ISTAT, Nomisma Wine Monitor, I Numeri del Vino) and graphics provided by (Osservatorio Omnichannel Customer Experience).

The results show as even if Italy registered a weak implementation of omnichannel strategy (less than 10% have completely implemented a strategy), the 83% of companies are working on it, being the omnichannel a priority shared by top management.

The analyzed data show how omnichannel strategy allows the company to increase:

- Engagement rate (19% vs 5.4%);
- Purchase frequency (+ 250%);
- Average order value (+ 13%);
- Customer retention rate (+90%).

Omnichannel strategy has become one of the driving factors of future customized shopping experience, and the key to build a stronger long-lasting relationship between the customer and the brand.

Literature review

Today's customers live the multichannel as an integrated space, both online and offline, to interact with companies and their brands. Even for those customers more attached to the physical store, digital channels have become a fundamental interaction tool.

According to a study conducted by Oracle it has emerged that the modern customers control the experience the want, they research, explore, and share. They are always connected across multiple channels and devices, and they expect to be able to get everything right away. Nowadays' customers trust word of mouth over brands and are always ready to talk about a good or bad experience lived with a brand.

According to a study conducted by Netcomm, has been individuated eight different cluster of customers:

1. One stop shop (39,2 %): those customers who buy online but just as a necessity, without a previous orientation path.

2. Don Chisciotte (12,8 %): he searches information about products online and is influenced by other users' reviews.
3. Online, no thanks (9,5 %): the type of customer that buy only in the physical store, never online. He didn't follow any orientation and information process.
4. From influencer to influenceable (9,5%): this type of customer follows the purchase process almost completely in store, using traditional tools. The expert's opinion is extremely important in this case.
5. I stick to the offline (7,7%): they usually search all the information about the product online, and then they buy it offline.
6. Social first (7,7%): the buying process of this kind of customer is hugely affected by friends and influencers' opinions.
7. Online, but I need to see it (6,7%): the customer journey of these users it's mostly offline. They used to buy the product online but before the purchase they need to see it physically in the store.
8. Informers (3,1%): the orientational process of this type of customer is very articulated, with both the online and offline touchpoints.

Wine as hedonistic product. The agri-food sector in Italy is considered one of the strengths of the economy (15% of GDP) and it is based on the brand-land bond, through which the quality of the products is enhanced.

In particular, the wine market has reached a high level in terms of production and consumption both internally (+ 5%) and internationally (+11,6% in 2020, +15% in 2021, ISTAT).

Wine is rich in symbolic meanings and for this reason is placed among hedonistic products, when the customer buys a bottle of wine it is mostly for the purpose of experiencing emotions.

In Italy this product it is an integral part of the culture, passing from a simple product for the needs' satisfaction, to good rich in language through which communicate values. Wine provides an all-around experience for the consumer as it can involve all five senses.

The new customer aims to a symbolic consumption through which he seeks his identity and connection with the world around him. As said by Bauman, today's customer is experiencing a period of uncertainty that leads him to develop a particular attachment to the past, looking for culture, tradition and authenticity, all elements that characterize hedonistic and typical products such as wine.

The importance of the physical store. During each stage of decision-making and purchasing process, customer and brand should constantly interact. This is possible using new technologies and online channels which act as multiple touch point. During this process also the traditional store maintains its importance and play the fundamental role of direct place of contact between the company and customers.

Especially for products such as wine, so linked to the territory, which require a 360° sensory involvement, the in-store sale is essential.

The growing complexity of competitive dynamics and consumer behaviour has increased the importance of communication within these physical spaces. Therefore, the similarity of the products offered on the market pushes companies to invest in customer experience revolutionizing the physical store. The store is transformed from a space where the customer goes exclusively for the purchase itself, till become an authentic opportunity for meeting both new and already existent clients, where create new relationships and fortify those that already exist.

The importance of the online store. Although the e-commerce was already travelling high, the global pandemic we are facing has contributed to a substantial growth. According to an investigation conducted by Idealo Italiy, 2020 has recorded a digital boom equal to +99% and the increasing trend has consolidated also in 2021 with a + 68%.

As explained by Dumitru Baltatescu, Country Manager of Idealo Italy, these data confirm that the interest towards the e-commerce induced by the pandemic was not just momentary and contingent, bus has generated a real change in the purchasing habits of Italian customers. He further added that, this increase of digitalization has raised the awareness in saving money and time with the use of these online tools, and to make clear that online and offline world can coexist and support each other.

Being the wine industry in constantly evolution as most other industries and the consumers demographic changes, led wineries to find a tool able of uniting more generations together. Based on an article published by Wine Industry Advisor, wineries ramped up e-commerce by creating virtual tasting rooms.

Omnichannel strategy. To communicate with the customer in the most effective way, to provide a consistent brand experience, companies should follow an omnichannel approach. Omnichannel is a consumer-focused approach that involves all physical and digital channels to create an innovative and unique customer experience.

In order to have a successful omnichannel strategy, the company must provide to the customer the same services both in the online as well as in the physical store. The use of multiple tools to reach the clients allows the company to have access to a large amount of data concerning customers interests and preferences.

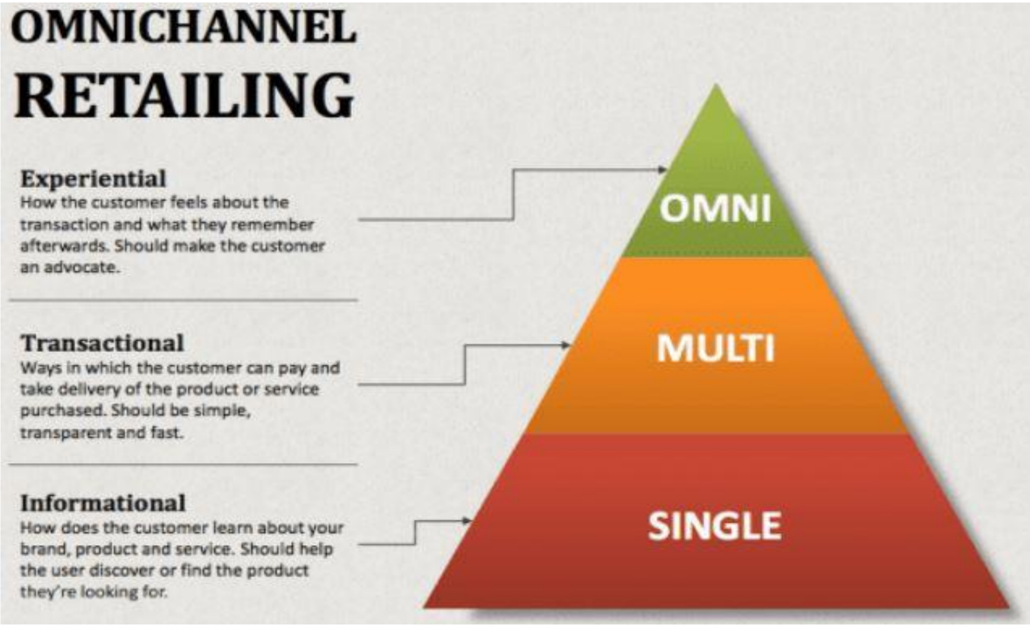

Fig. 1. Omnichannel Retailing (Source: SmartInsight)

According to Google, 85% of customers start a purchase on one device and finish on another. Therefore, the company should remain in touch with them through more channels for a better purchase process experience.

According to a study conducted by Omnisend, the advantages of omnichannel strategy include:

- Engagement rate: brand who use omnichannel approach enjoy 19% higher vs 5.4% on single channel.
- Purchase frequency: after interacting with 3 or more channels, customers purchased 250% more frequently than those who interacted with a single channel.
- Average order value: 13% further per order on omnichannel vs single channel.
- Customer retention rates: 90% higher using omnichannel strategy vs single channel.

Based on research of Osservatorio Omnichannel Customer Experience, in 2021 in Italy for 83% of companies, omnichannel is a priority shared by top management, but less than 10% have already completely implemented a strategy.

The pillars of omnichannel are strategy, organization, data and technologies:

1. The presence of a clear long-term strategy is fundamental for omnichannel success.
2. The company should eliminate organisational silos and formalize a clear governance model.
3. The company should focus on data. Collecting and managing data in an integrated way to enhance them in terms of personalizing the customer experience and improving the effectiveness and efficiency of the marketing, sales, and customer care process.
4. In order to manage all this effectively, the company should adopt the appropriate technologies.

The barriers to implement omnichannel strategy are:

- The prospective still strongly product-centric instead of customer-centric
- Organizational structures do not have an adequate governance structure able to ensure appropriate native and pervasive omnichannel management within the company.
- There is a lack of necessary skills for the omnichannel customer experience management and the absence of a measurement system for the omnichannel customer experience, as the lack of a strategy capable of identifying the contribution of the various channels/touchpoints within the organization.

According to Osservatorio Omnichannel Customer Experience 2021, evaluating the approach of companies at the strategic-organizational level and at the data and technologies level, the decree of omnichannel maturity of the Italian companies emerges, which outlines 5 different clusters:

1. Omnichannel Master: the most advanced omnichannel segment which concerns only 9% of the companies in the sample.
2. Omnichannel Novice: represents 22% of the sample. The companies which are approaching to omnichannel.
3. Omnichannel In-Progress: the companies which are working in parallel both on the

strategic-organizational axis and on the implementation one (21%).

4. Committed: companies characterized by a good level of maturity in terms of commitment, corporate vision, and organizational transformation (24%)
5. Tactician: companies that are further behind in the field of omnichannel but are active on various projects through which they try to demonstrate the goodness of an integrated and data-driven approach.

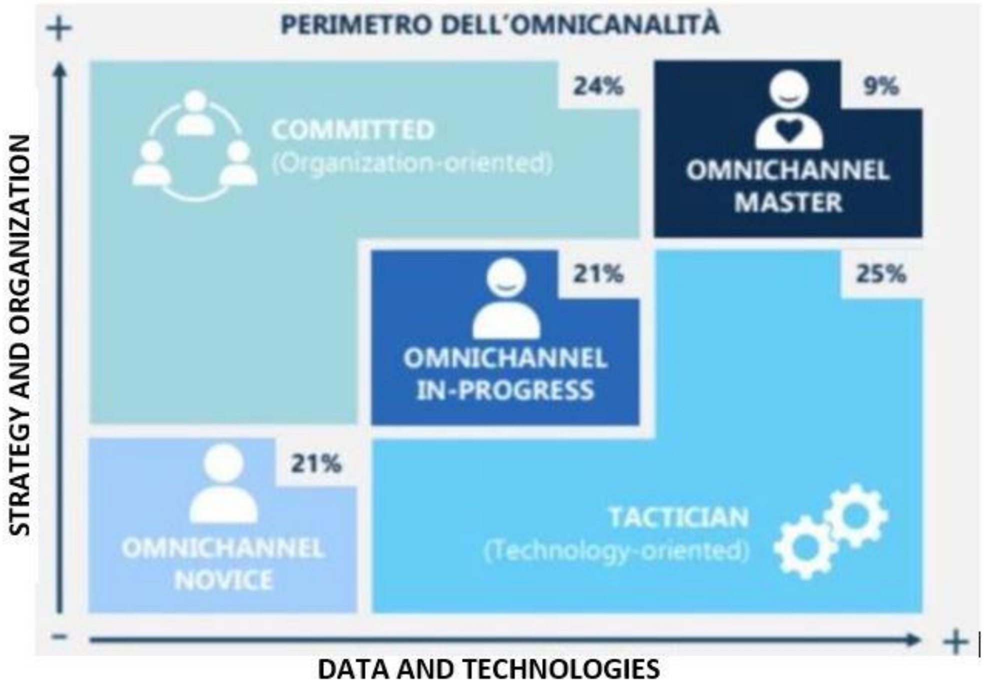

Fig. 2. Degree of Omnichannel maturity of companies (Source: Osservatorio Omnichannel Customer Experience)

Methodology

This research paper wants to explain the competitive advantage of Omnichannel strategy and in particular the weight that cover the online and offline communication within the Italian winery industry.

For the drafting of the article and the achievement of the following results both qualitative and quantitative analysis has been completed and several scientific articles and statistical database have been analysed. The data collected have been processed in the form of graphics by means of Excel.

Results

The results obtained show how the omnichannel strategy is a real competitive advantage for companies, especially after the pandemic, during when the online channels (+99%) have reached the maximum usage level and the offline channels have maintained their relevance (+30% of turnover).

The data collected in the Fig.3 show the difference between omnichannel and single channel strategy in terms of higher Customer Retention Rate (66% vs 34,80%), Engagement Rate (18,96% vs 5,40%) and Purchase Frequency (8,96% vs 2,56%), in favour of companies using tree or more channels in campaigns and sales.

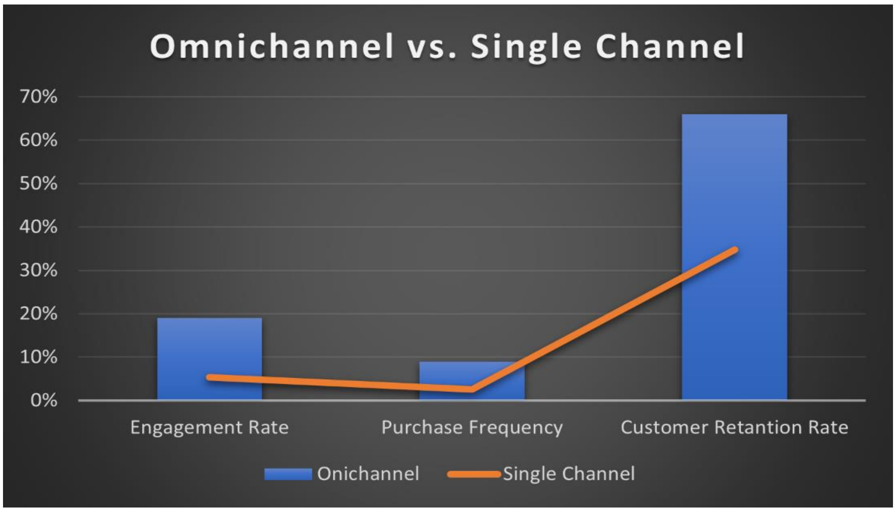

Fig. 3. Omnichannel vs. Single Channel (Source: Author's work)

Analysing the Italian Wine Market during the period 2008-2022, the picture emerged shown in the Fig.4 is a decline in the value of sales in supermarkets (from 39,8% to 38,1%) and traditional stores (from 7,7% to 2,3), while online sales (from 0% to 2%) mark an increase. Looking at the graph is possible to notice how following a slight decline of sales in traditional store and a growth in online sales, these two channels are expected to be in the same level during 2022.

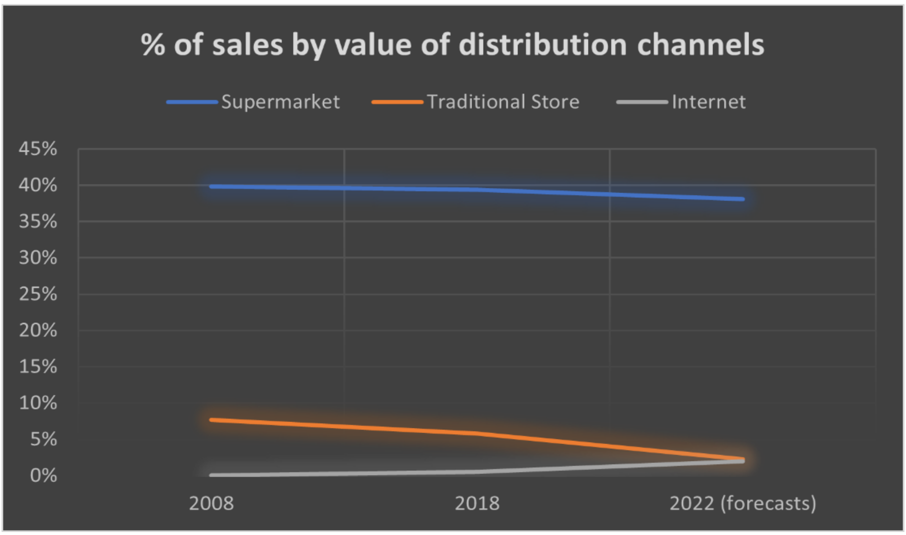

Fig. 4. Value of Wine Sales Percentage per Distribution Channels (Source: Author's work)

The following Fig.5 shows the same situation of the graph above, but here the value taken into consideration is the wine purchases percentage by sales channel. Supermarkets recorded a 74%, Wine Shop 35% and Online 4%.

Fig. 5. Wine Purchases Percentage per Distribution Channel (Source: Author's work)

As shown in Fig.6, the period during pandemic COVID-19 has recorded a boom of digital sales of wine (+74,9%) on the Italian turnover, to the detriment of the physical channels (+21,5%) penalized by the imposed closures, but still indispensable for the customer.

Sale Channel	2019	2020	var. % 2019-2020
	% on the italian revenue		
Direct Sale	9,5	10,6	+4,5
Web-Internet Channel	0,7	1,2	+74,9
Wine Shop, Wine Bar	7	6,7	+21,5
Online Specialized Platforms	0,2	1,2	+435,2
Online Generic Platforms	-	0,2	+747,0
Other Channels	9,2	10,2	-11,2

Fig. 6. National Sales per Channel

Conclusions

Within the Wine Italian industry both the online and offline channels are indispensable to improve the brand awareness and the customer experience during the entire purchasing process. The pandemic situation has dramatically changed the customer behaviour showing an improvement of online sales also within beverage and food market, but in the winery industry the physical store maintains its importance being the wine a hedonistic product and being the customer more and more looking for experiences.

Made these considerations it is possible to affirm that, although omnichannel still shows a certain weakness among Italian companies, it is the key to enhance the customer retention rate, the engagement rate, and the purchase frequency. Furthermore, this approach guarantees to the customer an experiential purchasing process which leads to build an in-depth, long-lasting, and emotional connection between the consumer and the brand.

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Abdul Salam Chelakkal Muhammed. **FACTORS INFLUENCING E-COMMERCE DEVELOPMENT IN INDIA**

EKA University of Applied Sciences, Master Programme "Business Administration"

Scientific advisor: Dr.oec., Professor Jeļena Titko

Abstract

Research relevance: E-commerce is one of the Indian economy's fastest expanding sectors. The Indian e-commerce sector is anticipated to increase from US$ 46.2 billion in 2020 to US$ 111.40 billion by 2025. A surge in internet and smartphone usage has fueled most of the industry's development. The introduction of 4G services, as well as decreases in data plan rates, have decreased the cost of owning an efficient internet connection. The availability of low-cost smart phones, as well as the expansion of internet and broadband to the most distant regions, will increase the number of internet users, effectively bridging the gap between prospective online purchasers and real consumers. The country's demographic dividend appears to stimulate and favors the rise of ecommerce. In this study, a detailed discussion of the factors affecting the growth of ecommerce in Indian economy was carried out. For this study, a questionnaire of 20 questions was designed that mainly targeted ecommerce users and sellers. The study shows how ecommerce has impacted on small and medium ecommerce sellers and its users. To find arears of development in Indian Ecommerce sector.

Research goal: The aim of the research study is to find factors influencing e-commerce development in India

Research methods: The primary method of information accumulation includes conducting of customer survey through online questionnaire method using online survey portals such us Google forms.

Main findings: This research is essentially emphasis on impact of internet and cheap smart phones which boosted ecommerce in India

Keywords: e-commerce; development; logistics; internet.

Introduction

E-commerce is defined as the process of buying, selling, transferring, or exchanging products, services, and/or information via computer networks, mostly through the Internet. Ecommerce, to put it another way, is the expansion of conventional commercial activities into the digital realm. As the most promising use of information technology, it has allowed firms to improve internal efficiency and grow their operations internationally, allowing them to overcome geographical constraints. Business-to-consumer (B2C), e-banking, business-to-business (B2B), consumer-to-consumer (C2C), peer-to-peer (P2P), and mobile commerce are examples of e-commerce models. Because of the effective use of resources, e-commerce helps not just individual consumers and companies, but also the country's overall economy (Turban et al., 2015).

According to Indian Brand Equality Foundation, the Indian e-commerce market is estimated to rise from 120 billion US dollars by 2020 to 200 billion US dollars by 2026.The increased use of smart devices and availability of Super-fast Internet in rural and urban areas are the major aid for sector's growth. They project the country to continue its digital transformation from 636,73 million Internet users in 2019, to 829 million by 2021. The Internet economy in India is projected to double, with e-commerce supporting from $125 billion in April 2017 to US$250 billion in 2020. In the global market, India is experiencing highest growth rate of 53 percent (IBEF,2020).

