

ROLE OF DIGITALIZATION IN BUSINESS WORLD & ITS IMPACT

Prof. Bhagav Sunilkumar Radiya*

ABSTRACT

Digitalization is found in every field. It includes various sector including business & Service sector. The concept of digitalization was started by the prime minister of India shree Narendra Modi on 1st July 2015. Digital technology allows users to make tasks faster and with more accuracy. Digital world marketplace continues to grow each and every year. Majority of educated people can make their business with the use of technology. Digital networking is developing fast too: Face book, Instagram, Twitter, Pinterest, and LinkedIn. Makes the world connected with each other. Every business wants to connect their activity with the business world with the help of technology. Digitalization allows the businessmen to connect with the customer at anywhere and they can make development in their business. Digitalization have positive impact on the business and customers are also having interest in purchasing of product through Amazon, Flip kart, Paytm mall etc. India is developing through the use of technological revolution even in small business we found business with the use of technology. Digital transformation in the business put customer at centre.

KEYWORDS: *Digitalization, Business Growth, Technological Advancement, Liberalization, Privatization.*

Introduction

The success of any economy depends on its business sector. In 1991, India made changes and adopt liberalization, Privatization and globalization to connect their business with other economy of the world. The word digitalization has a great impact over the business now a day's people will adopt technological advancement and connect their business globally. Small business also uses different technology and sells their product online. Customers are also using such facility and spent their finance to satisfy their need by purchasing products online. So the trend of business now changed from offline to online.

Review of Literature

Embracing Digital Technology: A New Strategic Imperative - It shows the effect of digitalization in business. A resource-based perspective on information technology capability and business performance: an empirical investigation made to know the performance of business through digitalization. The shape of digital transformation In Information Systems in a Changing Economy and Society, it gives information about how digital transformation changes the economy and society. It also focuses on changing lifestyle of society.

Objcetives of Study

The main objective of this study is to analyze the effect of digitalization on the business performance and how digitalization is useful in the economic development.

Research & Methodology

Research is a moment from known to unknown. The process to research requires lots of attention on doing the survey and obtaining the result. It is a careful investigation or inquiry about searching new facts in any branch or area. The main objective of this research is to find hidden truth. Research process starts with the defining problem or opportunity and ending with the preparation of research report.

* BBA, MBA, M.COM., NET (Qualified in Management & Commerce).

Data Collection Methods

There are two types of data which will be used for the study. It includes

- **Primary Data Collection**

It is the original fact or data collected by the researcher through observation, inquiry, Questionnaire etc. Usually primary data is more reliable and it is time consuming process.

- **Secondary Data Collection**

The data which is collected by others and if we are only using such data then it is called secondary data. In this research paper I have used secondary data for getting an idea about digitalization and its impact on business and its growth.

Pillars of Successful Digital Business

- **Market Insight**

The first pillar of successful digital business is market insight. Market insight discovers the truth. It combines technology and market and gives awareness of customers about global market. In past customers have no idea about digitalization so first stage is to aware the customer about digitalization. It generates growth for the business

- **Combined Leadership Team**

It is the second pillar of digital transformation of business. Now business will make team of leaders and engineers to satisfy the demand of customers. Better understanding among the team members will bring growth in the business.

- **Technological Platform**

Digital business includes one or more software's in which best technology will be used by the company which will suit to the need of the business. This technology enables the business to complete their goal within predetermined time period.

Role of Digitalization in Business Growth

Digitalizing your business model can give you a competitive advantage by doing things better, faster, and cheaper than your competitors Using Innovative digital solutions in your business world and a proper digitalization plan can help you to, improve quality and promote consistency in your business growth. More than 80% of the organization increases their online budget to improve their sales Revenue.

- **Useful for all Business**

Digital marketing gives equal chance to all kinds of business whether business is small or large. It is comparatively better method to make marketing of the product.32% of the business advertising their product through social media.

- **Cost Effective Technique**

Digitalization promises improvement in public services and it is also cost effective tool. New launches of the product or innovation in the business or product can be easily communicated to the society with the help of digitalization. Now a day's companies are having their own websites and communicating all their activities with the help of websites. They also give awareness through social media.

- **Easy Audience Reach**

It is the easy way to reach at the audience very quickly. Any company can directly contact the customer globally. Print media limits the company to reach at certain place and markets but digitalization makes it easy.

- **Helping Employees to be More Effective**

Employers are looking for different ways to create improvements in the business with digital technology playing an important role in helping employees to become more effective in their job responsibilities. Digital technology provides a valuable opportunity for main business functions, to move away from manual processes and automated process to transform their work and it also increases involvement of employees.

- **Helpful in Strategic Business Partnership**

Now a days the demand for innovative products by customers increasing day by day they require products which have latest technology and product innovation. So in this situation different business are combine together and makes different innovative products with the help of technology so partnership and outsourcing in the business can be easily possible with the help of digitalization.

- **Can Start with a Small Budget as Well**

The main problem to start business is financial matter therefore many businesses didn't promote themselves just because lack of finance facility But Digitalization gives you another advantage of promoting your business with a very small amount. Online marketing benefits small businesses on a large scale with a small investment. Businessmen can promote their business globally.

Examples of How Digital Transformation Impacted Business Performance

Digital Transformation is not only just transfer and update technology but it gives effective utilization of resources of company and involves revenue to shareholders. Many companies are confused to make digital transformation because it requires investment and they have question in their mind whether this investment will pay off in future or not? Digital transformation can increase stock price and Revenue in future. Let's take few examples for the digital transformation by company and its effect on business performance.

Name of Company	Year it took for Digital Transformation	Stock Price Growth Rate (in Percentage)
Microsoft	5 years	258%
Nike	2 years	69%
Honeywell	3 years	83%
Hasbro	7 years	203%

Comparison of Traditional Business V/S Digitalised Business

- Traditional business provides product and services to the people locally available while digitalization in business provide products and services to the people who is sitting in any corner of the world.
- Traditional business have pre defined time to make purchase and sale of products or services where as Digitalization in business can remove the predefined concept of time customer can make online purchase 24*7.
- In traditional market a message may not reach desired Target market while in Digital business analytical data is available so effectiveness can be easily measured.
- Traditional business requires high investment to reach the desired impression where as in digital business small investment in promotion can reach up to many users.
- Traditional business focuses on profit where as Digitalization in business focus on Users satisfaction and business profit.
- In traditional business Return on investment is low where as in digitalized business return on investment is high.

Conclusion

In our country most of the business adopts digitalization in the business to make progress. India is now close to cashless economy and digitalization in every field. From the above discussion we can conclude that digitalization is the primary requirement in every activity of business.

References

- ✓ <https://www.activewebgroup.com>
- ✓ <https://digitalagencynetwork.com>
- ✓ <https://www.timecamp.com>.

