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**Department Of BBA**

**FYBBA**  
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**Subject- Business Organization Systems**

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**Chapter 1. Nature and Evolution of Business**

## CONCEPTS OF BUSINESS

Business is a set of interrelated activities carried out with a view to make profit. The basic economic unit in which this set of activities is performed is the business enterprise. Therefore, we define business enterprise once again as the organizational context within which men, ideas, money, materials and machines are combined for the purpose of providing needed goods or services, in order to make a profit.

Business organizations can be classified into two categories viz:

**(a) For Profit Organizations:** These are strictly to make profit such as public and private enterprise or companies owned by individual(s) or group of persons such as sole proprietorship, partnership businesses, cooperative societies, etc. they depend on profit for survival.

**(b) Non-Profit Organization:** These are organization established without profit motives. Although, every organization is motivated by the desire to make profit: as in this case, they are charitable organizations, voluntary organizations, and social groups Such as Churches, Orphanage homes, Boys Scout, Girls Guild, and Labor Unions etc. They are expected to generate adequate revenue to finance their operations such as payment church ministers/workers, employees of orphanage homes etc.

Business is defined as an organized economic activity, wherein the exchange of goods and services takes place, for adequate consideration. It is nothing but a method of making money, from commercial transactions. It includes all those activities whose sole aim is to make available the desired goods and services to the society, in an effective manner.

It is a systematic attempt of the business persons to produce goods and services, and sell them at the market, to reap the reward, by way of profit.

### Characteristics of Business

- **Economic Activity:** Business is an economic activity, as it is conducted
- With the primary objective of earning money, i.e. for an economic motive.
- **Production/purchase of goods and services:** Goods and services are produced or procured by business entities, so as to add value and sell them to the consumer.
- **Selling of goods and services:** Business must involve the transfer of goods to the customer for value, through selling, meaning that if the goods are acquired for personal consumption, then the transaction will not amount to business activity.
- **Continuity in dealings:** Every business requires regularity in transactions, i.e. an isolated transaction of exchange of goods or services will not be considered as business. So, to constitute business, the dealings must be carried out on a regular basis.
- **Profit earning:** The basic purpose of business is to make the profit from its activities. It is the spine of business, which keeps the business going, in the long term.
- **Element of risk:** Risk is the key element of every business, concerned with exposure to loss. However, the factors that affect business are uncertain and so does the business opportunities, which can be a shift in demand, floods, fall in prices, strikes, lockout, money market fluctuation, etc.
- **Uncertain return:** In business, the return is never predictable and guaranteed. It may be possible that the business earns a huge profit or suffer heavy losses.

- **Legal and Lawful:** No matter, in which type of business the company is engaged, it should be legal in the eyes of the law, or else it will not be considered as business.
- **Consumer satisfaction:** The aim of business is to supply goods and services to Consumers, so as to satisfy their wants, as when the consumer (final user) is satisfied, he/she will purchase the goods or services. But, if they are not, there are chances that they will look for substitutes.

The consumer is regarded as the king, and so all the activities of the business are aligned towards the satisfaction of consumers. This can be done by making available quality-riched goods easily available to them, at reasonable prices.

#### **Classification of Business Activities:**

**1. Industry:** Industry implies the economic activities that are associated with the conversion of resources into goods that are ready for use. This involves production, processing, mining of goods. The industry is further divided into three broad categories; primary industry, secondary industry and tertiary industry.

**2. Commerce:** In simple terms, commerce refers to the buying and selling of goods for value, and includes all those activities which facilitate the transaction. Further, commerce encompasses two types of activities, trade and auxiliaries to trade.

Previously, the approach is 'to sell what is produced, but now the approach is 'to produce what is demanded'.

#### **Objectives of Business:**

Every business enterprise has certain objectives which regulate and generate its activities. Objectives are needed in every area where performance and results directly affect survival and prosperity of a business. Various objectives of business may be classified into four broad categories as follows:

##### **1. Economic Objectives:**

Business is basically an economic activity. Therefore, its primary objectives are economic in nature. The main economic objectives of business are as follows:

**(i) Earning profits:** A business enterprise is established for earning some income. It is the hope of earning profits that inspires people to start business. Profit is essential for the survival of every business unit. Just as a person cannot live without food, a business firm cannot survive without profit.

Profit is also necessary for the expansion and growth of business. Profits ensure continuous flow of capital for the modernisation and extension of business operations in future. Profit also serves as the barometer of stability, efficiency and progress of a business enterprise.