The recent increase in the number of online vendors, both large and small, favorable demographics (currently, 80% of internet users are between the ages of 15 and 40, and thus are more integrated to ecommerce), the launch of 4G services and decline in data plan tariffs and prices of data cards/USB dongles, availability of low-cost smart phones, and the extension of internet and broadband to the most remote corners of the country. This main motive of this research is to find out the major factors influencing the development of ecommerce in India.

Literature Review

Several researches were carried out in field of growth elements for E-commerce, the success of E-Commerce in India, and retail E-Commerce sales in India. One research discovered that wholesalers face the biggest threat in the world of E-commerce since producers may simply disregard them and sell their items to retailers and customers. Wholesalers may use E-commerce to form contracts with reputable manufacturers and connect their firm to the internet, according to the study. The survey also discovered that E-commerce offers wholesalers, retailers, manufacturers, and the general public a variety of options (Shettar, 2016).

One study considered logistics as hindrance to development of E-Commerce in India. Companies will be responsible for getting things to the right people at the right time, and failure might have serious consequences. The service provided by the post/courier services is insufficient. Vendors will be required to come down and cope with an inefficient inventory management system. This will cause a significant slowdown. The majority of them will not include any digital data with their items (Mitra,2013).

Implementation of Goods Service Tax(GST) played a role in the growth of ecommerce for small business. In a study, The Goods and Services Tax (GST) would reduce supply chain concerns that are critical in the E-Commerce industry. In the event of shipping and returns of items, there will be less paperwork. The key to faster delivery is supply chain efficiency, and GST is likely to play a part. Companies will also be able to implement more efficient supply chain strategies, with storage decisions based on strategy rather than tax obligations (Kamath, 2017).

With adoption of cash on delivery (COD) system, increased the number of users and users began to trust the ecommerce system. One study showed that by implementing cash on delivery, E-Commerce has obviously made an impact. Due to the fact that the majority of Indians do not use credit cards, cash on delivery has proven to be a practical choice. As a result, the businesses have garnered a lot of trust. Cash on Delivery has a cultural affinity and will remain a big element of payment systems for at least the next four to five years, according to the report (Bansal, 2012).

Methodology

The methodology used for this paper is review research plan which is accompanied with quantitative analysis. For this reason, questionnaire was designed which is used as quantitative tool for the primary collection of data done by conducting an online survey through social media platform. The questionnaire was designed, in such a way to focus to understand the behavior of user towards the ecommerce sites.

The questionnaire was divide into mainly three sections with a total of 20 questions. First section is indented for collecting demographic details of user which collected user details like age, gender and their source of income or their current status. The last question in demographic section of questionnaire is a conditional type question which means answer of that question will determine, the next set of question to be asked to the user, which is one of the feature in google form. Here in this case, if user selects his/her status as student, working profession, he /she will be directed to consumer section which contains 10 sets of questions with main aim to understand consumer purchase behavior and issues faced by them while using ecommerce. And if the user is a ecommerce seller, he/she will be redirected to seller section of the questions which also includes 10 questions with main aim to understand sellers point of view how ecommerce can be further developed in India.

The survey was conducted on 24 users of which 15 users attended are consumers and 9 users are sellers. On analyzing the answers of the questionnaire, development in digital literacy in rural areas, further improvement needed to take in logistics to reach remote areas in India and making small offline business owners aware of the benefits of ecommerce for them.

Results

Demographic Section. The main aim of this section is collect user's basic information. If user is a consumer, he/she will be directed towards consumer section and if user is ecommerce seller he/she will be directed towards seller section.

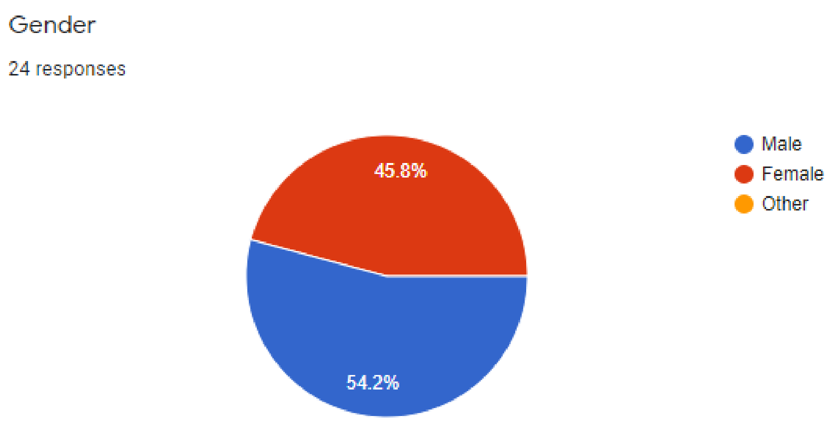

Fig. 1. Gender (Author‘s work)

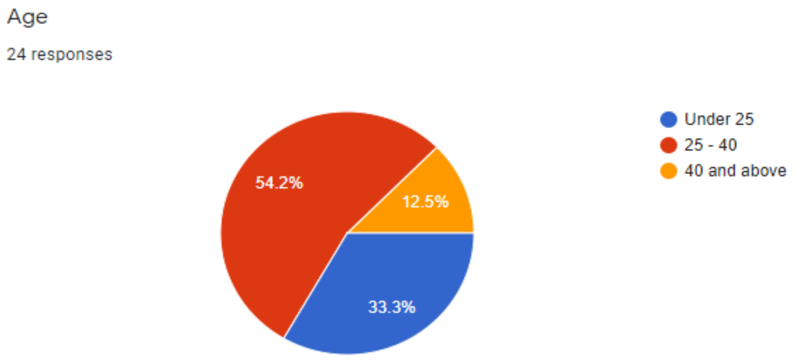

Fig. 2. Age (Author's work)

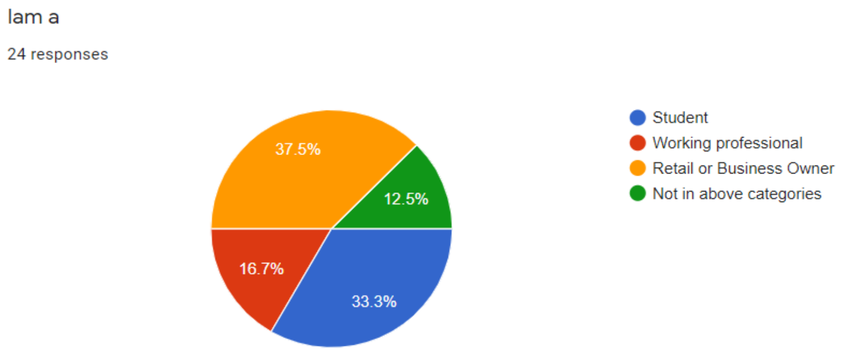

Fig. 3. Current occupation (Author's work)

The last question of the demographic section of the questionnaire, which is depicted in the above figure is a conditional type question which is a feature in google form, which means that the answer of this question will determine the next set of questions to be asked to the user, if the user is a seller, he /she will be redirected toward seller section, otherwise will be directed to consumer section.

Customer Section

Fig. 4. Regularity of online shopping (Author's work)

As from Fig.4 it is clear that at least one person in the survey purchase at least one item in every month. The main aim is to find the purchase frequency of customers in India.

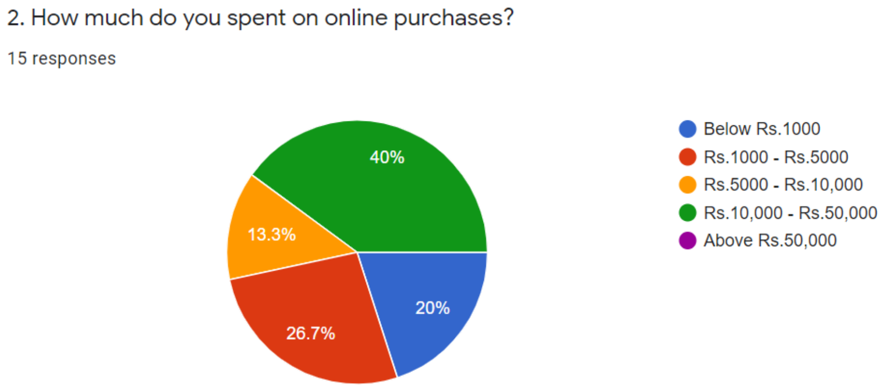

Fig. 5. Spending in online shopping (Author's work)

The more amount spends on ecommerce site, more is the trust on them. This question was to check the trust and spending behavior of users on ecommerce sites.

Fig. 6. Products and services of online shopping (Author's work)

As from Fig.6, electronics, food and beverages captures most of sales, day to day items like grocery is less which shows that is a need in development in this section.

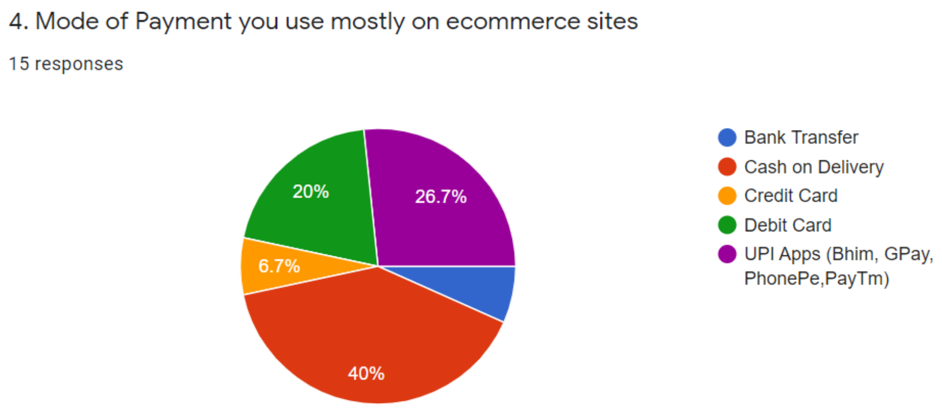

Fig. 7. Payment methods in e-comerce (Author's work)

From Fig.7 it is clear that the ecommerce in India is accelerated by the COD and UPI payments.

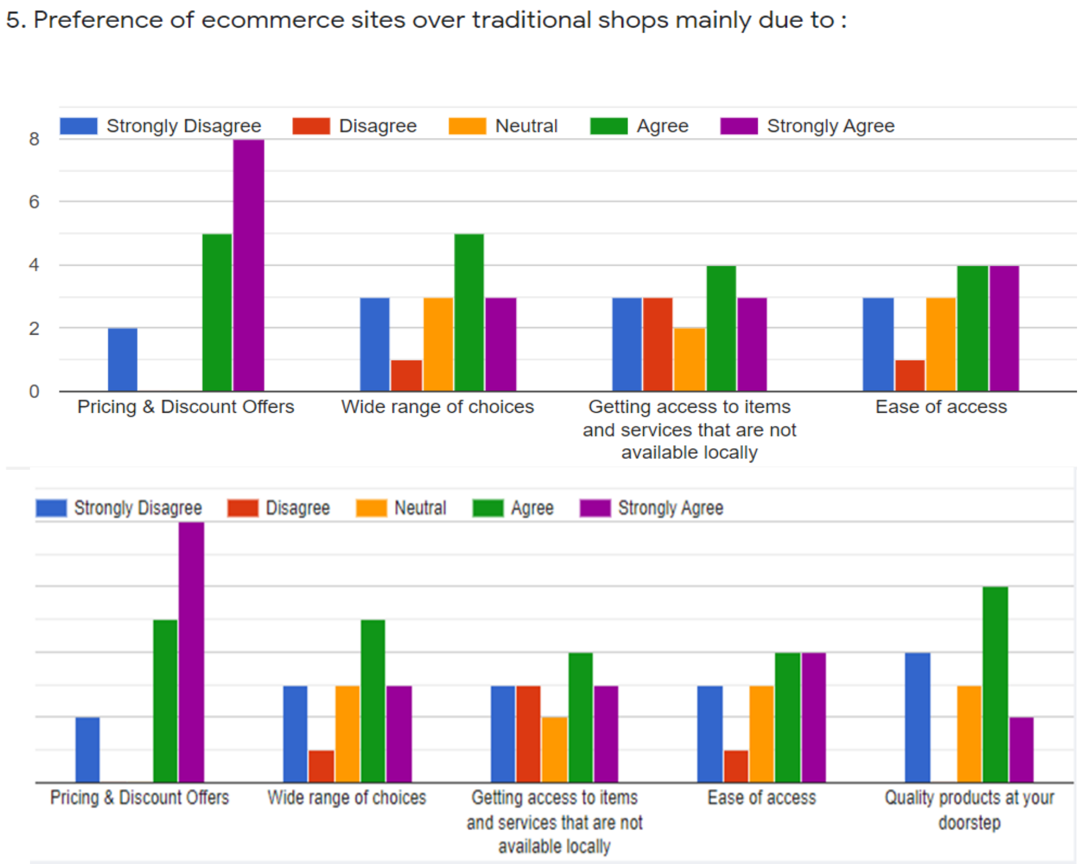

Fig. 8. Reasons for preference of e-commerce sites over traditional shops (Author's work)

From Fig.8 it is clear that the ecommerce in India is driven by mainly discounted prices, quality and wide range of choices.

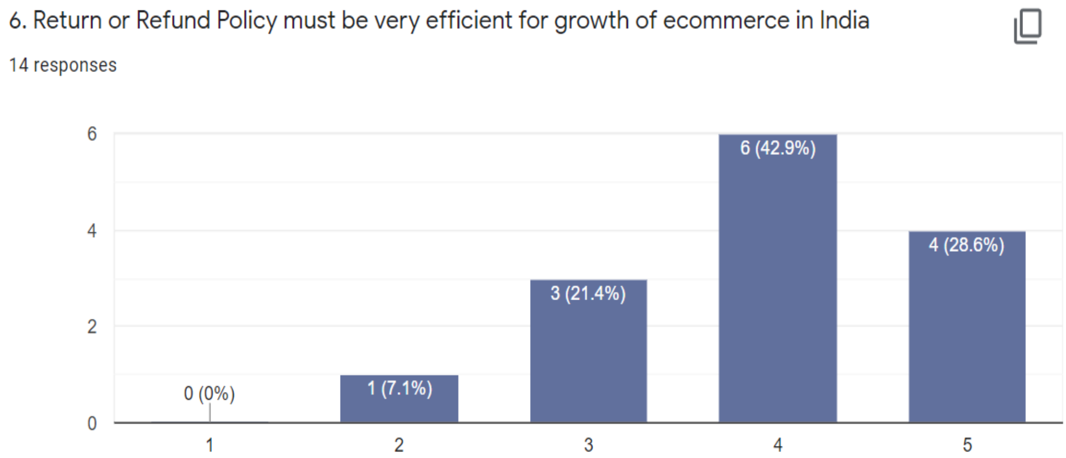

Fig. 9. Efficiency of return of refund policy in pertinence to the growth of e-commerce (Author‘s work)

Efficient refund /Return policy will certainly boost e-commerce growth in India, which is clear from figure

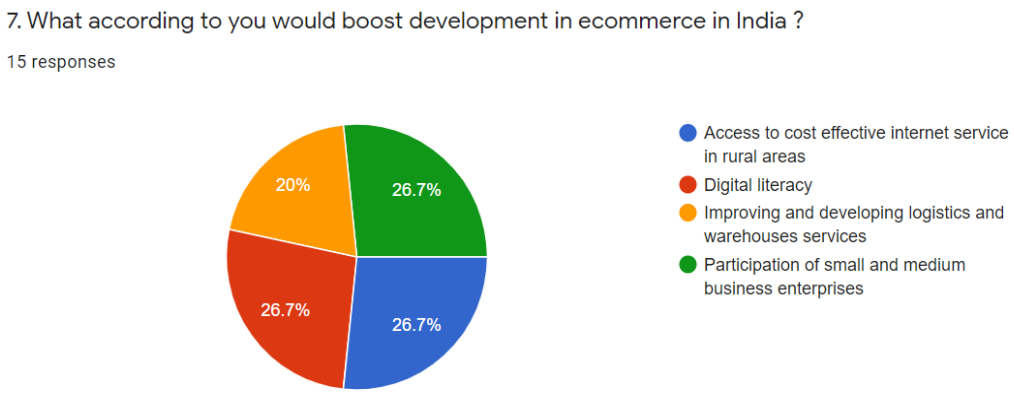

Fig. 10. Factors boosting the development of e-commerce (Author‘s work)

For further growth of ecommerce in India – access to internet, digital literacy and logistics equally play a vital role

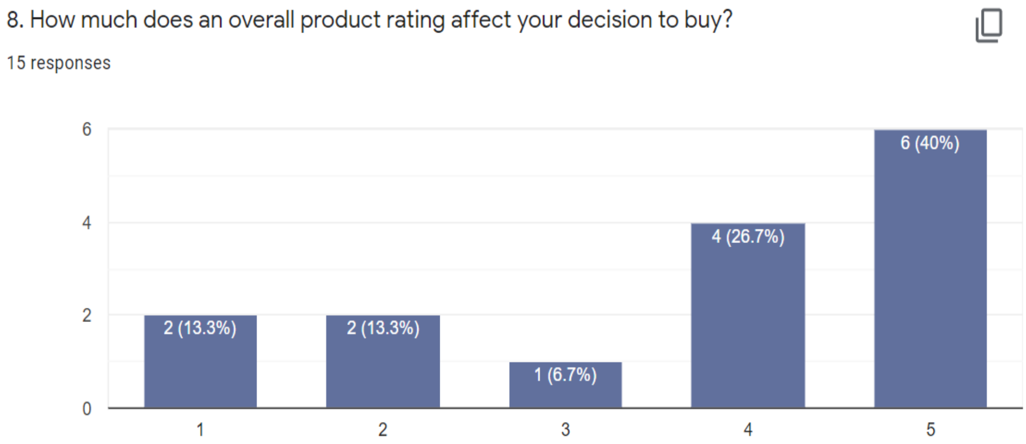

Fig. 11. The degree of effect of the overall product rating on the purchasing decision (Author‘s work)

In ecommerce shopping, consumer selects products majorly based on previous reviews, so sellers need to maintain constant quality.

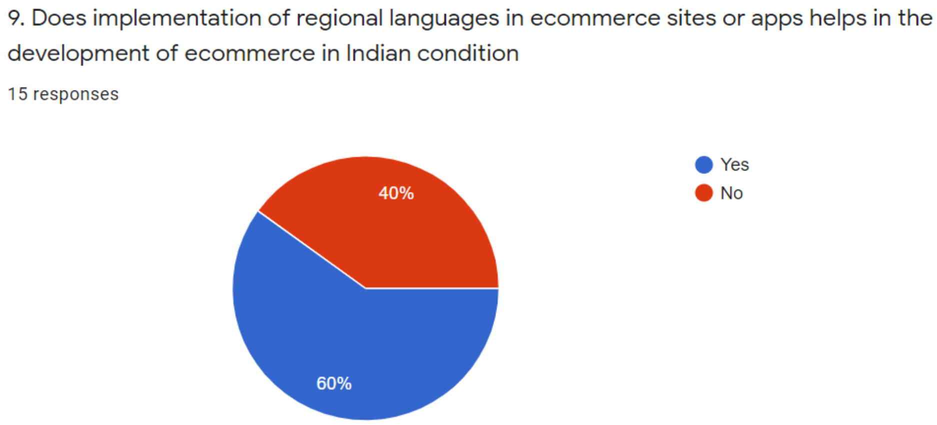

Fig. 12. Effect of regional languages on e-commerce in India (Author‘s work)

Since India is very diversified country, in order to expand ecommerce over rural areas companies need to consider building app or website in language for that particular area.

Fig. 13. Effect of ads in social media on purchases in e-commerce (Author's work)

As from the Fig.13, it is clear that ads on social media affects the user purchasing behaviour.

