A STUDY ON DIGITAL TRANSFORMATION OF RETAIL STORES IN TIRUNELVELI DISTRICT

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Abstract: Digital marketing extends beyond internet marketing including channels that do not require the use of Internet. It includes mobile phones (both SMS and MMS), social media marketing, display advertising, search engine marketing and many other forms of digital media. Digital marketing embodies an extensive selection of service, product and brand marketing tactics which mainly use Internet as a core promotional medium in addition to mobile and traditional TV and radio.

IndexTerms-Digital marketing.

I. INTRODUCTION

India has joined other countries in the digital payment revolution a lot faster than the past where we often lagged behind in adopting technology, especially in the financial sector. This is set to have a transformative impact on our country, especially as digital payments spread into rural areas. Statistics show that in 2012, 86.6 percent of payments in India were cash payments, and between 2012 and 2013, India had more than 7600 core pieces of current floating in the economy. Worldwide there is a tremendous interest among policymakers to explore the possibility of moving towards a cashless economy.

Digitalization of transactions is the best way to move towards cashless economy. Rural areas are home to two thirds of the country’s population of some 870 million people where much of the challenge lies in achieving cashless transactions for the rest of the decade. It is estimated that rural users will constitute almost half of all Internet users in 2020. Number of connected rural consumers is expected to increase from 120 million in 2015 to almost 315 in 2020. Over 93% of people in rural India have not done any digital transactions. So, the real problem lies there. The government has taken steps including announcing zero balance accounts for people, but growth of Bank branches has been low.

Digital marketing is one type of marketing being widely used to promote products or services and to reach consumers using digital channels. Digital marketing extends beyond internet marketing including channels that do not require the use of Internet. It includes mobile phones (both SMS and MMS), social media marketing, display advertising, search engine marketing and many other forms of digital media. Digital marketing embodies an extensive selection of service, product and brand marketing tactics which mainly use Internet as a core promotional medium in addition to mobile and traditional TV and radio. Canon iMage Gateway helps consumers share their digital photos with friends online. L’Oréal’s brand Lancôme uses email newsletters to keep in touch with customers and hence tries to strengthen customer brand loyalty (Merisavo et al., 2004). Magazine publishers can activate and drive their customers into Internet with e-mails and SMS messages to improve re-subscription rate (Merisavo et al., 2004).

II STATEMENT OF THE PROBLEM

Customers are changing the rules of doing business and retailers must adapt accordingly. Retailers, therefore, need to meet shifting customer demands both on-line and in the physical stores through the introduction of relevant innovative solutions, and the integration of on-line and off-line shopping experiences. They need to maximize share gain, keep customers happy, and at the same time look to get a greater share of wallet. The customer experience must, however, remain in the forefront for every retailer as customer expectations grow each year and, more crucially, the customer experience may also hold the key to maintaining the competitive advantage derived from a business model innovation.

As will be argued later, the increasing penetration of the Internet and rising adoption of mobile digital devices are global trends with consequential implications for retailers in each market and country. Retailers, therefore, are compelled to change their traditional business models. Retailers need new strategies, structures, processes and tools to deliver customer experiences across all channels. They are literally obliged to incorporate social and mobile channels into their strategies and prove the value of physical stores to maintain business in the face of on-line pure plays such as Amazon and eBay while being smart about it in terms of invested capital.

Many levers will have to be pulled to incentivize customers to visit physical stores and to shop more with the ultimate goal of retaining and acquiring more buyers. Getting up-to-speed on new technology might be an impediment. Taking an innovate approach and making investments for the future by leveraging retail heritage and current active customer base might be an advantage. Retailers can draw on gained “understanding” of customers who frequent physical stores to better serve customers on-line.
Ultimately, it is all about listening to ever-changing customers, being present where they are, translating their needs via technology, and fostering a seamless, vibrant and robust multi-channel experience.