**(ii) Creating customers:** A businessman can earn profits only when there are enough customers to buy and pay for his goods and services. In the words of Drucker, "There is only one valid definition of business purpose; to create a customer. The customer is the foundation of business and keeps it in existence.

No business can succeed without providing customers value for their money. Business exists to satisfy the wants, tastes and preferences of customers.

In order to earn profit, business must supply better, quality goods and services at reasonable prices. Therefore, creation and satisfaction of customers is an important economic objective of business.

**(iii) Innovations:** Business is an organ of dynamism and change. In these days of competition a business can be successful only when it creates new designs, better machines, improved techniques, new varieties, etc. Modern science and technology have created a great scope for innovation in the business world.

It comprises all efforts made in perfecting the product, minimising the costs and maximizing benefits to customers. It involves improvements in management, production, selling servicing, methods of personnel and accounting, etc.

## 2. Social objectives:

Business does not exist in a vacuum. It is a part of society. It cannot survive and grow without the support of society. Business must therefore discharge social responsibilities in addition to earning profits.

According to Henry Ford, "the primary aim of business should be service a subsidiary aim should be earning of profit." The social objectives of business are follows:

**(i) Supplying desired goods at reasonable prices:** Business is expected to supply the goods and services required by the society. Goods and services should be of good quality and these should be supplied at reasonable prices. It is also the social obligation of business to avoid malpractices like hoarding, black marketing and misleading advertising.

**(ii) Fair Remuneration to employees:** Employees must be given fair compensation for their work. In addition to wages and salary a reasonable part of profits should be distributed among employees in recognition of their contributions. Such sharing of profits will help to increase the motivation and efficiency of employees. It is the obligation of business to provide healthy and safe work environment for employees.

**(iii) Employment Generation:** Business should provide opportunities for gainful employment to members of the society. In a country like India unemployment has become a serious problem and the Government is unable to offer jobs to all. Therefore, provision of adequate and full employment opportunities is a significant service to society. If unemployment problem increases, the socioeconomic environment cannot be congenial for the growth of business activities.

**(iv) Fair return to investor:** Business is expected to pay fair return to shareholders and creditors in the form of dividend and interest. Investors also expect safety and appreciations of their investment. They should be kept informed about the financial health and future prospects of business.

**(v) Social welfare:** Business should provide support to social, cultural and religious organisations. Business enterprises can build schools, colleges, libraries, dharamshalas, hospitals, sports bodies and research institutions. They can help non-government organisations (NGOs) like CRY (Child Rights & You), Help Age and others which render services to weaker sections of society.

**(vi) Payment of Government Dues:** Every business enterprise should pay tax dues (income tax, sales tax, excise duty, customs duty, etc.) to the government honestly and at the right time. These direct and indirect taxes provide revenue to the Government for spending on public welfare.

## 3. Human Objectives:

Business is run by people and for people. Labour is a valuable human element in business. Human objectives of business are concerned with the well-being of labour. These objectives help in achieving economic and social objectives of business. Human objectives of business are given below:

**(i) Labour welfare:** Business must recognise the dignity of labour and human factor should be given due recognition. Proper opportunities should be provided for utilising individual talents and satisfying aspirations of workers. Adequate provisions should be made for their health, safety and social security. Business should ensure job satisfaction and sense of belonging to workers.

**(ii) Developing human resources:** Employees must be provided the opportunities for developing new skills and attitudes. Human resources are the most valuable asset of business and their development will help in the growth of business.

Business can facilitate self-development of workers by encouraging creativity and innovation among them. Development of skilled manpower is necessary for the economic development of the country.

**(iii) Participative management:** Employees should be allowed to take part in decision making process of business. This will help in the development of employees. Such participation will also provide valuable information to management for improving the quality of decisions.

**(iv) Labour management cooperation:** Business should strive for creating and maintaining cordial employer employee relations so as to ensure peace and progress in industry. Employees should be treated as honourable individuals and should be kept informed.

#### **4. National Objectives:**

National objectives of business are as follows:

**i) Optimum utilisation of resources:** Business should use the nation's resources in the best possible manner. Judicious allocation and optimum utilisation of Scarce resources is essential for rapid and balanced economic growth of the country.

Business should produce goods in accordance with national priorities and interests. It should minimise the wastage of scarce natural resources.