Seller section

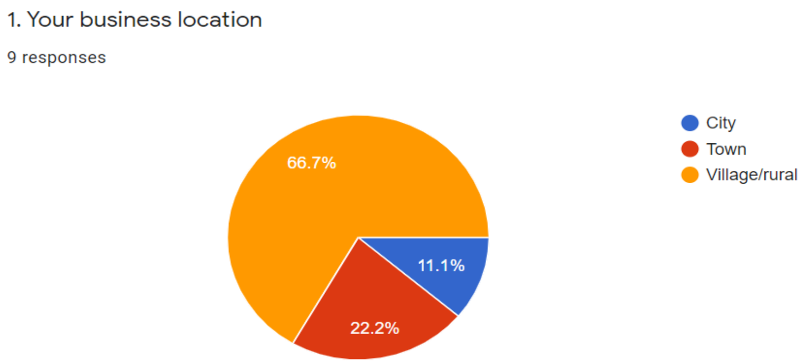

Fig. 14. Location of business (Author's work)

Fig.14 shows that major sellers business location in villages, which shows that growth potential villages of India for ecommerce is large

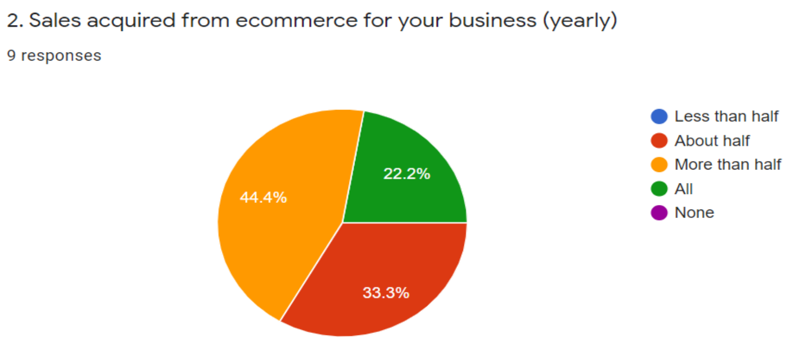

Fig. 15. Share of e-commerce sales in business (Author's work)

Fig.15 shows that major sellers business sales. From figure, It is evident that more than half of business carried out by sellers is through ecommerce which shows how much scale able is ecommerce for sellers

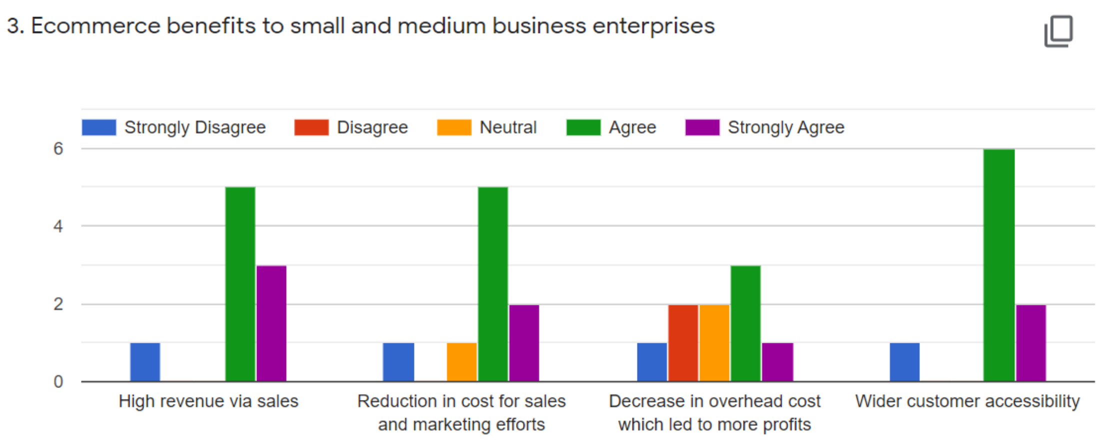

Fig. 16. Benefits of e-commerce for small and medium size businesses (Author's work)

The main aim of this question is to find out if seller is benefited from ecommerce.

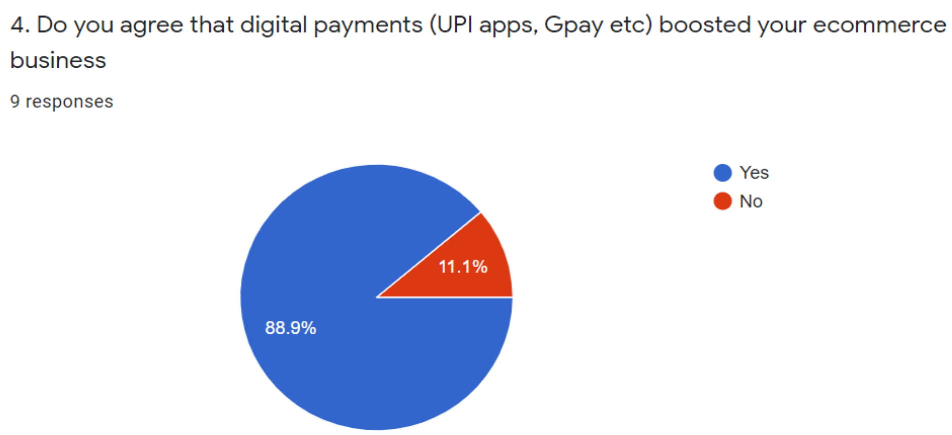

Fig. 17. Boosting e-commerce via digital payments (Author's work)

The main aim of this question is to find out whether cashless payment influenced growth in seller's business.

5. In your view ,what may be major challenges faced by small and medium business to shift towards ecommerce

9 responses

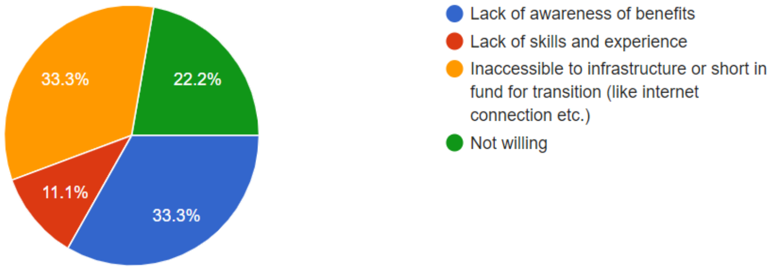

Fig. 18. Obstacles faced by small and medium size businesses in their transition to e-commerce (Author's work)

The main aim of this question is to find out what is the hindrance of sellers switching to ecommerce

6. What according to you ,is the key reason behind adoption of ecommerce in your business?

9 responses

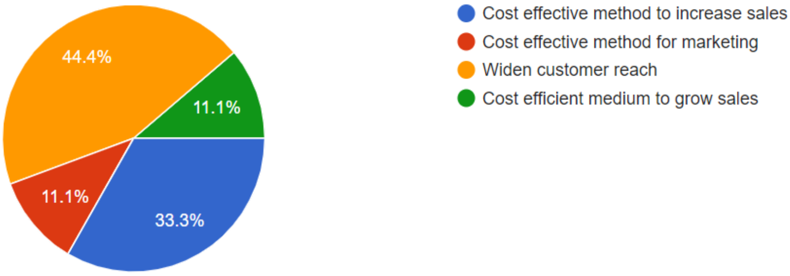

Fig. 19. Key-reason for transition to e-commerce (Author's work)

The main aim of this question is to find the driving force that made sellers switch to ecommerce.

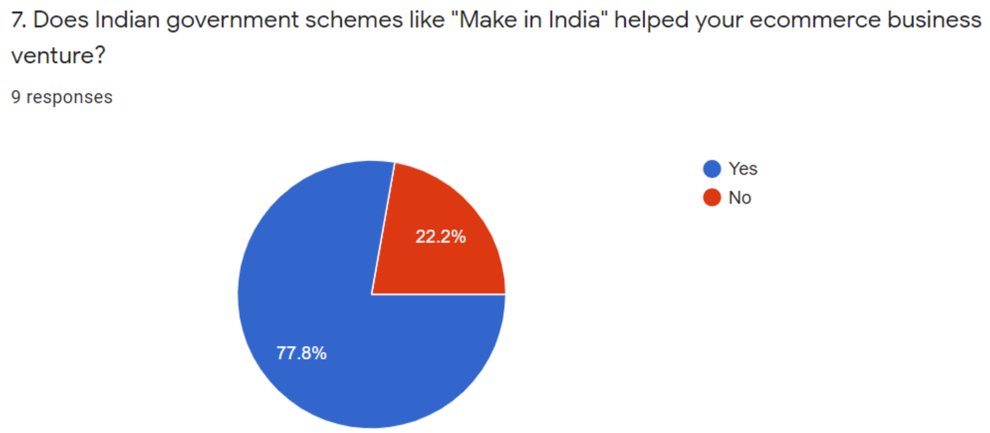

Fig. 20. Help of the Indian government for the development of e-commerce (Author's work)

The main aim of this question is to find out whether government polices helped in their ecommerce sales

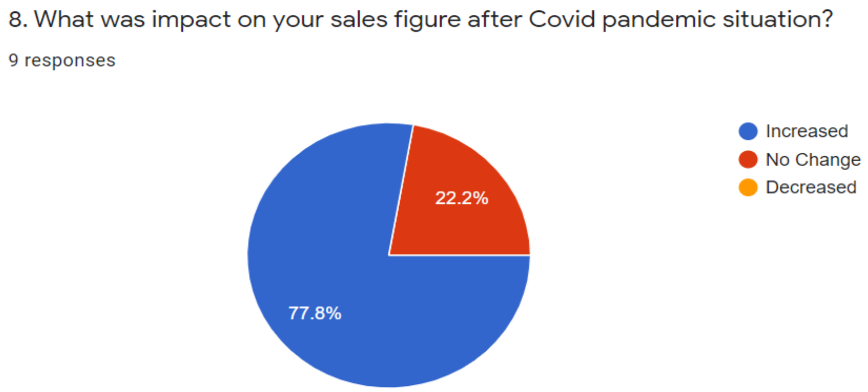

Fig. 21. Effect of the Covid-19 pandemic on sales (Author's work)

As many researches studies showed that covid has resulted in the increase in number of users in ecommerce platform. The aim of this question is to whether he/she has benefited from this.

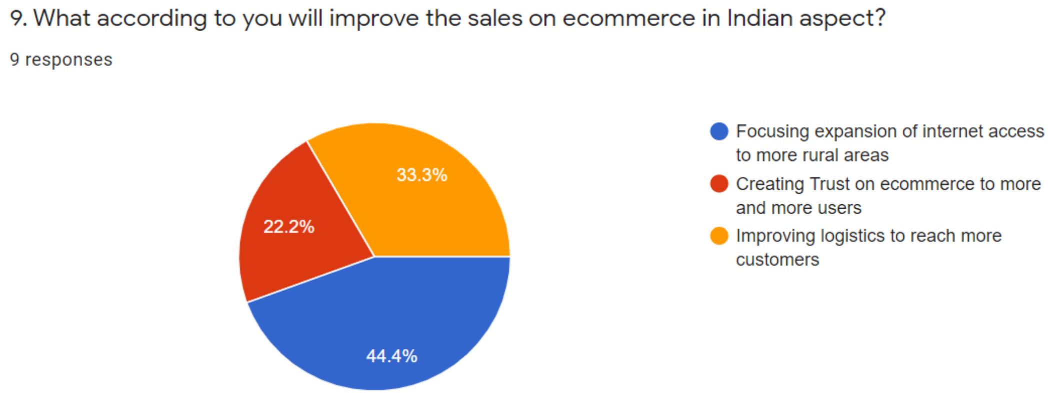

Fig. 22. Factors that can increase sales via e-commerce (Author's work)

The main aim of this question is to find out whether sellers point of view in the development of ecommerce in India, where internet, trust and logistics are the main fuels for development of ecommerce in India

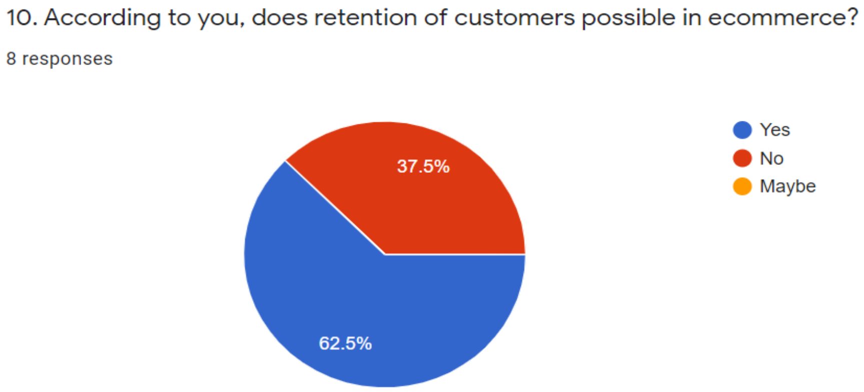

Fig. 23. Possibility of customer retention in e-commerce (Author's work)

The main aim of this question is to find out whether drop in number of customers for them, since the retention of customers also plays a decisive role in ecommerce growth.

Conclusion

The survey has showed that there is further scope for growth of ecommerce for Indian market. In this paper survey, I focused on both users and sellers rather than users, since growth of ecommerce in India From the survey conducted on 24 users, out of which 15 users are consumers and remaining 9 are ecommerce sellers in India. On analysis of data for consumer users, indicates that major portion of customers use ecommerce weekly basis for buying items mainly includes foods, electronics. On analysis from customer's point of view accessibility to cost efficient internet for rural areas, improvement in logistics.

On analyzing sellers point of view, data showed that there is increase in switching of small and medium scale sellers when they got to know the benefits of ecommerce system. Moreover, the impact of government policies, cashless payment, low cost tariff plans for mobile internet has greatly affect the growth of ecommerce in India. The survey indicates that there is still room for improvement in rural areas and with access to internet and digital literacy would greatly help the ecommerce growth for India.

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Jees Mariya Joy. ANALYSIS OF FACTORS INFLUENCING CUSTOMER PURCHASE INTENTIONS IN THE FAST-FOOD INDUSTRY INDIA

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Scientific advisor: Dr.phil., Professor Velga Vevere

Abstract

Research relevance: Service quality is one of the most important factors of customer happiness, and it has a direct impact on organizational performance, particularly in the service business (FFRs). Nowadays, practically all FFRs are focusing on a variety of approaches to improve their service quality in order to maximize client happiness and, as a result, increase buy intents and loyalty. Customer happiness and willingness to return are critical factors in the fast-food industry's survival. Certain aspects, mostly qualitative qualities, such as the association of fast-food quality, restaurant service quality, and physical environment quality, all play a key part in this.

Research goal: The goal of this study is to look at the elements that impact client purchasing decisions in the fast-food business in India.

Research methods: Conducting customer surveys using online questionnaires utilizing online survey sites such as Google forms is the major technique of gathering information.

Main findings: This study focuses on the influence of different elements on consumer behaviour and revisit intentions in the fast-food industry.

Keywords: quality, repurchase intentions, customer attitude

Introduction

Currently, businesses have agreed to establish, maintain, and generate brand loyalty in order to remain loyal consumers in order to secure their long-term profitability, but this is challenging in one way or another in such a tumultuous and competitive market. The recurrent purchase of any client demonstrates his or her intentional decision to continue purchasing that thing in the future. Simply said, brand loyalty is a customer's good attitude toward a certain brand with the goal of purchasing that brand again. The sensations of pleasure and well-being that customers experience are referred to as customer satisfaction. Gaining what the consumer expects from the service leads to customer satisfaction. In consumer behavior and social psychology, customer satisfaction is studied extensively. Customer satisfaction is defined as "the customer's subjective appraisal of the consuming experience, based on specific linkages between the customer's views and objective product features." Customer satisfaction is the degree to which a consumer experience makes a person feel good. "A comparison of the degree of product or service performance, quality, or other outcomes perceived by the consumer with an evaluative standard" is how customer satisfaction is defined.

The primary goal of consumer behavior research is to anticipate and explain human behavior. Consumer demands vary and arise on a regular basis, along with a variety of perspectives. The goal of a revisit is to encourage "visitors to return to a comparable location for satisfying experiences and to recommend the location to others in order to establish loyalty." The consumer's opinion about the service provider is formed based on the service experience. Is attitude about the service might be consistent disdain or liking.

Customer loyalty and commitment are built on the intention to repurchase. Repurchase intent is an important component of behavioral and attitude characteristics. The term "revisit intention" refers to the likelihood of returning to the establishment. The willingness of a customer to return to a restaurant is known as revisit intention. Furthermore, tourist convenience, transit to and from the site, entertainment, hospitality, and service satisfaction all influence visitor propensity to return.

Consumer behavior include both pre-visit behavior and post-visit evaluation. The quality, experience, value, and pleasure of the visit are all evaluated afterward. Restaurant managers are interested in learning about the elements that influence consumer revisit intention since it is less expensive to keep existing customers than to recruit new ones. The relationship between quality traits, customer happiness, and revisit intention has received a lot of attention in the literature. There is a link between consumer happiness and the likelihood of returning. Indifferent customers, the availability of competing alternatives, and cheap switching costs can all lead to satisfied customers defecting to other possibilities. Consumer behavior differs depending on where they want to go, how they want to be assessed, and what they want to do. This study's topicality may be seen in its title. The fast-food industry's sustainability is dependent on customer satisfaction and willingness to return. Certain factors, especially qualitative ones, such as fast-food quality, restaurant service quality, and physical environment quality, all play a vital role in this. The purpose of this research is to look at the factors that influence customer purchase decisions in the fast-food industry. Using online questionnaires to conduct customer surveys the most common method of getting data is to use online survey sites like Google forms. The impact of several factors on consumer behavior and revisit intentions in the fast-food business is the emphasis of this research.

Methodology: The most common method of acquiring data is to conduct consumer surveys using online questionnaires and online survey platforms such as Google forms.

Research relevance: The fast-food industry's sustainability depends on customer satisfaction and willingness to return. Certain factors, particularly qualitative features, such as the relationship between fast-food quality, restaurant service quality, and physical environment quality, all play a role.

The major goal of this research is to look at the factors that influence customer purchase decisions in the Indian fast-food industry.

- What factors primarily affect the customer satisfaction and willingness to return to the restaurant?
- What can be done to improve the serviceability of restaurants to gain more customer satisfaction?
- How the restaurant can show loyalty to the customers?

The following research questions can be made from the objectives.

- How to maintain the revisit intentions of the customers to a restaurant?
- What improvements can be done to motivate customers for revisiting the restaurant?

The information was gathered from the respondents using email and WhatsApp surveys. There were 160 replies created and collected. All of the data from the questionnaire was examined using descriptive statistics, a ranking system, and frequencies (graphs and diagrams), as well as qualitative assessments.

For the study's methodology, the following procedures were taken.

- The convenience sampling approach is used to choose a sample from a readily available population for the study. As a result, the total number of replies obtained during primary data collection was 160, and the analytic sample was chosen from the same number. During the survey period, a total of 160 responses were received. A representative sample of 160 responses is chosen for investigation after the selection criteria are applied to all responses.
- The majority of respondents agree that personnel need extensive training in order to provide better service to consumers. Only a small percentage of people disagree with it. Based on the data, we can conclude that, in order to give better service, restaurant owners should provide sufficient training for their employees in customer management, customer satisfaction, and serviceability.
- According to 39.6 percent of respondents, the first thing customers notice about a restaurant is its atmosphere and mood. 33.3 percent indicated they'll keep an eye out for it on a regular basis. About 19.5 percent of those polled indicated they regularly look for ambience. From the data, we can determine that the majority of respondents picked restaurants based on their surroundings.
- According to the research, the appearance of the employees is the most important observation for 32.1 percent of respondents. They will be recognized if they are well clothed, groomed, and so forth. 34.6 percent had a neutral opinion, implying that if they appeared friendly, that's good, but if they didn't, it's not a problem. We may extrapolate from this facts that the appearance of the personnel influences the customer's choice of eatery.
- About 34.8 percent of customers indicated they look for a certain brand when picking a restaurant, and nearly the same number agreed or disagreed with the question. 13.9 percent will almost certainly look for information about a company's reputation. As a consequence, we may assume that people occasionally seek for brand image.
- The price of food is important to 39.6% of respondents, and it is highly important to 28.9%, according to the statistics. To 21.4 percent, it is moderately substantial. As a result, we may assume that food costs are a key concern for the vast majority of people.
- According to the statistics, 36.5 percent of respondents are affected by promotions and advertising. In a moderate level, 35.8% of people are persuaded. Only 19.5 percent of the population is unaffected. As a consequence, we may deduce that the majority of customers are affected by the incentives.
- 40.9 percent of respondents are concerned about hygienic packaging and labelling, according to the research. Around 27.7% of people are highly worried, while 22% are moderately concerned. This is only acceptable to a limited fraction of the population. We may deduce from the statistics that the majority of customers value sanitary packaging and labelling.
- The majority of customers place a high value on the cleanliness and sanitation of the eating area. As a result, restaurants should be adequately cleaned and sanitized in order to attract more consumers.

Literature Review

A consumer's evaluative assessment of an experienced service reflects service quality (Cronin & Taylor, 1994). They claimed that using the dis confirmation paradigm to assess service quality had flaws. They suggested that, if service quality is to be viewed "akin to an attitude," as advocated by Parasuraman et al. (1985), an attitude-based conceptualization could be a better fit for its operationalization. Consumer's rate the quality of services based on their views of the technical output supplied, the process by which the outcome is delivered, and the quality of the physical surroundings in which the service is offered, according to Zeithaml & Bitner (2000). If these components are well executed, the company's service quality will be highly regarded.