2.1 SCOPE OF THE STUDY:
This study is mainly confined to identify the factors influencing for payment through digitalization and to analyze the perception of sample respondents towards the level of satisfaction about the payment through digitalization. The study area is confined to Tirunelveli district of Tamilnadu.

2.2 OBJECTIVES OF THE STUDY:
- To identify the factors influencing for payment through digitalization.
- To analyze the perception of sample respondents towards the level of satisfaction about the payment through digitalization.

2.3 HYPOTHESIS OF THE STUDY:
- There is no significant relationship between gender and cash back offer.
- There is no significant relationship between gender and payment of utility bills.
- There is no significant relationship between gender and availing discount coupons.
- There is no significant relationship between gender and reduction in payment cost.

2.4 LIMITATIONS OF THE STUDY:
- The study is limited to Tirunelveli district and therefore the finding cannot be extended to other areas.
- Because of time and cost constraints we are selecting only 60 respondents.
- The respondents do not have any recorded information. Hence the response of the respondents may be subjected to personal bias.

III ANALYSIS

Test of independence between Gender and Positive impact of digital payment

Ho: There is no significant relationship between Gender and Cash back offer.
H1: There is significant relationship between Gender and cash back offer.

Comparison between gender and Level of satisfaction about the cash back offer

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Table value: 9.49

Hence the calculated value is less than the table value, the hypothesis is accepted. So there is no significant relationship between Gender and cash back offer.

Comparison between gender and Level of satisfaction about the Payment of utility bills

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Comparison between gender and Level of satisfaction about the Availing discount coupons

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Comparison between gender and time saving digital transformation to retail stores

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Comparison Between Gender and Expenses Control

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Comparison Between Gender and Low Commission

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Payment Through Digitalization

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According to Garrett’s ranking results, the foremost reason cited by the sample respondents, is convenient. The second rank is given to the safety. Quick payment is the last reason cited by the sample respondents.

### IV FINDINGS:
- A maximum of 32 (53.33 percent) sample respondents are female and the remaining 46.67 percent of the respondents are male category.
- Majority 50 percent of sample respondents are in the age group of 20-30 years followed by 28 percent are in the age group of 30-40 years. The numbers of sample respondents in the age group of above 40 years are only 9 percent.
- A maximum of 35 (58.33 percent) sample respondents are married.
- A maximum of 45 percent of the sample respondents are having graduate level education. Only 15 percent of the respondents have school level education.
- The important categories of occupational background of the respondents are private employee and government employee which constitute 46.67 percent and 33.33 percent of the 60 respondents.
- A maximum of 43.33 percent of the total respondents have a monthly income of less than 10,000 Rupees followed by 26.67 percent of the respondents with a monthly income of Rs. 10,000-25,000. The respondents who have a monthly income of above Rs. 70,000 constitute 15 percent.
- 100 percent of the respondents are having awareness about digital payment system.
- The foremost reason cited by the sample respondents is exam fees payment. The second rank is given to the supermarket. The usage of digital cards in cinema theatre is the last reason cited by the sample respondents.
- It has been observed that only 20 percent of the sample respondents are using their digital cards weekly and the remaining 80 percent of the respondents use monthly and frequently payment.
- A maximum of 39 (65 percent) sample respondents are using master card and visa card, while 15 (25 percent) are using Rupay card and 6 (10 percent) are using the maestro card.
- Majority of the respondents (58.33 percent) are satisfied with cash back offers.
- Majority of the respondents (51.67 percent) are satisfied with payment of utility bills.
- Majority of the respondents (45 percent) are no opinion with availing discount coupons.
- Majority of the respondents (28.33 percent) are satisfied with reduction in payment cost.
- Majority of the respondents (61.67 percent) are highly satisfied with time saving in digital transformation.
- Majority of the respondents (38.33 percent) are satisfied with expenses control in digital transformation system.
- Majority of the respondents (33.33 percent) are no opinion with low commission.
- Majority of the respondents (45 percent) are agreed payment through digitalization is reliability.
- Majority of the respondents (55 percent) are agreed payment through digitalization is scalability.
- Majority of the respondents (35 percent) are agreed payment through digitalization is anonymity.
- Majority of the respondents (30 percent) are agreed payment through digitalization is acceptability.
- Majority of the respondents (45 percent) are agreed payment through digitalization is customer base.
- Majority of the respondents (36.67 percent) are agreed payment through digitalization is flexibility.
- Majority of the respondents (41.67 percent) are agreed payment through digitalization is convertibility.
- Majority of the respondents (45 percent) are agreed payment through digitalization is efficiency.
- Majority of the respondents (48.33 percent) are strongly agreed payment through digitalization is easy to use.
- Majority of the respondents (35 percent) are strongly agreed payment through digitalization is helpful for reduced theft.
- According to Garrett’s ranking results, the foremost reason cited by the sample respondents, is convenient. The second rank is given to the safety. Quick payment is the last reason cited by the sample respondents.
V SUGGESTIONS:

- Consumers should be educated about the digital payment system procedure with proper steps to be followed while paying through digital.
- Transactions should be safe and proper security measures should be assured to the people making digital payment.
- Purchase should be done only on retail stores.
- Bank should provide safe and secure digital payment methods while paying through digital.
- It is suggested that offline and online marketing strategies be brought into alignment to prevent mixed messages and to promote the availability of the online forums for interaction. Offline advertising should be used to complement the online media. Adding “visit us on Facebook” and other such texts to promotional material will help to raise awareness.
- The social networking strategy should sufficiently flexible to allow it to adapt to new developments and to determine what works and what does not work.
- A dedicated social media co-ordinator is recommended to monitor the impact of any changes implemented. A dedicated co-ordinator would also allow for consistency in communication. At the very least a profession agency experienced in social media marketing should be consulted at from the earliest planning stages.
- The reviews and complaints raised by the customers on the SNS should be effectively managed and proper actions should be taken by the hotels management and the action taken should also be communicated to the customer.
- The promotional offers during season on should be displayed on the SNS on regular basis, so that large number of customers is captured.
- Customers should learn to adopt e-payments in all the transactions, for it would save enormous amount involved in handing cash, keeping it safe and visiting the bank branch every time for deposits and withdrawal.
- Many customer-friendly devices have come for making e-payments a pleasant experience. Hence it is essential that the customers keep updating their knowledge from bankers/service providers as to how to operate the same.
- While using cards, the customers should be careful to see that it is swiped only once in their presence, otherwise it may be photocopied and a duplicate card may be produced containing your card details, for which they may have to pay.
- It is very essential that the password and PIN be maintained with utmost confidentiality. No one except the owner of the card should have the access to the account through it.
- In case the card is lost, the customer should inform about the loss to the authority concerned without any delay. The phone numbers to be contacted should be learnt by heart.
- Issue Co-branded cards in compulsory spending segments such as grocery, footwear, stationery and education.
- Issue cards targeting a specific segment of the population such as women, youth, senior citizens, physically challenged persons etc.,
- To increase frequency of use special rewards/loyalty points may be designed. For example rewards may be linked to more than three swipes in a day or swipe during a particular time say between 7.00 p.m and 10 p.m.
- Offer special benefits / packages like accident insurance cover for more than ten swipes in a week or after it has been swiped at least once in the POS terminal.

VI CONCLUSION

The study started with the aim to analysis the different issues related to the digital marketing. Based on the discussion it has been found that in case of the digital marketing the most important aspect is to connect with the users. The ladder of engagement has shown the approaches to attach with the customers. The study has also revealed that in order to utilize the digital marketing in an effective way, the companies are required to design an effective platform. The current trends in the digital marketing have also been discussed in the study. It has shown that in the current context, it has become important to integrate all the systems with that of the digital platform. The transition of newspaper from the printed version to the online version has been exemplified the current trends of the digitalization.