**(ii) National self-reliance:** It is the duty of business to help the government in increasing exports and in reducing dependence on imports. This will help a country to, achieve economic independence. This requires development of new technology and its application in industry.

**(iii) Development of small scale Industries:** Big business firms are expected to encourage growth of small scale industries which are necessary for generating employment. Small scale firms can be developed as ancillaries, which provide inputs to large scale industries.

**(iv) Development of backward areas:** Business is expected to give preference to the industrialism of backward regions of the country. Balanced regional development is necessary for peace and progress in the country.

It will also help to raise standard of living in backward areas. Government offers special incentives to the businessmen who set up factories in notified backward areas.

- **Prerequisites Of Business Success/Prerequisites of a Successful Business:**

Following are the major components (Prerequisites) required for successful business operation:

**1. Establishment of Clear-cut Objectives:** Clearly defined objective helps to provide guidelines for future business activities. Long-term and short-term objectives should be established in order to achieve goals.

**2. Proper Planning and Clear Policy:** Proper planning helps the businessman to decide what to do and how to do different business activities. Correct and clear policy helps to perform work with minimum risk and maximum profit.

**3. Sound Organization and Effective Management:** This is another essential requisite for business success. Proper organizational structure and quality management helps in planning, coordinating, motivating, directing and decision making. It helps proper utilization of resources and to achieve organizational goals.

**4. Dynamic Leadership:** Dynamic leadership is another key factor for business success. Leader or manager with vision, courage, foresightedness and motivating skills is needed to operate business successfully.

**5. Pleasant Personality:** Manager should be physically and mentally sound to handle business activities smoothly. Manager or businessman with good communication skills, intelligence, experience, and good commanding is needed for business success.

**6. Adequate Capital/Proper Financial Planning:** A proper financial planning is needed to arrange adequate long-term and short-term capital to operate business. Suitable source of capital should be identified to run business smoothly.

**7. Proper Location and Layout:** Proper location and layout helps to reduce production and operation cost and increase efficiency of the business. Suitable location and proper layout helps to maximize profit.

**8. Employees Morale:** Encouraged and motivated employees play very important role in business. Success or failure of business depends on the morale of employees. Therefore, staffs should be motivated, encouraged, and properly trained to achieve organizational goals and objectives.

**9. Modern Technology:** Successful business organizations use modern technology to provide new and easy methods in production and distribution. It helps to boost business and earn more profit.

**10. Research and Innovation:** It is another important requisite of business. Research and innovation helps to satisfy customers by offering better products and services according to their needs, taste, and preference.

**11. Efficient Marketing:** Customer oriented marketing is necessary in business. It helps to expand business and grow customers.

- **DEVELOPMENT AND EVOLUTION OF TRADE, COMMERCE AN INDUSTRY**

The economic development of a country is measured by the development of commerce and industry. The development of business activities in India has been going on with the changes in civilisation. There was a time when there was no commerce at and now its development has brought the whole world together. There have bass different stages through which the development of trade and industry has passed.

A brief description of evolution of business activities has been discussed herewith:

**1. Barter System :**

Barter is a system of exchange of goods for goods. The earlier system of producing or percurring only for one's needs gave way to barter system. With the increase in demand for more and more goods and surplus in one's own production, there was a search for those who wanted to exchange goods for goods. The families started producing more than their needs.

The surpluses were exchanged with those goods which they needed. At a later stage some places were fixed where people used to come for exchanging their surplus products with others. The payment for using the services of other people was also in kind. Though commerce had come into being but it was at an elementary level. There was a problem of bringing together persons who needed each other's goods. There was no common yardstick for measuring the value of goods to be exchanged.

**2. Village Economy:**

People started setting at particular places and began to sow seeds and rearing cattle on the land which they shared with community. These tribes started producing the things which they required and it was a system of self-sufficiency. With the advent of private Ownership of land and cattle, the tribe system split into families. Some families started concentrating on occupations other than agriculture.

This led to exchange of goods for satisfying family needs. There was a system village economy and all the requirements of the village were met by the people themselves. In order to facilitate exchange, a class of people called traders also emerged Different families started specialising in producing different goods or taking up specific jobs. All these developments led to a self-reliant village economy.

**3. Introduction of Money:**

The difficulties faced in barter system compelled people to find out some common medium for exchange. In the beginning some commodities were used as a denominator for exchange. The commodities like stones, shells, cattle, feathers etc. were used to value the goods to be exchanged. Gradually, metals like iron, copper, bronze, silver and gold were taken to be more convenient, as a medium of exchange.