Two main principles may be used to define customer happiness: transaction-based satisfaction and cumulative satisfaction. Transaction-based satisfaction refers to how satisfied you are with a certain purchase once you've made your choice and paid for it. Cumulative satisfaction, on the other hand, is based on the total experience after purchasing and using the product/service over a period of time (Anderson et al., 1994). In terms of the criteria above, the first is more appropriate for the writers of this article, as their study is focused on consumer satisfaction with a single product. Furthermore, satisfaction may be defined as a comparison of previously held expectations with perceived product or service performance and can be characterized as a comparison of previously held expectations with perceived product or service performance (Homburg et al., 2005; Anderson et al., 1994).

There is no standard meaning for the term "fast food." Nonetheless, it may be broadly defined as items that are prepared on demand and delivered immediately. Fast food is defined as "items meant in big numbers, fast food businesses follow standardized methods and serve quickly in restaurants generally, utilize the electronic and print media to sell the services," according to the Malaysian Ministry of Health. Fast food typically has a high calorie, sugar, and fat content. Individual foods are considered in most of the study and policy in this area. It should be emphasized that no "authorized scale of unhealthy items on a menu" has been created in this respect, however fast-food chains appear to have expanded their menu by include healthier eating options (Darian & Tucci 2011).

The likelihood of customers purchasing things is referred to as buy intention. The stronger the buying intention, the higher the chance. Understanding customers' purchasing intents may assist businesses in analyzing the market and adjusting their products or services to enhance sales and profitability. Consumers' trust in websites, according to Schlosser et al., has a direct and beneficial impact on their buy intent. Consumer purchasing intentions are ultimately influenced by brand awareness and perceived value, according to Chakraborty. Chang and Chen found that the quality of a website and its brand influence users' trust and perceived risk, as well as their buy intent. Prior online purchasing experience and online trust, according to Thamizhvanan and Xavier, have a considerable influence on customers' buy intentions. Consumers' perceived risks, particularly social risk, have a considerable negative impact on their online purchase intentions, according to Arin et al.

Price and nutritional information (Montandon & Colli, 2016), restaurant environment (Xiao et al., 2019), quick preparation, alternatives to home-cooked food (Habib et al., 2011), frequent television viewing (Kobayashi, 2010), and food quality and service quality have all been found to influence consumer purchase intention toward fast food consumption (Xiao et al., 2019; Qin & Prybutok, 2009). Price and nutritional information are two of the most critical aspects that influence a consumer's decision to eat fast food (Montandon & Colli, 2016).

However, some crucial aspects affecting customer purchase intention toward fast food, such as attitude, subjective standards, and perceived behavioral control, have been largely disregarded in the fast-food setting. Despite the fact that fast food is quick to make, inexpensive, and tasty, some studies have indicated that it is still regarded a junk food option (Anderson & Mirosa, 2014). As a result, it's critical to investigate consumer health concerns about fast food consumption that haven't been investigated previously, particularly the role it plays in the relationship between consumer attitude, subjective norms, perceived behavioral control, and purchase intention in the context of fast food consumption.

Health worries refer to a person's awareness of his or her own health, physical appearance, and general sense of well-being. Recently, a growing number of customers have expressed worry about the health effects of foods, food safety, and food poisoning (Rezai et al., 2017). Young parents under the age of 35 are more inclined to pick healthier foods for their children (Kellershohn et al., 2017). Furthermore, a person who is concerned about his health is more likely to be concerned about his eating habits (Choi, 2017). When determining what food to eat, consumers are concerned about the food, health risks, and nutrition information (Labrecque & Charlebois, 2011).

Research Methodology

The review research plan strategy was applied in this study, as well as a quantitative methodology. As a result, structured polls were used as the overarching tool. Quantitative research is examining quantitative data, such as figures and numbers, in order to uncover the answer to a question. Conducting customer surveys using online questionnaires utilising online survey sites such as Google forms is one approach of gathering information (see Fig. 1).

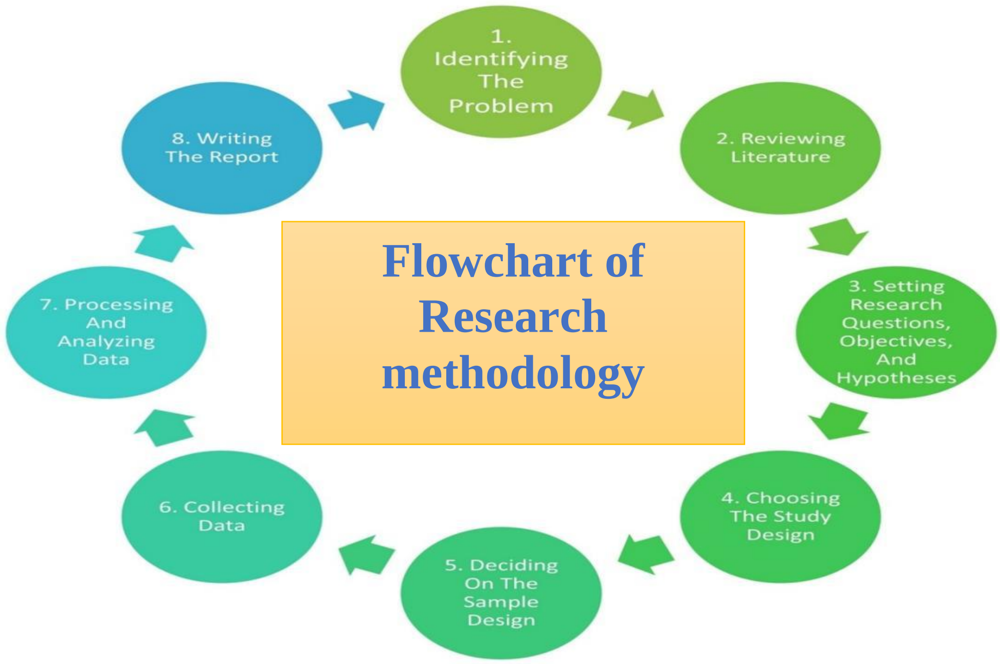

Fig. 1. Research methodology (Source: Author's work)

The study's sample is picked using the convenience sampling method, which picks a sample from an easily available population. As a consequence, the total number of responses acquired during primary data collection was 160, and the same number was selected as the analytic sample. A total of 160 replies were obtained throughout the survey period. Following the application of the selection criteria to all replies, a representative sample of 160 responses is chosen for study.

Results

In this section, we'll go through the responses to a few questions from the questionnaire that reveal elements that influence customer purchase intentions in the fast-food industry.

Responses regarding training of employees. The question used to elicit the response regarding the training of employees for enhancing better service to customers was "Do you think that, proper training for employees will assure the customer satisfaction?" Majority of the respondents have done a good job in answering the exact responses. The responses regarding training of staff are illustrated in Fig. 2.

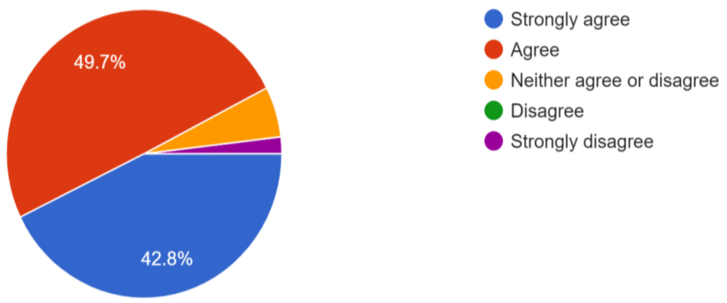

Fig.2. Responses regarding Training of employees (Source: Author's work)

From the figure it is clear that majority of the responders are accepting the fact that the employees require thorough training in providing better service to the customers. Only a minority disagrees to it. From the figures we can ascertain that for higher quality service the restaurant owners should provide proper training for staffs regarding customer management and customer pleasing and good serviceability.

Responses regarding ambience of restaurant. The question used to elicit responses regarding the ambience of restaurant was "Have you considered physical environment before choosing a restaurant?". The vast majority of respondents did an outstanding job. Fig.3. depicts the replies concerning the restaurant's environment.

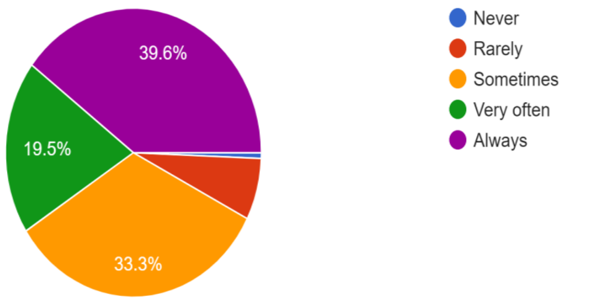

Fig.3. Responses regarding ambience of restaurant (Source: Author's work)

The result shows that the first thing people notice about a restaurant is its ambience and mood, according to 39.6 percent of respondents. 33.3 percent said they'll look for it on occasion. About 19.5 percent of respondents said they hunt for ambiance on a regular basis. We may deduce from the statistics that the majority of respondents chose restaurants based on their environment.

Responses regarding appearance of the staff. The query used to elicit the responses regarding the appearance of employees was, "Is employees' appearance affect your buying decision?" Fig.4. illustrates the replies.

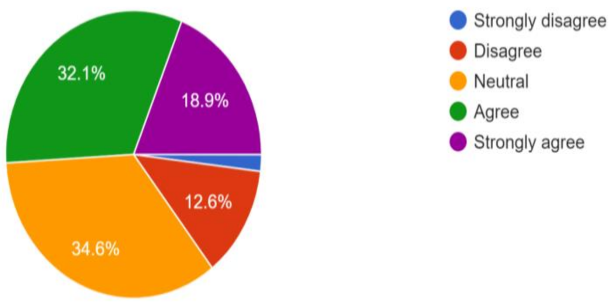

Fig. 4. Responses regarding appearance of employees (Source: Author's work)

According to the data, 32.1 percent of respondents think the look of the personnel is their most important observation. If they are properly dressed, groomed, and so on, they will be noticed. 34.6 percent had a neutral attitude, which suggests that if they seemed kind, that's fine, but if they didn't, it's not an issue. We may deduce from these data that the customer's choice of restaurant is influenced by the look of the employees.

Responses regarding brand image and restaurant selection. The query to elicit responses regarding the brand image and restaurant selection was "Have you consider brand image is the reason of your preference?" The majority of respondents gave positive responses. Fig. 5 depicts the reactions to brand image and restaurant selection.

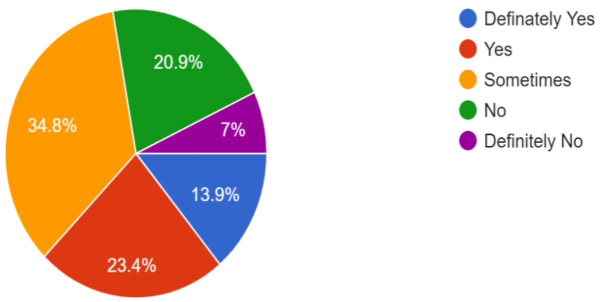

Fig. 5. Responses regarding brand image (Source: Author's work)

About 34.8 percent of consumers said they search for the brand when choosing restaurants, and roughly the same amount of people agreed or disagreed with the question. 13.9 percent will undoubtedly seek out information on a company's image. As a result, we may deduce that individuals seek for brand image on occasion.

Responses regarding price of the food. To elicit responses regarding the price of food the question, "How the price is important for your food habit? "Was asked. The majority of respondents replied well. The results are displayed in Fig.6.

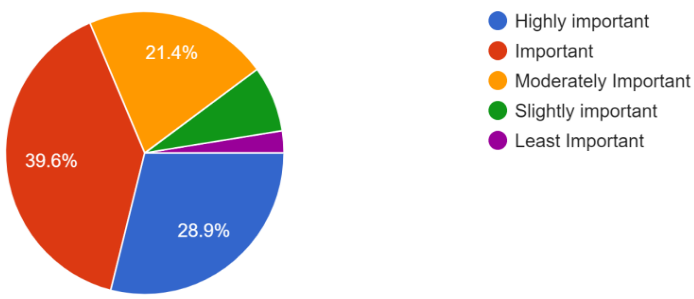

Fig. 6. Responses regarding price of food (Source: Author's work)

According to the data, the price of food is essential to 39.6% of respondents, and it is extremely important to 28.9%. It is moderately significant to 21.4 percent. As a result, we may deduce that the cost of food is a top issue for the majority of individuals.

Responses regarding promotions. For getting responses regarding the promotions in the restaurant the question, "Has your purchasing habit ever been influenced by promotions of fast-food chains" was asked. Most of the respondents had done it very well. The responses regarding promotions are depicted in Fig.7.

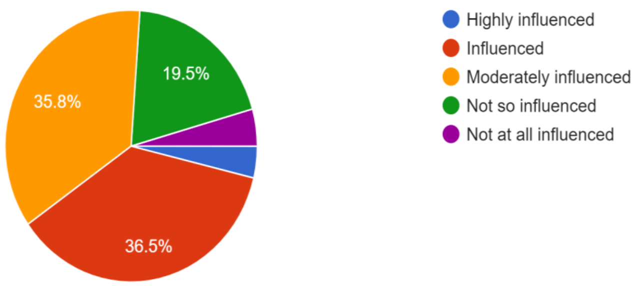

Fig.7. Responses regarding promotions (Source: Author's work)

Promotions and commercials affect 36.5 percent of respondents, according to the findings. 35.8% are swayed in a moderate way. Only 19.5 percent are not impacted in this way. As a result, we may infer those promotions have a significant impact on the majority of customers.

Responses regarding hygienic packing and labelling. To obtain responses regarding hygienic packing and labelling a question is asked as follows, "Do you think, the proper labelling and transparency of legal information of the product affect buying decision?" The majority of respondents replied well. The responses elicited regarding the hygienic packing and labelling are depicted in Fig.8.

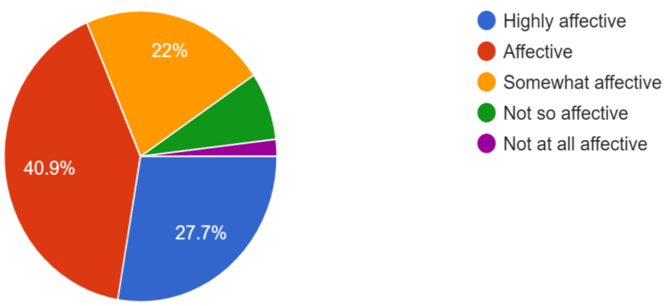

Fig.8. Responses regarding hygienic packing (Source: Author's work)

According to the findings, 40.9 percent of respondents are worried about hygienic packaging and labelling. About 27.7% are extremely anxious, while 22% are moderately concerned. Only a small percentage of the population finds this acceptable. We may extrapolate from the data that hygienic packaging and labelling are crucial to the majority of customers.

Responses regarding neatness of the restaurant. The question used to elicit the responses regarding cleanliness and hygiene of the restaurant is as follows. "Is cleanilness & Hygiene important in purchase of a food product? " The majority of the respondents replied well. The findings are depicted in Fig.9.

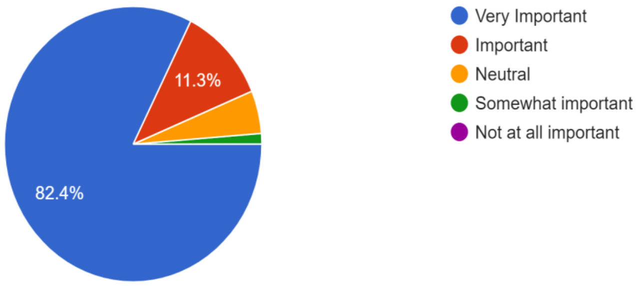

Fig.9. Responses regarding neatness of restaurant (Source: Author's work)

From the figure we can undoubtedly say that neatness and hygiene of the dining environment is a very important factor for majority of the customers. Thus, for attracting more customers the restaurants should be cleaned and sanitized properly.

Conclusions

The fast-food business has grown quickly in recent years, opening doors for a variety of stakeholders. Along these lines, it's become critical for advertisers to discern between the factors that influence customers' decision to purchase fast food. As a consequence of the massive growth in the fast-food sector, customers' expectations regarding fast food have become a source of concern for many parties, notably meal delivery services and advertising. As a result, no company wants to miss out on the opportunity to profit from the growing popularity of fast food. As a result, it was necessary to investigate certain probable elements in the growth of this industry. Following that, purchase intentions for fast food were taken into account as part of a more in-depth research of the causes behind the sector's growth. The current investigation looks at the effects of two key variables: uniqueness-seeking qualities and fast-food expertise.

Advertisers have made purchasing intentions toward a certain item (for example, fast food) a main focus. Purchase intentions, according to a few academics, indicate customers' assessments of and positive thinking toward an item or brand. Purchasing intentions were defined as buyers' judgement of an item based on assessments of numerous components. Many researches have focused on people's purchase expectations (aspirations to buy fast food). In this vein, we looked at the effects of two major factors on fast food purchase expectations in the current study.

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Mohammed Asil Manalam Thottathil. THE IMPACT OF DIGITAL MARKETING ON CONSUMER BEHAVIOUR IN ELECTRONIC GOODS INDUSTRY IN KERALA

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Abstract

Research relevance: Digital marketing is the marketing of goods and services using internet-connected devices. Digital marketing is marketing that links marketers and customers via virtual channels. Digital marketing is a modern style of marketing in which internet-connected gadgets are used to communicate with customers and sell products. Digital marketing encompasses a wide range of platforms. Artificial intelligence applications on many digital marketing platforms have been discussed. The platforms are broadly classified into two types: social media marketing platforms and other digital marketing platforms. Consumers have begun to pay greater attention to digital promotions over time. Search engine marketing, affiliate marketing, content marketing, and other forms of digital connectivity exist. The social media platforms do not sell the goods directly, but rather engage the client in valuable solutions and then encourage him or her to take action.

Research goal: To identify the impact of digital marketing on consumer buying behavior in electronic goods industry in Kerala.

Research methods:

- The current research is descriptive in nature. The study's sample size is 25 respondents that were chosen through judgment sampling.
- A systematic questionnaire was used to collect the data. The data was evaluated using factor analysis and regression.
- According to the findings of the study, five of the six digital marketing components have a considerable effect on customer purchasing behavior.

Main findings:

- The impact of digital marketing is highly supported by empirical data in this study.
- Through digital marketing, items or services are not immediately offered for sale, but rather a solution, aid, or assistance is provided.
- The appropriate material directs the customer to the product. Its considerable effect on Overall CBB demonstrates that individuals place a high value on internet ratings and reviews.
- Social media marketing has a very broad scope; because it incorporates people's social media activities on platforms such as Facebook, Twitter, YouTube, Snapchat, TikTok, Instagram, and so on, consumers are very engaged on these platforms. This is most likely one of the major reasons why this study confirms the effect of social media marketing on customer behavior toward electronic items.

Keywords*:* digital marketing; consumer buying behavior; electronic goods; internet.

Introduction

In this age of rapid change and innovation, it is critical for any company to understand its clients. Obtaining new consumers while retaining existing ones is most certainly one of the most important areas of concern for businesses. It is critical for the company to understand the preferences and motivations of their future customers in order to achieve both of these objectives. Advertisers can only develop effective marketing campaigns if they understand the variables that influence or hinder customers from making a purchasing decision. The influence of the World Wide Web on the retail sector has been much greater than on other business sectors, resulting in the development of a new style of retail design – electronic retailing (e-following). Because web purchasing behavior differs from traditional buyer behavior, online retailers confront new challenges, as previous knowledge of consumer behavior cannot be directly applied to modern technological shopping. Companies are gradually moving their focus to search engines and social media. With over 90% of Smartphone queries, Google is the undisputed king of browsers (Chandra & Abdul, 2013)

“Regardless of the fact that consumer purchase decisions written on the Internet are quite similar to those made in real life, there are certain serious questions that arise as a result of the Industry's uniqueness as a commercial medium. Consumers will increasingly use the Internet to make purchases in the future. Despite the fact that the internet is a new marketing channel, many of the conventional marketing principles will applicable, such as the marketing concept. Customers will be small suppliers who provide more advantages in the buying experience than drawbacks (Valayutham & Muthu, 2009)

The primary goal of marketing is to influence consumer behavior for companies that work in the area of marketing. Affiliations complete marketing to acknowledge what types of products customers prefer, to fabricate and design these products, and to improve purchasing and the use of these products and making each other available to customers at targeted prices and by conversing with customer information about the products to influence their purchasing of institution's products. Marketing encourages people to understand how a company creates an extravagant false reputation for a product by appealing to customers' emotions and sentiments, even if the product isn't capable of delivering the value implied in the image (Basheer, 2009).

A company's website is a mirror that assists the viewers in shaping their selections. Customers are disinterested by a slow and dull website, thus it's critical for a company to create and operate a user-friendly design with a maximum throughput so that customers don't have to wait long to modify their preferences. The significant amount of money required to upgrade a website, along with the changing expectations of clients, makes it difficult for businesses to keep up. The digital marketing is fluid, and it's difficult for a company to know whether the technology it's using is reliable. Technical improvements occur at a rapid pace, and it is critical for businesses to keep up with the latest developments. Failure to do so can cause delays in processes and lead to antiquated mechanisms. Other important component of the digital business is its global reach. Consumers' buying experiences have been altered by internet shopping's activities at scale economies, which have helped promote, accessibility, and special discounts. As a result, consumers are increasingly purchasing or replacing existing electronic items in order to gain pleasure, efficiency, advancement of technologies, and innovative devices. The virtual world has the ability to cross boundaries and transmit knowledge all across the world. It is critical for the company to understand the preferences and preferences of its international clients in order to create the site appropriately. The cultural divide stands in the way of a worldwide digital business's efficient operation (Malmurugan, 2008).

The investigations have revealed that "customer buying behavior" is a complex concept. A variety of factors influence consumer purchasing behavior, including psychology, attitudes, social aspects, individual factors relating to family, and so on.

The aim of this research is To identify the impact of digital marketing on consumer buying behavior in electronic goods industry in Kerala.

Literature Review

The term "digital" refers to a technology that involves the limited movement of information and has consistent properties. The constant conveyance of reliable information technology is used in digital technology. A marketing task is defined as digital if it is reliant on a digital media for the performance of its marketing functions. Digital marketing is the advancement of goods and management via the use of at minimum one electronic or digital medium. According to Techopedia, digital marketing is a method of delivering numerous advertising schemes and plans to clients through the use of digital mechanisms. Digital marketing, according to Winged Animal (2007), is a phenomena that connects a firm's potential and existing customers to the business through media employing digital techniques. The term "medium" is defined by Rowan (2002) as "means, appliances, applications, methods, and technology that use digital codes to work." Content-based phases such as 'websites,' 'individual to individual interaction locations,' 'online networks,' 'web spiders,' and so on, which integrate internet technology and appliances, are included in digital media. For example, 'mobile phones,' 'digital television,' and 'digital outside,' all of which rely on the internet and other adaptable technology (Arshad, 2008).

“Digital marketing also serves on the Social, Internet marketing or online marketing in an interchangeable way. Digitalization in India has generated a massive demand for potential digital firms though various traditional labels have been utilizing a digital channel to brand on the Indian market very effectively. Companies have should be willing to render cost-effective business initiatives utilizing the digital platform efficiently” (Malhotra, 2003). Internet portal is essentially a medium by which several marketers may express different product and service characteristics to the general public in no time. “Digital marketing practices include the optimization of search engines, content marketing, influencer marketing, the ecommerce marketing, content automation, marketing camp, social network marketing, optimization of social media services, e-mail marketing, display ads among other forms of digital media. It is no longer enough for the organization to know its customers better than its rivals or its strategic edge will be compromised. It is necessary to know its audience” (Merriam, 2001).

“It was described as a prediction for traditional marketers, their methods and tactics on the Internet by the first approaches to digital marketing. Nevertheless, the unique features of the digital environment and its suitability for marketing have stimulated the creation of platforms, formats and languages which have led to offline resources and strategies” (Munshi, 2013). Today, digital marketing has become a new concept rather than a subtype of traditional marketing which brings together personalization and mass distribution to fulfill marketing goals. “Technological convergence and the multiplication of smartphones also opened up directions in which we think about Internet marketing and contributed to a modern digital marketing paradigm – user-centered, observable, omnibus and interactive. For brands and companies, the creation of digital marketing campaigns is promising. Digital marketing shows trend of mix of different marketing techniques” (P C. , 2007).

The customer is the company's frontrunner. Consumers' roles have increased as a result of the shift from a local to a world's economic vision, which cannot be overlooked in contemporary global economies. When compared to market judgments, purchasers in a free market economy are competent and engaged, having the power to influence the market by logical selections. In this sense, shopper decision-making is a huge source of excitement for buyer educators and advertising who want to help the customer. Businesses in a global economy need be increasingly aware of customer behavior in diverse social orders in order to market their products and services reach customers. As is obvious, India, as the world's second most populous country with a steadily growing population, provides ample opportunity for prospective consumers. There has been a dramatic change in traditional buying habits, spending power flow, and the proportion of the population that is younger. The shift in shopping attitudes emphasizes a shift away from price considerations and toward design, quality, and trendiness. The desire to appear and feel good had become a deciding factor for consumers when making purchasing selections (Anand, 2014).

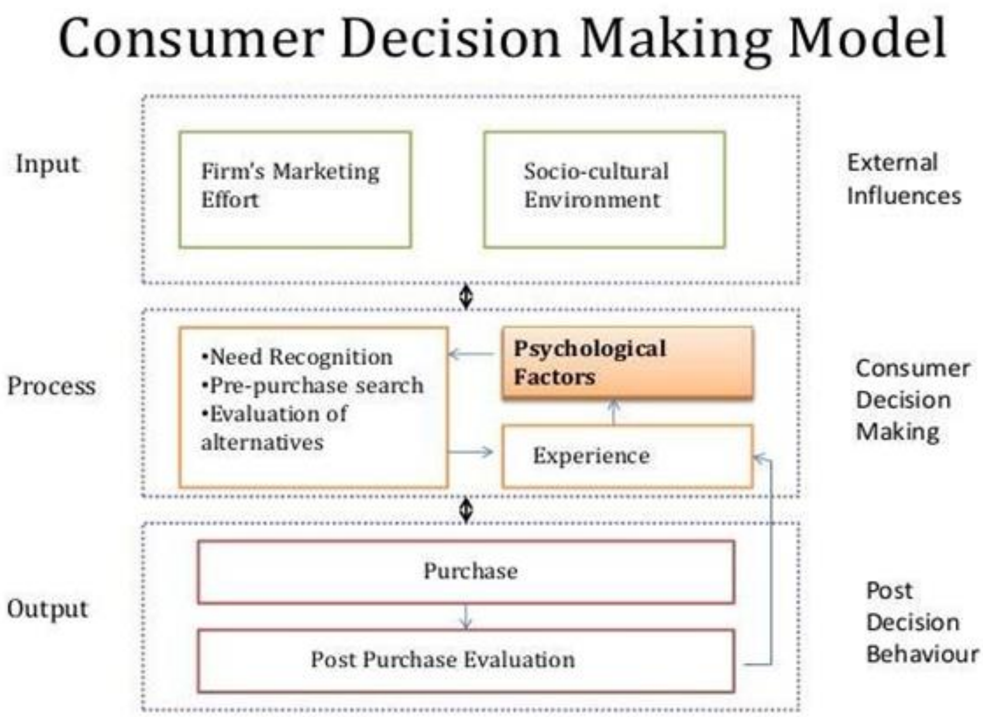

Fig.1. Consumer decision making model (Source: Subrot, 2013)

Consumers like branded items because of their emotions. Emotional responses have an impact on all kinds of decisions, whether commercial or noncommercial. Emotional states have also been shown to influence financial choices in behavioral economic studies. Furthermore, it is important to note that the majority of bank and financial institution commercials, such as insurance company advertisements, are emotive advertisements. When we are emotionally attached to a product, we are unconcerned with its price (Henning, 2010).

In the digital age, consumer behavior has shifted dramatically. Customers want immediate results, rapid pleasure when buying, and immediate payment or delivery of their purchases. While delivery may take some time, consumers want that their information searches be completed quickly so that they can take advantage of the best product available. Digital marketing and online marketing provide clients with price references to help them make better decisions, as well as tailored items and product information, instant transactions, and social media connections, all of which help them make quick and trustworthy consumer choices. The Figure 6 shown below demonstrates impact of digital marketing on consumer buying behavior (Sinha, 2012).

Electronic goods selling in India have greater digital marketing strategies. It is very important to look into variety of electronic goods selling in India. Electronic media are depicted as "electronic devices that people buy for their own personal usage." The Consumer Electronics Association clarifies that it includes items such as mobile phones and other instruments, televisions, video and sound recorders and players, cameras, home security systems, and so on. As a result, these are the side effects of widespread use. Most people seek for information on gadgets on the internet before buying something and the time was spent doing so is used to compare prices. In any case, over half of those who spend an average of 12 hours in front of a computer hunt for something online but never buy it in a physical store. Because of the high costs and varied quality of electronics, customers of this category are particularly stressed by their inability to inspect the item prior to purchase and the absence of personal interaction (with shopping right hand) (Jiang, 2011).

Methodology

Research methodology refers to the process stage which explains how the research was conducted.

The aim of this research is to identify the impact of digital marketing on consumer buying behavior in electronic goods industry in Kerala.

The study was conducted on electronic consumers in Kerala region, one of the prominent states and federal state in India. Moreover, the purpose of this study is to identify the impact of digital marketing on consumer buying behavior in electronic goods industry in Kerala.

Research participants. This research has covered a total number of 40 respondents and this sample of 40 respondents was taken intending to cover the research as planned. Among these public owned company workers, private owned company workers (see Table 1).

Table 1: Demographic information of respondents (Source: field data)

Item	Contents	No: of samples	Percentage
Gender	Male	26	65%
	Female	14	25%
Age	23-28	5	12.5%
	29 and above	35	87.5%
Job position	Public company workers	24	60%
	Private company workers	16	40%

Measurement of variables and measurements. To test the validity of the research question, it is argued that the constructs under study should be measured. The current study studied a validated and developed standard questionnaire from previous research studies conducted in the electronic goods sector was used to measure all the study variables that are possible (Hasdhim, 2010).

After the required corrections according to the recommendations from managers and the company's financial data. The final questionnaire is conducted to study the different operating management systems from the electronic goods consumers have been collected.

Data collection method and scale validation. Answers from respondents to all questionnaire items were given on a five-point Likert scale in which 1 “Strongly agree” and 5 “Strongly disagree”. As the official language of Kerala is Malayalam, but the questionnaires were administered in the English language. This study consists of a random sampling procedure that was affianced by an aspect of the type of sectors as strata. The electronic goods selling centers were categorized into distinctively selected large and small scale. Kerala is southern hub of all electronic products in India.

Results

Demographic results

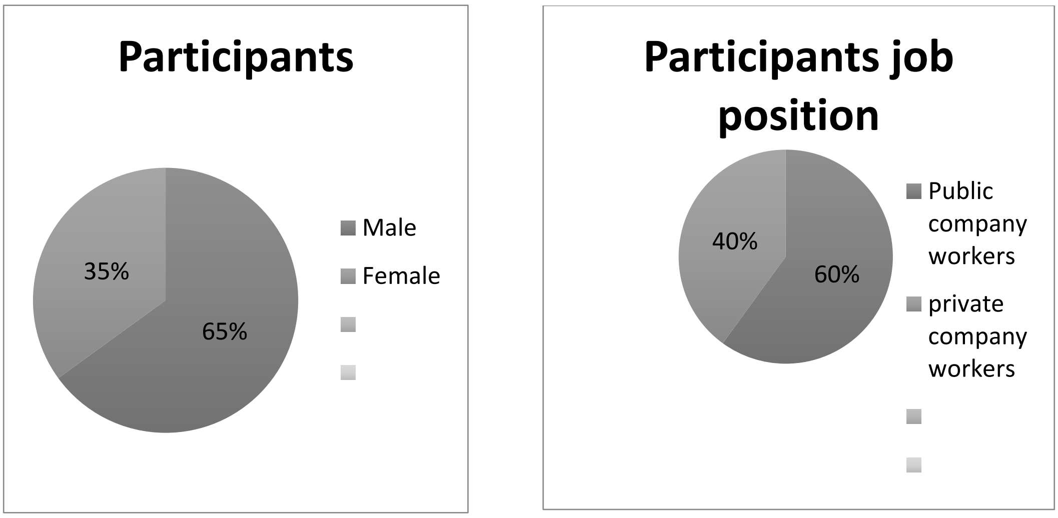

Fig.2. Demographic information on participants

Reliability test result. The items are questions that were asked in the survey and survey questions are included in the appendix. To check the reliability analysis this research paper has used eight constraints from survey question. The main constraints are, Internet and other medias influence consumer behavior to buy electronic products, would like to come to purchase nearly future again, Regular digital marketing influences me to use different products electronics., Digital marketing could influence more younger customers to electronic goods., marketing for electronic goods is extra ordinary with tie up with technology and 19) How would you rate overall experience with the electronic products?

Table 2: Reliability Statistics (Source: author data)

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.880	.813	8

To check the internal consistency of the variables, Cronbach's alpha was used. This study was 0.813, which is greater than standard 0.700 and thus, indicating appropriate consistency (see Table 2).

Intercorrelation coefficient. Between the data and measurement of the suitability of the data- In order to check the intercorrelation of constraints KMO test has been done (see Table 3)

Table 3: KMO and Bartlett's Test (Source: field data)

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.865
Bartlett's Test of Sphericity	Approx. Chi-Square	187.122
	df	15
	Sig.	.000

The value of KMO in this study is 0.865 which is more than the prescribed value which indicating further analysis can be done. This is highly significant and degree of freedom is 15.

Component relation matrix result (see Table 4).
Table 4. Component relation matrix result

	Digital marketing	Consumer buying behavior
Digital marketing	1	0.891
Consumer buying behavior	0.891	1

In this study, the component correlation coefficient shows that the evidence of the measure of two variables of constructs digital marketing and consumer buying behavior is related to other theoretically that is proved by prior research studies and practically proved by this study by showing strong correlation coefficient which is near to value 1. Thus, the findings of this study paper include the relation between the implementation of digital marketing and consumer behavior.

Conclusion

Digital marketing has a significant influence on customer purchasing behavior. Even if a customer buys online, he still utilizes the internet to get the best information to evaluate goods, pricing, specs, and other information in order to maximize his purchasing decision. The study's findings clearly suggest that all parts of consumer behavior impact consumer purchasing decisions toward electronic products and also reveal the purchasing choice online in the context of electronic goods, as well as digital marketing effects consumers while they buy electronic goods. The findings of this study have far-reaching ramifications for both academia and industry. The study may be used by marketing managers to build marketing strategies, particularly commercials and promotion, based on the findings of this study. Marketers must take digital marketing seriously since it has a substantial impact on customer purchasing decisions for electronic items. The study validates the significance of numerous digital marketing platforms such as social media marketing, search engine optimization, online reputation management, email marketing, and search engine marketing, among others. Even if a firm simply conducts business and sells products in-store, it need a strong online presence on digital marketing platforms to preserve its competitive edge and thrive in this competitive and dynamic period.

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Shilpa. FACTORS AFFECTING STARTUPS IN INDIA

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Abstract

Research relevance: According to a 2019 report That was published in Business Insider - more than 5 million start-ups are founded every year, however, only 10%, i.e., 500,000 of these start-ups, succeed in the long run. Many of these start-ups fail already during the period of pre seed funding and others failed during the first year of operation. According to literature the reason is inconsistency, as start-ups have failed to clearly identify a list or model of variables that do in fact contribute to the success or failure of small businesses. In India more than a million of start-ups is trying to involve into business operation every year, and even given the lack of reliable statistics of the number of Indian failures in this area, banks and financing institutions assume that only 1/4 of the all applications received make it up to the second year of operation. For now there is a limited number of researches that are examining the reasons of failures in India, however almost no studies have been performed analysing the critical success factors for Indian start-ups to evolve.

Research goal: The Goal of the study is to analyse the critical success factors affecting the start-ups in India.

Research methods: Questionnaire based data collection will be performed with the sample of 150 respondents, where the representatives of start-ups, experts from financing industries and evaluators of start-up performance will be gathered proportionally. For the data processing the method of descriptive statistics will be used for the basic understanding, as well as basing on the dependent and independent variables the method of the inferential statistics will be used conducting the regression.

Main findings: The research will be giving the understanding of the factors that are impacting the performance of the start-ups. The most important or the so-called critical success factors for the start-ups in India will be defined and the suggestion of the start-up performance improvement via the enhancing of the critical factors will be presented.

Keywords: start-ups; success factors; start-up financing; start-up performance.

Introduction

According to a 2019 report That was published in Business Insider - more than 5 million start-ups are founded every year, however, only 10%, i.e., 500,000 of these start-ups, succeed in the long run. Many of these start-ups fail already during the period of pre seed funding and others failed during the first year of operation. According to literature the reason is inconsistency, as start-ups have failed to clearly identify a list or model of variables that do in fact contribute to the success or failure of small businesses. In India more than a million of start-ups is trying to involve into business operation every year, and even given the lack of reliable statistics of the number of Indian failures in this area, banks and financing institutions assume that only 1/4 of the all applications received make it up to the second year of operation. For now, there is a limited number of researches that are examining the reasons of failures in India, however almost no studies have been performed analysing the critical success factors for Indian start-ups to evolve.

The research aim of the study is to analyse the critical success factors affecting the start-ups in India. The research hypothesis is that economic factors are the key success factors for the start-ups in India. During the study the author presented a survey, conducting a questionnaire-based data collection with the sample of 150 respondents, where the representatives of start-ups, experts from financing industries and evaluators of start-up performance will be gathered proportionally. For the data processing the method of descriptive statistics will be used for the basic understanding. The research presents the results that entrepreneurial and technological are the factors mainly impacting the performance of the start-ups. The least important success factors for the start-ups in India are the economic factors, therefore the hypothesis is rejected.

Literature Review

Startup entrepreneurship, as a socio-economic phenomenon, arose at the time of the rapid development of technology, technology, and changes in consumer demand. It is these two most important aspects: technology and the consumer - that have led to the fact that the very form of entrepreneurship has changed, as well as the conditions for success, the production factors that provide it have changed organically. Obviously, within the framework of the new economy, the conceptual approach of profit (added value) is preserved, but the structure and importance of traditional factors is undergoing significant changes.

Critical success factors are the abilities or actions that can ensure the success of the business being created. The term originally originated in the field of strategic business analysis, which is necessary when developing a business plan. These factors are used to identify several strengths that an organization must focus on using or developing in order to be successful. These factors must necessarily address the issue of achieving the main goals of the organization. The definition of critical success factors is as follows: "a limited number of areas, the achievement of results in which will ensure the competitive and successful operation of the organization". Starting a start-up always brings with it a huge variety of small worries, although if you combine them, then in fact there is always only one single fear - the failure of the project. It is under the influence of this threat that aspiring entrepreneurs work hard, and in some cases even completely abandon their plans. On the one hand, not a single factor can guarantee the successful development of a start-up, but on the other hand, there are many illustrative examples of the transformation of projects not just into successful companies, but into corporations with a worldwide reputation. Many people perceive the idea as the single most important factor in the success of a start-up, but in reality, it is only one of the “ingredients”. However, quite often the power of an idea is enough to predict whether people will want to give money for it. It is impossible to measure the success of an idea based on any precise metrics, but its strength depends on the presence of two factors - uniqueness and practicality. Usability determines the number of people who need your product or service and how many people want to buy it, while uniqueness indicates the level of competition. The talent and skills of an established team are critical to the timely and proper development of your business. No matter how ingenious an idea for transformation into a successful business is, it needs a competent business model and reasonable implementation.

One of the first researches of the critical success factors were performed by Chorev and Anderson in 2006 - their research is based on the experience and tacit knowledge of Israeli high-tech leaders. Based on experiences from 13 high-tech leaders, they found that one of the biggest mistakes in many start-ups is the emphasis on technology when marketing departments are created very late. In addition, funding must be properly calculated (and sometimes investors add no value and can be a hindrance). The authors propose eight key success factors for a high-tech startup, in order of importance: (1) team commitment, (2) team expertise, (3) customer relationship, (4) core team experience, (5) management, (6) strategy, (7) R&D, (8) the idea itself. (Chorev & Anderson, 2006)

Kakati et al (2013) conducted a cluster analysis that showed that patterns can be found that separate successful and unsuccessful businesses. The author suggests that it is not the uniqueness of the product compared to competitors that makes a successful start-up. On the contrary, it has to do with the firm's ability to meet the unique requirements of its clients. According to Rajpara (2020) , the most important attributes of a start-up's success are entrepreneurial quality, resource base and competitive strategy; In addition, it is recommended that multiple performance criteria be used to measure startup success rather than a single measurement (such as ROI or market share). Prohorovs & Bistrova (2018) consider high growth to be one of the most important characteristics of start-ups, and the secret of a good start-up ecosystem is to have the right people working there. He argues that two types of people create a tech hub: investors and tech experts, but "a startup with the best people will outperform one with funding from well-known venture capitalists." These authors also defends the fact that a tech centre can only exist with a top-notch university, which certainly applies to Israel in computer science and engineering. In his opinion, a high-tech city should be more liberal and tolerant of strange ideas.

A technology ecosystem grows organically and takes time (Kamel, 2018). Cometto & Piol (2013) analyzed the history of the New York City entrepreneurial ecosystem. Despite some history of successful start-ups, their number is lower than in the Valley (the amount of capital invested in the Valley is five to six times higher than in New York). A partnership between Cornell University and the Technion and an ambitious high-tech program launched by Mayor Bloomberg aims to make New York the largest innovation hub in the world. The advantages of New York, cited by Cometto and Piol, are: (1) easy access to capital, as it is located close to the financial center of the world; (2) a new long-term project for the Cornell NYC Tech University campus; (3) tolerance for high risk and failure; (4) an excellent sense of community, generosity and networking; (5) NY Tech Meetup, a non-profit organization with over 36,000 members supporting the New York Technology Society (nytm.org); (6) a community of angel investors based on a culture of return; and (7) a large community with open access to the business world. Pourhanifeh and Mazdeh (2016) proposed a model for identifying critical success factors. They divided these factors into two groups: internal (for example, team, product, marketing) and external (for example, politics, economics, education). External factors such as politics, the environment and the economy are shown as non-critical aspects of a startup's success. According to the authors, this study has yet to be tested for causality and could be further adapted and expanded based on future research.

Some researchers, like Rinkinen (2019) propose a methodology for mapping national innovation ecosystems. Their methodology is based on a workshop with experts in the field that outlines the quality links and processes and trends that are most relevant to that particular ecosystem, resulting in a visual innovation map of the ecosystem. A framework for measuring the level of innovation in different countries is proposed by Tripathi et al. (2019). The framework measures education, R&D, funding, networking, competition, adoption, and demand as criteria for measuring innovation. Researchers also views culture (social climate) as a factor influencing the level of innovation. Most of the elements found in this structure are also present in our structure, with the difference that we investigate the relationship between these criteria, rather than showing them as isolated or unrelated factors. Thus, the natural primary classification will only partially determine the "production attributes" or "success factors" of start-ups. On the one hand, this is the satisfaction of the natural, existing needs of end users and b2b consumers. On the other hand, it functions within the framework of the needs of a new technological order, generated by itself and existing in an inextricable connection with new technologies.

However, there is currently no other overarching framework that attempts to capture the core elements involved in a fruitful ecosystem factors of start-ups and define the core relationships between them from the perspective of various involved persons especially on Indian market. Therefore, the structure that emerged from our research and is described in this article complements the existing body of knowledge in this area and serves both for teaching entrepreneurship and for future research in this area.

Methodology

In the research the author used the following research design:

1. sampling;
2. survey creation;
3. data collection;
4. data analysis using the methods of descriptive and inferential statistics.

For the sampling author of research gathered 50 representatives of the start-ups in India, 50 experts from the financing industry and 50 start-up evaluators. The sample was gathered via the personal experience of the research author while participating in the work of the Startup India - governmental platform aimed on the support and analysis of the start-ups. The survey was distributed electronically to the participants. The survey was based on the tool developed by Kim et al. (2018) and was requesting the evaluation of the various success factors using the Likert scale from 1 to 5, here 1 was the least impacting the success of start-up and 5 - impacting a lot.

While analysing the results, the author used descriptive statistics calculating the means of each factors across three groups and comparing the results. Later the success factors were collapsed to the four segments as proposed by the tool - entrepreneurship, innovation, technology and economics and compared across respondents' types. The group of startup owners also was presented the additional survey question, requesting to evaluate the success of the last start-up they introduced according to the binary evaluation [0; 1], where 0 is not successful start-up and 1 is the successful start-up. The linear regression was introduced defining the dependency of the success factors on the real success of the start-up, where the evaluation of the success was the dependent variable and the success factors - independent variables, that did not show statistical significance and was not used for analysis.

Results

The main findings of the study are that the importance of various factors vary across the three samples. As for the representatives of the start-up, then the most important and influencing the start-up success is the continuous investments, the market-oriented opportunity switch as well as IP rights and the adventure tendency. The least impacting (see Fig.1) are the risk sensitivity and the idea commercialization, as well as the motivation of the entrepreneur and the creative technology utilization.

The same time Indian banking and financial segment representatives, who participate in financing the start-ups (see Fig.2) have different opinion stating the creative technology utilization is the key factor, along with the goal-orientation and the idea commercialization.

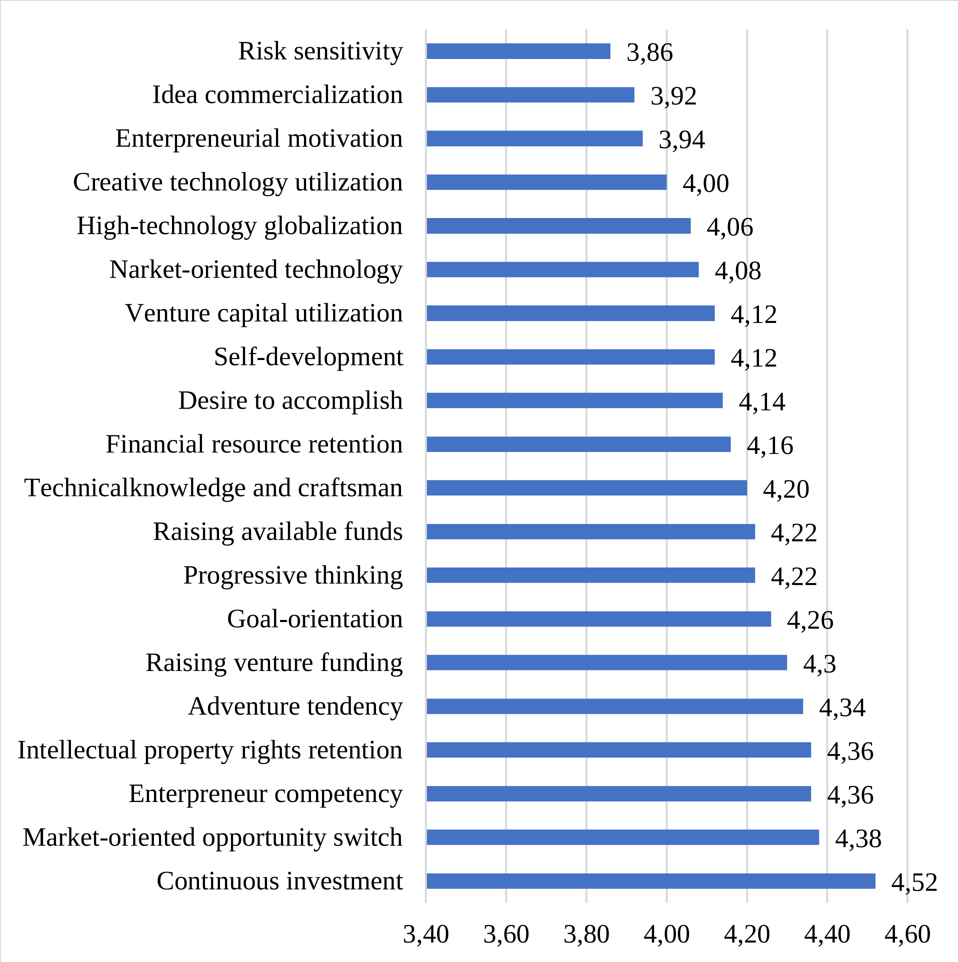

Fig.1. Evaluation of critical success factors by the representatives of start-ups (Source: Author‘s work)

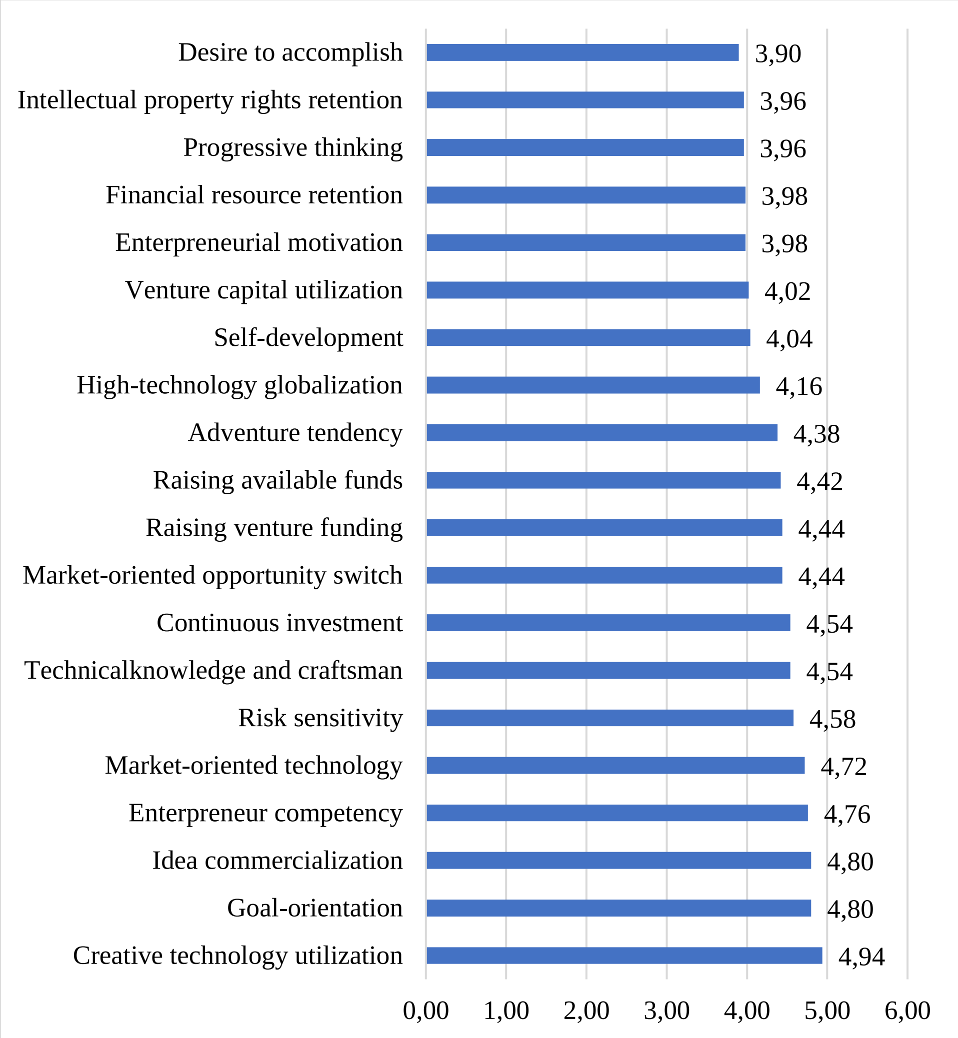

Fig. 2. Evaluation of critical success factors by the evaluators from financial segments (Source: Author‘s work)

This presents the almost vice versa results to the first ones, while IP rights and market-oriented opportunity switch are evaluated much lower. Thus, it can be concluded that, in general, the management and the idea are of great importance. But timing is much more important. The best way to assess timeliness is to analyse the consumer sector and its readiness to innovate. Despite this, refusal to implement ideas, with an unfavourable assessment, is not at all necessary, but an honest assessment of timeliness can give an acceptable forecast of success.

Finally, Fig. 3 presents the results of the third segment - the actual evaluators of the hubs and support allies assisting the start-ups and evaluating their eligibility to participate in the State Indian programs of support.

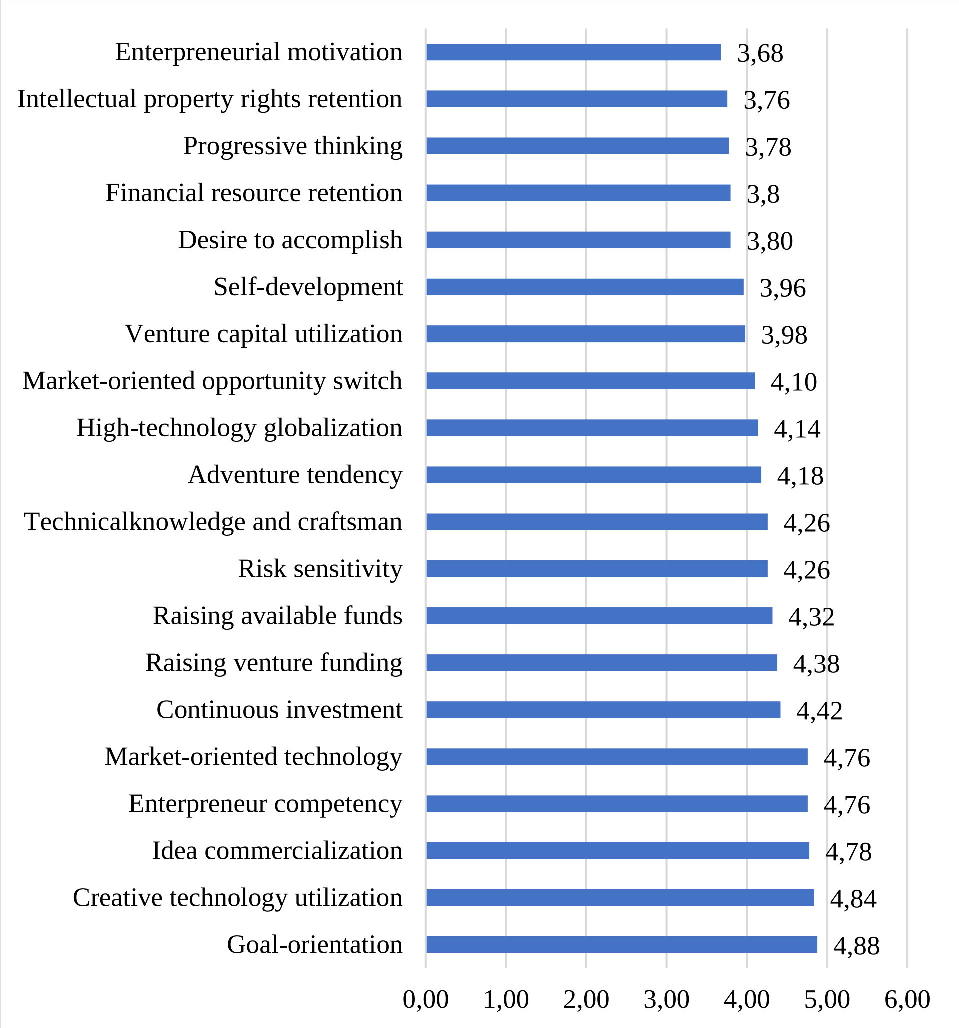

Fig. 3. Evaluation of critical success factors by the start-up evaluators (Source: Author's work)

The third segment also similarly to the second one emphasizes the goal-orientation and the creative technology, leaving behind the motivation and the IP right retention. Results along second and third segments are similar. Summing up, Fig. 4. presents the collapsed results to four categories.

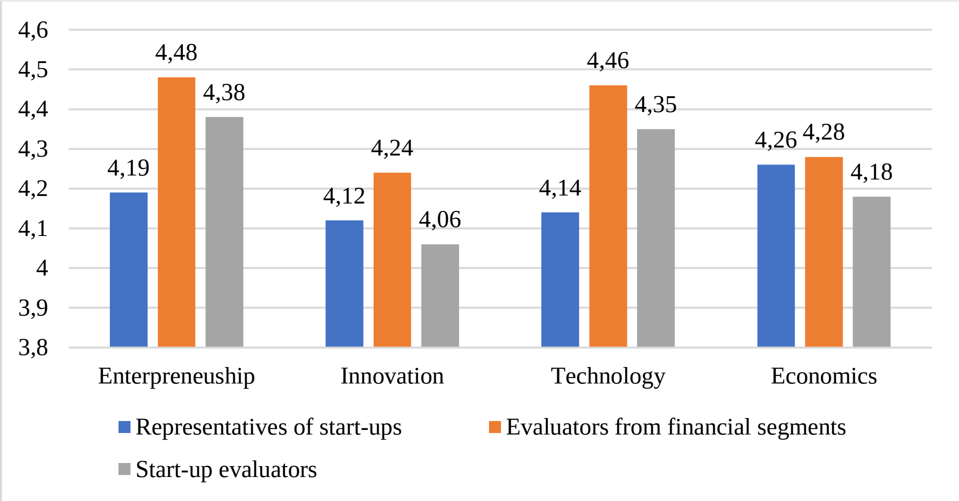

Fig. 4. Comparison across segments (Source: Author‘s work)

The comparison presents, that the representatives of start-up take into consideration the points that are much less emphasized by other two experts of the industry. Given the overall evaluations of the experts is lower it is suggested that the representatives of start-ups more to be focused on the technology and entrepreneurship as such. The overall average evaluation (mean) of entrepreneurial factor is 4.35, innovation - 4.14, technology 4.31 and economics 4.24. The product, as a concentration of marketing and a competitive market, is clearly a critical success factor. It's not a problem to produce something - the question is in the demand for this service or product on the market in a competitive environment.

Motivation is where a start-up starts. In this case, although mentors and business coaches are not a panacea, they also make a significant contribution to the growth of modern world economies. And the last thing a start-up needs is money. In the modern economy, money has its own characteristics. The best money is investments from a profile investor, or from a neutral, venture capital. However, in reality, at the initial stage, for most projects, any angel money is of great value.

Conclusions

After having finalized the research author can conclude that hypothesis is rejected while economic critical success factors tend to impact the success of the start-ups in India less, than, for example, entrepreneurial factors. The results are applicable to the start-ups in India mainly located in the East and Central India and the sample can be expanded using the Startup India platform to also other regions of India to make the conclusions about country as a whole.

The study can be used as the basis for the broader research as well as the basis for the framework development for the owners and participants of start-ups to focus on the other success factors, that can be important basing on the expert experience, to improve the success rate in India.

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Viktoryia Sedova. BANK CUSTOMER SATISFACTION DURING COVID-19: MANAGERIAL APPROACH

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Abstract

Research relevance: During the COVID-19 pandemic, large-scale changes are taking place in the processes of banks that directly affect customer satisfaction. According to this, the management of banks needs to know and understand the motivation of their employees and take decisions to improve it.

Research goal: Given the global pandemic associated with COVID-19, find out what methods of motivating employees banks use in order to maintain customer satisfaction.

Research methods: To identify bank customer satisfaction from the manager position the author of the research used data collecting methods: document analysis, interview with banking managers and data processing methods: graphic analysis and transcribing.

Main findings: The research describes the structure of the sector of commercial banks in the Republic of Belarus and describes the satisfaction of customers and bank employees on the part of managers.

Keywords: customer satisfaction; bank; Covid-19; Belarus.

Introduction

According to the conducted research, the satisfaction and motivation of employees directly affects customer satisfaction. In order to retain current customers and attract new ones, banks need to strive to achieve a high degree of employee satisfaction (Kurdi et al, 2020).

The aim of the research is to identify bank customer satisfaction during COVID-19 from manager side in Belarus.

Hypothesis of the research are:

- H0: Manager skills influence to customer satisfaction
- H1: Manager skills influence to employee motivation

During the research, 3 interviews were conducted with managers of Belarusian banks, besides analysis of documents of the National Bank and a graphical analysis was used.

According to the results of the conducted research, the author revealed that in the banking environment there is a relationship between customer satisfaction and satisfaction of bank employees. Therefore, in order to retain current and attract new customers bank management needs to take into account employee satisfaction and take measures to improve it.

Literature Review

According to the Cambridge dictionary, "customer satisfaction is a measure of how happy customers feel when they do business with a company" (Cambridge dictionary, 2020). Another author says that customer satisfaction is a means of evolution quality. If customer satisfaction is high, the company's profit will grow (Cengiz, 2010).

As for the definition of satisfaction, Chang says that "satisfaction referred to a consumer's judgment that a product or service feature, or the product or service itself, was providing a pleasurable level of consumption-related fulfillment, including levels of under- or over-fulfillment" (Chang et al., 2010).

In General, the areas that satisfied or dissatisfied customers divided into (Cengiz, 2010):

1. **Product and price.** The customer expect to receive a product or service provided that the quality of the service will correspond to its price that is, if the quality of the service is low, the price will also be low and vice versa.
2. **Distribution.** This concept means how a company distributes its products or services, if you take a bank as an example, i.e. presence of branches in different towns, the network of ATMs, distribution of information about services in places such as the street, shops, etc.
3. **Service.** This concept includes the speed of service, the number of products and services provided by the company, the behavior of the company in disputes as well as the competence, goodwill and awareness of employees in matters related to their immediate responsibilities and the activities of the company as a whole.
4. **Brand.** Brand satisfaction refers to the associations that a customer experiences when a name mention somewhere. If the customer is satisfied with the brand when mentioning it, the customer feels positive emotions, the customer wants to tell about their experience of working with this brand with their sign and in a situation where the customer is asked a question, for example, related to the activities of this company the customer can advise to seek help from this company or if it is a product sold, in a grocery store the customer will advise to purchase products distributed under this brand.

COVID-19 has changed the entire world system created over the years. The necessary self-isolation and uncertainty in the future have also affected people's mental health. Especially when employees work from home they do not have the opportunity to lead a habitual lifestyle, which affects the emotional state and disrupts work-life balance. These factors undoubtedly influenced the communication between the management and the employee (Bhandari & Sharma, 2021).

Also, the most important changes are related to employees who work directly with customers and cannot work from home. They face different customers on a daily basis, who may also be frightened by the situation and may behave aggressively (Voorhees et al, 2020).

According to a research conducted in 2020, during the pandemic, e-training, e-leadership, work-life balance and work motivation have a positive effect on improving the work of employees. In other words, the possibility of additional training and work-life balance have a positive effect on improving the quality of employees' work and increasing motivation to work in general (Wolor et al, 2020).

As for customer satisfaction during the pandemic, researches show that customer care in the form of temperature measurements at the entrance, the availability of sanitizers, social distance improve the brand image and therefore leads to an increase in customer satisfaction. Also, a record on a visit to a bank branch has a positive effect. This eliminates the need to wait in line and reduces the time spent by the customer in the bank (Baber, 2021).

Daily in a pandemic period, banks have to deal with customers who are not satisfied with the work of the bank and may be angry. In this case, banks need to pay special attention to the marketing mix, since the quality of customer service directly depends on the marketing mix and generally affects customer satisfaction. The bank needs to follow the principle: product, place, price, promotion, people, process and physical evidence (Rumiyati & Syafarudin, 2021):

1. **Product.** In the banking sector, special attention should be paid to the digital product in order to meet the current situation and give the customer the opportunity to reduce the number of visits to public places.
2. **Place.** Transfer the main work to an online environment and leave the opportunity to visit a bank branch in an emergency.
3. **Price.** Create a market price that can compete with other banks.
4. **Promotion.** Introduce privileges for regular customers, as well as attract new customers through advertising and discounts.
5. **People.** Create customer personalization.
6. **Process.** Establish internal banking processes so that customers receive their service as quickly as possible and they do not have to deal with technical issues and delays.
7. **Physical evidence:** Pay attention to communication with customers and how quickly the customer receives service.

For the banking sector, one of the priority points is customer satisfaction, since it depends on how competitive the bank will be and what the bank's profit will be. In the context of the COVID-19 pandemic, banks need to pay special attention to both customers and employees, because the current situation directly affects the mental and emotional state of people.

Methodology

The research used data collection methods: document analysis and interviews. Reports of the National Bank of the Republic of Belarus characterizing the stability of the functioning of banks and financial stability in 2020 used in the research.

The interview was taken from two employees of Alfa-Bank, who hold the positions of Product Manager and Manager of the Sales Department of banking services, as well as the Chief Specialist of the Customer Support Department of Belarusbank. Interviews were conducted on the Zoom online platform in December 2021 and January 2022.

Respondent's profile: a 38 - 45-year-old woman with 13 years of bank experience.

During the interview , the following questions were asked:

1. How the COVID-19 pandemic affected the bank's day-to-day operations?
2. What services did demand increase/decrease during the pandemic?
3. What changes have appeared in communication with customers?

4. Has the number of customer complaints changed, and if so, how does the bank react to this?
5. What does the bank do to motivate employees?
6. How does the bank assess customer satisfaction in general and what measures is it taking to improve it?

As data processing methods used graphic analysis and transcribing.

Results

As of October 1, 2021, there are 24 commercial banks in Belarus, which in turn are divided into 3 groups (see Fig.1):

– State is banks with a predominant share in the authorized capital of state bodies and legal entities based on state ownership;

– Foreign is banks with a predominant share in the authorized capital of foreign capital;

– Others is banks not included in groups 1 and 2.

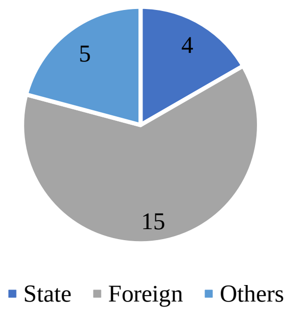

Fig. 1. Number of commercial banks in Belarus (Source: Author's collection on the based on Национальный Банк Республики Беларусь, 2021)

The COVID-19 pandemic has affected all spheres of life, including banking. As a result, bank customers began to use remote banking services more often. Thus, the largest bank in the country Belarusbank has an increase in online transactions. In May 2021, the number of transactions increased 1,3 times compared to May 2020 (Беларусбанк, 2021).

The same thing is observed in other banks. For example, in BelVEB Bank in 2020, the number of customers using the bank's online services increased by 10,3% (ОАО «Белвнешэкономбанк», 2021).

In addition, given the situation associated with the pandemic, banks have begun to offer the possibility of extending the repayment terms on loans as well as the possibility of obtaining a new loan that will not affect the current assessment of the borrower (Национальный Банк Республики Беларусь, 2021).

The National Bank has granted commercial banks the right to form a special reserve as a financial cushion to cover unforeseen expenses in foreign currency, which is expressed in

Belarusian rubles at the exchange rate of the National Bank as of March 1, 2020 (Национальный Банк Республики Беларусь, 2021).

According to the results of the interview, the pandemic had a direct impact on the work of banks both internally and externally. Namely, in daily work banks began to pay more attention to digital processes. Although the lockdown was not announced in the country banks still faced situations when some employees had to work from home. Also, customers began to give preference to online services. All such situations led to the fact that banks needed to make adjustments to already established processes in a short time.

As for communication with customers, according to the interviewees in both banks, the load on customer service centers has increased. In particular, customers have begun to prefer to communicate with a specialist through an online chat on the bank's website rather than a phone call. Alfa Bank managers also note that communication via messengers (Viber, Facebook and Telegram) is particularly popular.

In addition, the interviewees note that due to the rapid increase in the load on both customer service centers and the bank's online platforms there was an increase in complaints and negative feedback from customers.

To solve situations with complaints, banks use an individual approach. As a rule, when a complaint is received the bank has a certain time to consider the complaint and a customer service specialist contacts the customer in order to provide a solution and answer questions, if any.

Employees of bank branches also faced difficulties, this is due to the fact that in those towns where a high increase in morbidity was observed at the beginning of the pandemic the management of Alfa Bank decided to measure the temperature at the entrance to the branches, which caused dissatisfaction among some customers.

In general, according to the interviewees, the employees of the branches manage to solve negative situations on their own without any negative consequences for the customer and the bank. However, there are other situations, for example, in one of the branches of Belarusbank there was a case when one of the customers was not happy that another visitor had symptoms of a cold. This person expressed his emotions in a rather aggressive form and as a result of a long conversation the staff of this branche were forced to contact the police.

As for the motivation of employees working directly with customers at this difficult time, banks began to provide the possibility of partial remote work for those employees who do not need physical interaction with customers (customer service center). Since there are no government restrictions in Belarus on the number of people who can gather in one place, banks organize events for employees outside of working hours. The management also provides medical insurance and various bonuses in the form of free access to the gym, etc.

In turn, Alfa Bank has a salary bonus system for employees working with customers both in branches and in the support service. To motivate employees, the bonus accrual system was revised (this information is confidential and the author of the research will not be able to display more detailed information about the bonus accrual).

The interviewees also noted that the introduction of such similar incentives by the management positively affects the motivation and satisfaction of bank employees, especially the increase in salary.

As for customer satisfaction, according to the interviewees, banks periodically evaluate it by asking their customers to take part in a survey and if a customer starts using a new service for himself, then after a while (usually after 2-3 months) a bank employee can selectively call to get an opinion about this service or product.

In addition, Alfa Bank's Product Manager said that one of the most popular products of the bank is a debit card with cashback accrual for the purchase. And also enjoy the popularity of the card in cooperation with AliExpress and Booking.com .

As for Belarusbank, here one of the primary functions for the bank's customers is the ability to send money transfers via the Internet bank using the Western Union system. According to the Chief Specialist of the Customer Support Department, such a service is not provided by other banks and in general in Belarus there is a complex system for sending an international transfer involving a visit to a bank branch.

Conclusions

Summing up, the author of the research can conclude that not only external factors but also internal factors influence customer satisfaction. In a situation with a pandemic, external factors primarily include the epidemiological situation in the country and the reaction to it from society. Also, the author of the research can attribute to external factors the proposals of competitor banks and the state of the country's financial system. Internal factors include employee satisfaction with work, whether in the employee opinion the number of responsibilities coincides with the position and salary level, employee motivation - the employee's understanding of the importance of the work performed and whether the employee participates in improving the services provided to the customer.

According to the results of the interview, respondents agreed with the above factors, however not all respondents agree with some methods to increase employee motivation. Since no lockdown has been announced in Belarus. For example, Belarusbank is not ready to offer remote work to customer service center employee. As for customer satisfaction, all respondents agreed that it is necessary to continuously improve the products and services of banks, including in cooperation with other non-banking companies.

The management of banks needs to pay attention to the satisfaction of their employees and take actions to increase it. As a result, when finding a balance between creating or improving products for customers and supporting employees, banks will be able to achieve a high level of customer satisfaction.

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Jothish Chandran Subha. AN ASSESSMENT OF CORPORATE SOCIAL RESPONSIBILITY AND ITS IMPACT ON CUSTOMER PURCHASE INTENTION IN INFORMATION TECHNOLOGY INDUSTRY IN SOUTHERN INDIA

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Abstract

Research relevance: In recent years, academic scholars and business practitioners have shifted their attention to the topic of corporate social responsibility (CSR). Customer perceptions on CSR and the impact of CSR action on consumer responses have been examined more thoroughly globally than in India. The purpose of this study is to first address the fundamental issue of whether consumers in India are aware of CSR as a concept and to investigate the significance of its many dimensions in their eyes. The study's last section investigates the influence of CSR activity on consumers' responses to brand attitude, perceived product quality, and purchase intention under quasi-experimental settings of high cause affinity and high CSR fit. Finally, under the same quasi-experimental settings, it seeks to investigate the link, if any, between CSR perceptions and customer reactions in terms of brand attitude, perceived product quality, and purchase intention.

Research goal: To identify the impact of Corporate social responsibility on customer purchase intention in IT industry in Southern India.

Research methods:

- The study relies on primary data gathered from an online survey conducted in six major cities in Southern India, with a structured questionnaire addressing responses and demographic criteria.
- The study focuses on the IT industry, which is the fourth biggest in the Indian economy and is made up of both global and Indian enterprises.
- Data processing methods include various mathematical analyses, factor analysis, descriptive statistical analysis, and correlation and regression analysis.

Main findings:

- The data show that Indian customers, regardless of gender, are well aware of CSR, particularly among older, more educated, and richer consumers.
- The concept of CSR of knowledgeable customers differs significantly from that of naïve consumers in important ways.
- According to the findings of the study, customers respond positively to CSR in terms of brand attitude, perceived product quality, and purchase intention.

Keywords: corporate social responsibility; purchase intention; customer perceptions; consumers; information technology.

Introduction

Globalization merged the entire world economy into a single entity and matured into an economic model for the world's nations. As a result of globalization and innovation, tremendous changes have happened in both the character and structure of the market. Stakeholders on the side of the economy, namely commercial organizations, and participants on the consumer end, namely customers or purchasers, have also witnessed major shifts in their market expectations. Market players are now pursuing numerous agendas as a result of these shifts. It means that, in addition to the regular aims of profit maximization by corporate organizations and the maximum possible functional value by customers, both market players' actions would have an influence on as well as provide for a shared sense of purpose either in an active or passive manner. On the consumer end, reasons affecting purchase decisions have progressed from only purchasing for the ultimate aim of consuming and materialist enhancement to one's standard of living, to purchasing choices that would contribute significantly to societal good. Aptitude for a good or service may also indicate preference for the firm that makes it (Deangelo, 2001).

There is a corpus of scientific investigations proving how corporate business CSR initiatives influence company appraisal and inclination to pay higher prices. Consumers base their choice for a firm on factors other than its market status, such as the moral and social practices it employs in the process of conducting business. Nevertheless, the order of priority and amount of influence of socially responsible factor on corporate conduct and customer decisions are not obvious enough to make generalizations about them. This is due to the tension between social and economic decisions. People confront the issue of morals vs necessities, whereas businesses face the dilemma of supporting community happiness through charity, social attitudes, and so on, against corporate profit (Deangelo, 2006).

Throughout history, mainstream discourse has paid attention to the duties and responsibilities of stakeholders and business companies to community in addition to the-aim of profit. It shot to fame in public debate following World War II, particularly in the 1950s and 1960s Nowadays, business groups have formed their own associations that portray their social responsibility configurations, such as 'Business for social responsibility (BSRB)', 'Council of Fair Business Practices (CFBP),' 'Advertising Standards of India (ASOI),' and so on Although there are competing terminologies, the phrase "Corporate Social Responsibility (CSR)" stands out as a powerful one (James, 2007).

When one looks at the progression of the CSR occurrence, one can see four distinct phases: the individual and company director of the company comprehension of corporate social responsibility, the emphasis on social effectiveness in the 1970s, the ethical authority focus of the 1980s which reached maturity into company's strategic responsibility for the purpose of gaining a competitive edge in the market, and the four dimensional viewpoint in Carroll's definition that held. Nevertheless, since the mid-1990s, firms have been confronted with important stakeholders and a much more knowledgeable public. Therefore the term CSR is regarded as inadequate in clarifying the social responsibility of company though since, first, it serves as an overarching concept for business ethics, second, CSR as a strategy is subject to feedback, particularly for disseminating misinformation of profit as well as market growth, and third, CSR has diversified into mealy fields of study. As a result, the phrase 'corporate integrity' has been offered as a mole relevant and comprehensive name for a phenomena comprising of ethical problems and integration efforts. According to the Oxford Dictionary, "integrity" refers to the attribute of becoming fair and honest, as well as a condition of being entire and united (Amokao, 2017).

The aim of the study is to identify the impact of corporate social responsibility on customer purchase intention in IT industry in Southern India.

Literature Review

With the new CSR regulation incorporated in the Companies Statute 2013 and outlined in Section 135 of Schedule VII of the economic act, a fifth phase may have begun in 2013. As a result, the practice of CSR in India and developed countries has followed divergent growth paths (Carol, 2009).

According to several writers, both past and present, the push to spend in CSR in developed markets is mostly based on strategic harmonization with business, in other words they pursued the path of strategic CSR to acquire favorable customer views. Furthermore, consumer boycotts and increased activity against corporations had a role in the Western world but not in India. Furthermore, In India, the years of mixed economy propelled PSUs to the vanguard of CSR activity. After CSR became required for government-owned PSUs in 2010, it was only a matter of time until the next phase of mandatory CSR in India began in the fiscal year 2013-2014. The goal of this study was to provide a path to strategic CSR for firms operating in India, even during the required CSR period (Chi, 2010).

To address these inconsistencies in the CSR pyramid, Schwartz and Carroll offer a three sector approach comprised of three core categories of CSR, notably financial, regulatory, and moral, with the philanthropic class of operations shown in ethical category here. Another enhancement is the use of a three-circled interconnecting Network diagram to express these categories. This contributes to the formation of two groups of distinct and overlapping categories. As a result, there are seven types of CSR classes; nearly double the quantity of the four categories pyramidal model, but instead of building a voltage divider structure, the network diagram technique gives equal weight to all seven classes (Creel, 2012). Table 1 depicts the seven groups that emerged from the three aspects.

Table 1 Three domain approach of corporate social responsibility (Source: Author's work)

No.	Category	Core idea
1	Economic	Produce a direct or indirect economic advantage
2	Legal	The legal system requires it.
3	Ethical	Based on at least one moral principle, with no immediate or indirect economic or legal consequences.
4	Economic-legal	Beyond egotistic imperatives by being both ethical and economic.
5	Economic-ethical	Concern for the obligations imposed by the legal system, as well as economic benefit
6	Legal-Ethical	Legally mandated, yet founded on at least one moral concept.
7	Economic-Legal-Ethical	Commercial benefit, at least one moral value, and adherence to the legal system

Table 1 illustrates the three domain approach of corporate social responsibility. As follows the Table 1 the author shown below Fig.1 which explains the network diagram illustrating above classes called three domain approaches.

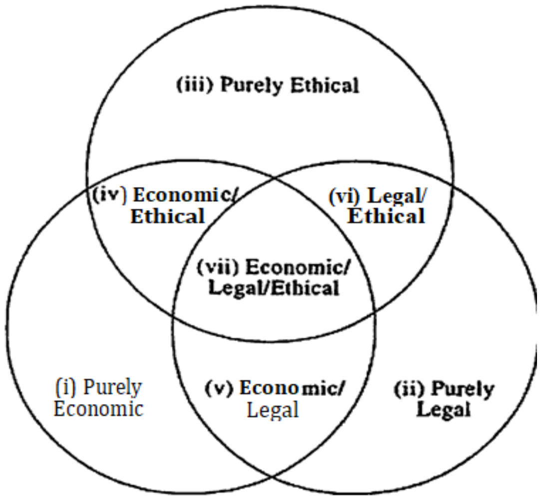

Fig.1. Three domain approach (Source: (Carol, 2009))

Fig.1 shows the three domain approach towards corporate social responsibility. This approach may not give conclusive answers to numerous CSR disputes. Nevertheless, it helps to start interacting with the primary components of the CSR conversation. This model, in addition to providing a classification framework, is situated in the concept generation stage of CSR research in a robust manner since it is feasible to characterize various CSR actions independently or in a compound manner as a collection of specific associated factors. It also aids in bringing to light any specific topic while observing any firm's numerous socially conscious efforts (Chirimbuve, 2015).

There are two significant errors. First, the purely moral, purely economic, and purely legal sectors are impractical, and the concept goes back into the very same inaccurate different divisions proposed by the CSR pyramid in this regard. Second, ethics is highly relative rather than absolute, and it is heavily influenced by cultural circumstances as well as unwritten rules of individual civilizations or social groupings within a marketplace. As a result, the overlapping elements have greater theoretically and empirically promise than pure classifications. Nonetheless, the three domain model is a pretty appropriate framework for defining and organizing various aspects of CSR (Creyer, 2007).

The CSR DNA 2.0 framework is the next model that has accelerated the transition from CSR to Corporate Citizenship. The CSR DNA 2.0 model revealed four components of CSR, similar to the four constituents of DNA. Similarly to how DNA's four parts govern the progress and functioning of any biological form, the four CSR sections do so for the commercial organization. This paradigm includes four CSR segments: value generation, administrative structure, social obligation, and ecological harmony. Using an interaction between economics and morals, the four parts address concerns such as financial return, doing business in an inclusive way so that people trust its legitimacy, getting the greatest benefit for the greatest number, and accounting for it. Like the DNA strand, a business method can address these four sections entirely based on their criticality and join the strands consciously. For instance, it can mix economic benefit with openness based on an enterprise's own business strategy, which it would pick while keeping market situation in mind (Chaterjee, 2003).

When investigating the aforementioned two models, the common notion of employing each of its elements alone while also picking for combinations of various CSR elements is sufficient to allow firms to choose certain types of social responsibility approaches based on appropriate market circumstances. While this leveraging advantage may be highly beneficial to enterprises since it broadens their selection matrix of social responsibility aspects and enables for innovative combinations of these components, it suffers from a deep seated issue regardless of the strategy selected by an organization. Moreover, For example, a company's policy of not employing underage minors in its factories may be both ethically and legally required. Meanwhile, market competition and the desire to reduce costs might compel businesses to employ underage children in manufacturing. In such a case, a corporation will refrain from such a conduct more because law prohibits it than because it is ethically questionable and cruel. In this scenario, according to the law entails adhering to the principles of corrective justice, i.e. not taking what legitimately belongs to another, which in this case involves the rights of children. As it is, money gain is a must, whereas moral worth of socially conscious company action is a goal (Bryman & Bell, 2011). A requirement must be completed at any cost, but a desire must be achieved entirely on one's own or by external impetus. So, if a significant economic advantage is required, its delivery will be pre-empted and asserted without limitation. Furthermore, if adherence to moral norms in corporate social conduct is a wish, it will be realized merely via a feeling of good purpose, an act of contempt, or when pushed by external compulsion. Corporate will make the choice to be ethical when it thinks like it, when it is profitable, or when it is coerced by the state and the law, since on all other reasons it is not necessary the basic guideline of the company's infrastructure. This critique of the notion of corporate citizenship stems from the inherent characteristics of the two major models that paved the way for a transition from CSR to responsible business practices (Collins & Davis, 2003).

When the aforementioned models of social duty of company, CSR Pyramid, Three Domain Approaches, and CSR DNA 2.0, are thoroughly examined, they appear to be models that essentially classify diverse societal duties of firms. Even if the former two models offer the potential for interconnected parts of such duties, they also have pure components that are distinct from one another. So, in a sense, all three models are based on Carroll's CSR Pyramidal arrangement. This approach, together with different definitions and its practical impacts, necessitates discussion of issues of corporate social responsibility. It is about the fundamental corporate ethic of social responsibility. The fundamental debate would be whether CSR is a moral responsibility or a choice venture. This discrepancy is significant because in the first scenario, one Carl may tie companies to their social commitments regardless of their profitability, but in the second case, it cannot. To rephrase the issue, is CSR related with the company's ethical or social responsibilities? It entails drawing comprehensible distinctions between law, morality, and discretionary acts, and determining what form of understanding of the concept will fit the liberal ethical paradigm. Traditionally, company duties have been divided into three categories: economic, legal, and social. Archie B Carroll elaborated on this by developing four-category taxonomy of corporate responsibilities: economic, legal, ethical, and subjective (Lindley, 2009).

Methodology

Research methodology refers to the process stage which explains how the research was conducted. This research study follows a specific way of study.

Aim of the research. The aim of the study is to identify the impact of corporate social responsibility on customer purchase intention in IT industry in Southern India.

Area of study. The study was conducted on the IT industry in India, one of the protuberant states and federal states in India. The research purpose is to identify the impact of corporate social responsibility on customer purchase intention in IT industry in Southern India.

The sample sizes. This research has covered a total number of 25 respondents and this sample of 25 respondents was taken anticipating covering the research as planned. Among these IT employees, IT top level management employees were participated.

Table 2: Demographic information of respondents (Source: field data)

Item	Contents	No: of samples	Percentage
Gender	Male	16	64%
	Female	9	36%
Age	23-28	19	76%
	29 and above	6	24%
Job position	IT employees	23	92%
	IT top level management	2	8%

Secondary Data. The main purpose of this study is to identify the impact of corporate social responsibility on customer purchase intention in IT industry in Southern India. The research approach for this study consists of an analysis of the research literature.

Primary Data. Primary data of 25 respondents were collected by questionnaire by using convenient sampling methods.

Data collection method and scale validation. Answers from respondents to all questionnaire items were given on a five-point Likert scale in which 1 “Strongly agree” and 5 “Strongly disagree”. Since India has multi-languages English is considered as one of the main languages, therefore the questionnaires were administered in the English language. This study consists of a random sampling procedure that was affianced by an aspect of the type of sectors as strata. Since India is a big market for any products and services, this research study is highly significant.

Result

Demographic Results

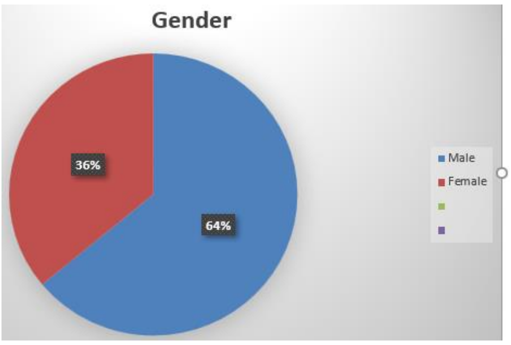

Fig.2. Gender of demographic results. (Source: Author‘s data)

Reliability analysis. The items are questions that were asked in the survey To check the reliability analysis this research paper has used ten constraints from the survey question. The main constraints are, awareness about corporate social responsibility, favor companies organizing corporate social responsibility, I favor companies donating for charity, I favor products with made in corporate responsible manner, I favor to pay extra price for goods and products made with corporate responsible manner, I think twice before buying products which made without socially responsible, I favor for products with usefulness, My willingness to buy according to products social responsibility features in the near future is very highly intend to buy according to products social responsibility features in the near future.

Table 3. Reliability analysis of factors affecting corporate social responsibility constraints. (Source: Author's data)

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.786	.789	6

To check the internal consistency of the variables, Cronbach's alpha was used. This study was 0.786, which is greater than standard 0.700 and thus, indicating appropriate reliability.

KMO and Bartlett's test. Between the data and measurement of the suitability of the data- To check the inter-correlation of onstraints KMO test has been done.

Table 4: KMO and Bartlett's Test (Source: field data)

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.791
Bartlett's Test of Sphericity	Approx. Chi-Square	193.371
	df	15
	Sig.	.000

The value of KMO in this study is 0.791 which is more than the prescribed value which indicating further analysis can be done. This is highly significant and the degree of freedom is 15. Thus this survey result is applicable to do factor analysis.

Factor Analysis. The required factors have been created through factor analysis has done in SPSS software. The result of the total variance is explained given below and the factors have been analyzed through the rotation factor matrix.

Table 5: Total Variance Explained, (Source: field data)

Component	Initial Eigenvalue			Extraction sum of squared loadings			Rotation Sums of Squared Loadings		
	Total	% of variance	Cumulative %	Total	% of variance	Cumulative %	Total	% of variance	Cumulative %
1	6.070	28.903	28.903	6.070	28.903	28.903	5.425	25.835	25.835
2	2.748	13.088	41.991	2.748	13.088	41.991	2.310	10.998	36.833
3	1.744	8.303	50.294	1.744	8.303	50.294	2.157	10.271	47.105
4	1.467	6.988	57.283	1.467	6.988	57.283	2.137	10.178	57.283
5	1.241	5.910	63.193						
6	.988	4.706	67.898						

Thus, four factors have been created from ten constraints used in the survey and four factors analyzed through rotation factor matrix. Table 10 is significant because it explains the relationship between the question or component with any factor. The rotated component matrix, occasionally mentioned as the loadings, is the key output of principal components analysis. It comprises estimations of the correlations between each of the variables and the estimated components There are four factors loaded with components. According to this factor, factor 2 is economic factor components are strongly related, factor 4 is language factor , factor 3 is the ease of legal factor, factor 1 is the ethical factor. Factors have critical loadings from more than one item it is necessary to analyze the rotated component matrix in multiple items. Thus, four factors have been created through the rotation factor matrix.

Table 6: Loaded factors. (Source: Author‘s collection)

Loaded constraint factors	Factors
Q1, Q2, Q3, Q4	Ethical factor
Q5, Q6	Legal factor
Q7, Q8	Language factor
Q9, Q10	Economic factor

Conclusion

This study has important implications for Indian business executives who often associate CSR with charity. Many firms in India continue to engage in "cheque-book philanthropy," believing that doing so fulfills their CSR mandate. According to the findings of this study, the fundamental obligation of corporations, from the standpoint of consumers, is to respect laws and regulations, followed by being ethical. Corporate generosity, particularly CSR's nation-building ambition, is not a sufficient alternative for being law-abiding and ethical. The findings indicate that consumers, as stakeholders, place a high value on the nation-building goal of CSR, which is consistent with the position of another significant stakeholder, the government. This research contributes to the pyramid model of CSR in diverse markets. The concept has been proven to be appropriate to Indian customers, who can discern between the four aspects of responsibility: economic, legal, ethical, and philanthropic. when a company's economic duties are viewed as secondary to its legal, ethical, and charitable responsibilities This suggests that enterprises in India wanting positive outcomes in terms of customer attitudes and behaviors must first perceive themselves as conducting business while also giving back to society.

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Mahesh Nayyar. FACTORS IMPACTING THE SUCCESS OF DIGITALIZATION IN ORGANIZATIONS

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Abstract

Research relevance: The digital organization has arrived and workplaces today are characterized by increased digitization. With the increasing digitalization of the time, organizations are faced with the challenge of finding new ones and more efficient ways for employees to collaborate through digital tools. Digital tools have transformed work organization. Employees can quickly access information, collaborate with colleagues in other geographical locations and perform tasks at a lower cost (Colbert, Yee and George, 2016). Despite the development of a digital organization possibly can mean a big change, virtual collaboration contributes to more employees involved in project work. The digital organization becomes a place for work, communication, creativity, information sharing and task automation (Hicks, 2018).

Research goal: To study how the implementation of digital tools is carried out at the workplace and how the perspective of responsible for the implementation of new digital tools differs from the perspective of those future users.

Research methods: Literature review, theoretial study.

Main findings: The improvement in process efficiency, and the possibility of creating digital products and services, improve competitiveness and can generate revenue.

Keywords: digitalization, employees, innovation,

Introduction

The digital organization has arrived and workplaces today are characterized by increased digitization. With the increasing digitalization of the time, organizations are faced with the challenge of finding new ones and more efficient ways for employees to collaborate through digital tools.

The implementation of digital tools has changed the way work looks in a workplace and therefore, it will be important to study how the implementation is carried out and how the perspective of responsible for the implementation of new digital tools differs from the perspective of those future users. Employees can quickly access information, collaborate with colleagues in other geographical locations and perform tasks at a lower cost (Colbert, Yee and George, 2016). Despite the development of a digital organization possibly can mean a big change, virtual collaboration contributes to more employees involved in project work. The digital organization becomes a place for work, communication, creativity, information sharing and task automation (Hicks, 2018).

Hicks (2018) believes that employers have, in response to the digital development of the workplace, worked to adapt its organizations to the increased geographical mobility, which in in turn, social and multicultural assets increase in the workplace. He also means that organizations will need to adapt to a future with more people working from different geographical locations. Therefore, it becomes important to offer functional and compatible digital tools for employees. Employees today and in the future will need digital tools that enable improved communication, collaboration and resource sharing (ibid.).

Organizations will thus need to place a greater focus on digital tools, as they can eliminate the problems that may exist when employees are in different geographical areas places. Without well-functioning digital tools, it is common for employees to feel frustrated when they have to search in several places for the information they need. Through multifunctional digital tools, it is possible to connect people, technology, processes and information in the same place, leading to happier leaders and employees (ibid.).

Literature Review

Domains of Digitalization

For Rogers (2016), companies established before the Internet need to have the perception that its strategic plans must be reviewed, considering that the technologies are redefining old concepts and practices, thus altering the way they should operate to achieve success.

According to Rogers (2016), there are five domains associated with digitalization: customers, competition, data, innovation and value detailed below (see Fig.1).

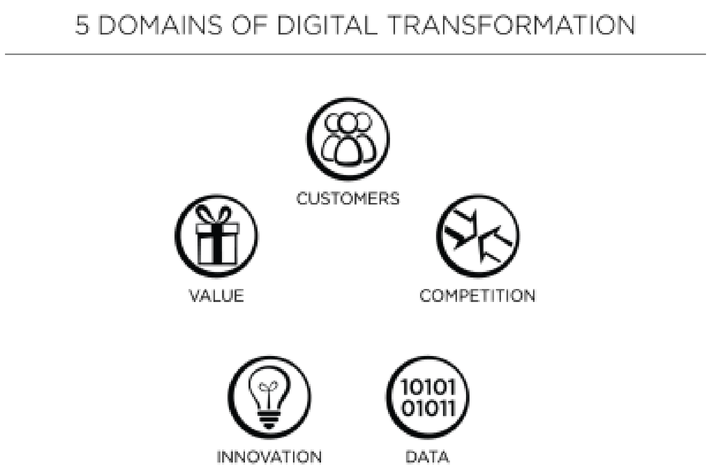

Fig.1. Domains of digitalization (Rogers, 2016)

Customers. It is the main space of digitalization. The focal point of this space is to look for sorts of explicit customers for the organization's items. In the conventional view, customers have a powerful relationship with the business. Be that as it may, in the digital age, the connection between the customer and the business is steady, long haul and in view of trade and criticism. The digitalization permitted another type of relationship, including organization, market and predominantly, customer with the organization's item. Customers are the main area to be thought about and, obviously, the best accomplice an organization can have. Rogers (2016) states that developments in the customer space can be summed up in six regions.

1. Dynamic networks - Customers are not just the target for making sales, in the digital they are a network to expand the market.
2. Two-way Communications – It is no longer one-way as it was in the traditional market. Communication with customers in the digital age is two-way.
3. Customers as influencers – In the digital environment, customers are the influencers, instead of companies.
4. Inspiring Marketing - The figure of marketing that induces the customer to buy, common in the traditional market, no longer works. In the digital age, marketing inspires customers to buy, to be loyal and, mainly, to spread the brand.
5. Reciprocal Value – Getting value is now reciprocal.
6. Customer Value-Centred Economies - Moving to a Value-Based Economy customer rather than company value.

Competition. This area tends to how an organization can contend and help out others. in vision conventional, organizations rival others in a similar region. In the digital age, rivalry is extended to all organizations, as anybody can turn into an expected competitor of other. It additionally alludes to the idea of globalization, as ICT permits arriving at world. As per Rogers (2016), there are six aspects to this area.

1. Cross competition.
2. Strategy to define clear relationships between the company and partners/rivals.
3. Break in competition with all competitors; partners are sought.
4. Concentration on the search for assets outside the market, seeking relationship networks.
5. Shift from focus on exclusive products to concentration on platforms and obtaining value for everyone involved.
6. Elimination of focus on dominant competitors; focus on those who can influence the company's customer network.

Data. This domain refers to the ways in which information is produced. In the form Traditionally, information is produced in a planned way, with queries in databases. However, in the digital age, all company processes have data collection methods. information. According to Rogers (2016), there are five main dimensions associated with this domain.

1. Continuous collection of data everywhere, instead of a complex and expensive process of collect.
2. Focus on the challenge of using data rather than storing it.
3. Focus only on structured data.
4. Focus on operational data only.
5. Concentration on obtaining tools for process optimization.

Innovation. This domain refers to ideas that lead to the creation of products and services. Overall, the companies tend to innovate by launching only one product on the market. If the services come to fail, the damage is great.

Digital technologies allow testing products and services, as costs and difficulties are lower than before, which allowed new approaches. With these news approaches, the development of a product/service is no longer a linear process, becoming an iterative learning process. According to Rogers (2016), there are six dimensions in the field of innovation.

1. Test-based decision making.
2. Testing ideas is cheap and quick.
3. Ongoing experiments by all, instead of focusing on experts.
4. Focus on finding the right solutions to the right problems.
5. Mentality that failure is a form of learning.
6. Product/service launch in order to improve it iteratively, not waiting for the product/service to be complete to be available in the market.

Value. It refers to the value proposition that the business offers to its customers. in a vision traditional, the value proposition is constant and defined by the company. It means updates and product/service improvements do not affect their value. Therefore, the value proposition does not suffer changes over time.

However, in the digital age, keeping the value proposition unchanged is complex, as new technologies and competitors force the company to review its business, with the launch of disruptive products/services. Transformations forced by new technologies can alter the value proposition that companies can offer their customers. With that, companies should be concerned with its constant evolution. Rogers (2016) structured the value domain in five dimensions:

1. Change the value proposition to meet customer needs.
2. Discover the customer's value proposition instead of having a defined one.
3. Frequently update and evaluate the business model.
4. Assess changes in future scenarios, looking for potential opportunities.
5. Focus on marketing.

Schallmo (2018) developed a roadmap for the digitalization of business models. business, explained below:

– Digital reality: At this stage, the company's existing business model is designed together with an added value analysis, considering the stakeholders and the customers' need. This provides a greater understanding of the digital reality of different areas and sectors.

– Digital ambition: Based on digital reality, here the goals of digitalization are defined. These goals are related to time, finances and quality. After definition, objectives are prioritized.

– Digital potential: Here the best practices and their applicability for the transformation digital are studied. This serves as a starting point for the design of a future model. business concept.

– Digital tuning: The digital tuning phase analyses options for designing the business model digital platform, comparing its suitability with the existing business model.

This ensures that customer requirements are met and business objectives are achieved.

- Digital Implementation: It is the finalization and implementation of the digital business model. The Digital deployment also includes the dimensions of the digital customer experience, the network of digital value creation and integration with partners. At this stage resources are identified.

Basic Dimensions of Key Success Factors for Digitalization

For Rockart (1979), the key success factors are areas of the organization where the results are satisfactory, the more chances the company has in terms of competitiveness. They are important areas, where the productivity of these areas has a direct impact on the success of the organization. However, what would be the variables for the success of a digitalization implementation?

The companies involved in the digitalization project must employ the most adequate and adapted to the digitalization process. To this end, the correct use of time and the rapid capacity of responses to change are essential.

Having as reference the dimensions of the authors Li et al. (2016), will be described four dimensions as a basis for obtaining the key success factors for the digitalization implementation: people, processes, technology and culture.

People. Kane et al. (2015) state that the real challenge for digitalization in companies is the people, mainly because of the different reactions that people and organizations have in regarding technological advances. This context refers to the difference between the speed of change in technology and the speed with which people absorb them.

Eden et al. (2019) state that digitalization fundamentally involves evaluating, analysing and rethink services, processes and roles in a digital perspective, supported by partnerships external resources, as well as the support of a trained and adaptable team.

For Wittman (2014), the organization must have self-complementary teams, allowing that teams organize themselves at each delivery cycle, defining the assignments of each participant, as well as sharing responsibility for the quality of deliveries and the performance of the team as a whole.

Processes. For Sia et al. (2016), it is important that companies have adequate processes to support digitalization projects. Thus, contracting services, prioritizing investments, security and proofs of concepts with new digital technologies must be suitable for the creation of a path that supports the digitalization process, in addition to avoiding the use of resources used by the traditional areas of the organization, responsible for the daily operation.

Technologies. Schwertner (2017) states that new technologies are impacting organizations, as well as in the areas of human activity. But in digitalization it is not enough to use these technologies, requiring a clear view of the risks involved and where you want to go. According to Westerman (2019), technology can destroy value when incorrectly used. Poorly designed business processes and costly legacy systems can represent a barrier to digitalization. To achieve a successful digitalization, the author states that organizations should focus on replacing legacy systems and technologies. Although whether this is a process that requires investments and time, both Sia et al. (2016) and Westerman (2019) point out that it is worth the investment to replace them.

Culture. According to Kane et al. (2017), culture is important in almost all discussions related to digitalization. In their studies, they claim that an inflexible culture or one lacking in Agility can become one of the biggest problems in digitalization processes.

For Burke & Litwin (1992), culture describes a set of values and norms that support a social system. These base supports organization members when assigning values to internal and external factors, which are part of the organization's daily routine.

Johnson (2010) states that ideas are formed as discussions and ramblings, becoming located somewhere in the brain. At some point these ideas blossom, and that happens with daily learning and reflection.

In this case, if the company provides this type of environment, it creates advantages for its employees create important products for the company with their ideals. However, companies can discourage employees when they have a hostile to possible failures, and no one is likely to want to take risks with the innovation, putting your career or job at stake.

Another important point is the autonomy given to employees to develop their own projects. The company necessarily needs to create a risk-tolerant culture, obtaining a network of sponsors that stimulate innovation.

Methodology

This work adopts a methodological approach of a theoretical-exploratory nature, used in areas where there is little formulated knowledge, being appropriate for obtaining information and to elaborate new approaches on a certain phenomenon.

Conclusions

Today, organizations understand the usefulness of technology and why they need to achieve digitization through the adoption of digital technologies in your business. The improvement in process efficiency, and the possibility of creating digital products and services, improve competitiveness and can generate revenue.

With the wide use of digital media, customers are informed and connected, which increases transparency in the relationship with the organization. This allows customers to evaluate the companies' products and services more easily, generating expectations on both sides if the organization is not involved in the digitization process, Kavadias et al. (2016) propose to evaluate all areas and organizational processes impacted by digitization. That evaluation can be carried out empirically through questionnaires and interviews with the managers of the areas, aiming to compare the organization’s capabilities with the competitors of its industry.

The study shows that customer centricity is critical for organizations that intend to go through the digitization process, according to Westerman et al. (2011), as well as the digital technology allows for the feasibility of the digitization process and innovation. to innovate digitally, digital technologies need to be used in the organizational context, as indicated by Berman et al. (2016) and Kavadias et al. (2016).

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