The metals were weighed and stamped to fix their value. The metal money facilitated trade not only in the country but also with foreign countries. The coins were also used to make payments for various types of services availed. It was ultimately the use of paper currency which led to all round development of business activities.

#### **4. Town Economy:**

With the use of money for exchange purposes, the volume of trade started increasing. The system of self-sufficiency gave way to division of labour. Instead of producing for family needs people started meeting needs of the whole village. People started specialising in different products. Certain places were being fixed where people could come to buy and sell goods.

The increased volume of trade encouraged more and more division of labour. A separate class of traders and artisans came into existence.

These persons started settling at central places and established their business premises there. These places were known as towns and became trade centres for people living in villages. The villagers brought raw materials, cattle, milk, etc. to the towns for sale. The artisans would manufacture goods as per the needs of the people. The traders became a link between farmers and artisans.

The traders also started bringing luxury goods from outside places for sale in towns.

#### **5. Industrial Revolution:**

The word 'Industrial Revolution' is used to describe a series of changes in the industrial field in England during the period between 1760 and 1850. The changes of far reaching effects took place during this period. Generally, the word 'Revolution' is used for an abrupt change but in this case it is used to describe 'fundamental change'.

A number of inventions took place in England which changed the entire technique of production. Some of the important inventions were the Spinning Jenny of Hargreaves, the Water Frame of Arkwright, the Mule of Compton and the Power-loom of Cartwright. With the help of these inventions industrial production started at a mass scale.

The machinery was used for production, division of labour was introduced and the modes of transport were improved.

The use of steam-engine in place of labour helped to increase production manifold. The use of machines required more capital investments and it led to the change in ownership from a sole proprietorship to a joint stock company.

According to Mr. L.C.A Knowles, "The so-called Industrial Revolution comprised of six great changes or developments- all of which were inter-dependent".

These changes were:

**(i) Development of Engineering:** Industrial revolution brought about a change in engineering skill. Engineers were required to design machines for textile and coal-mixing industries. The tool making for repairing ships and locomotives were also essential. There was a need for sufficient number of trained persons for taking up these jobs. The development of trained people was a part of industrial revolution.

**(ii) Revolution in Iron-making:** The casting of iron for manufacturing machines was the other need of this revolution. A sufficient quantity and goods of iron was the need of the time. This development helped in producing sufficient number of machines.

**(iii) Use of Steam Power in Textiles:** The use of mechanical devices in textile industry raised its production. First steam power was used in spinning. It created a surplus of yarn because man-made and traditional methods of weaving could not cope with the situation. It necessitated the use of power for weaving purposes also. The use of power was also extended to other aspects of textile industry.

**(iv) Rise of Chemical Industry:** The use of power in textile industry necessitated suitable changes in the processes like bleaching, dyeing, finishing or printing so that production could be accelerated to keep pace with the output of piece goods. All this was possible only with the development of chemical industry.

**(v) Development of Coal Mining:** The development of coal mining was inter- dependent on other developments. The coke was needed for smelting and refining iron and pig iron respectively in blast furnaces as also for producing the steam power which had also become the motive power of the industry.

**(vi) Revolution in Transport:** The above mentioned developments could not have been possible without the improved modes of transport. The horse driven carriages could not cope with the needs of large scale production. The moving of inputs to centres of industrialism and then distribution of manufactured goods to places of consumption will be possible only with better transport means. The industrial revolution led to large scale production. The production large scale reduced prices of goods. The commodities which were considered luxuries earlier were within the reach of a common man. The division of labour was introduced in factories and this led to specialisation.

#### **6. Revolution in Transport and Communication:**

Industrial production increased manifold after the mechanisation of production methods. There was a need for more and more markets to sell the goods. The discovery of new sea routes, opening of Suez Canal, introduction of railways, steamships, aeroplanes and automobiles revolutionised transport system. The movement of goods among different countries became easy and fast. The trade crossed national boundaries.

The trade expanded from local to national and from national to international boundaries. The facilities such as insurance and banking also gave Philip to the development of trade. The revolution in communication methods has further facilitated the growth of business activities.

The use of telephone, telegraph, radio, T.V. etc. has helped in creating world market for goods. The latest edition of internet, intranet, e-commerce and advanced IT methods has radically changed the structure of trade and commerce both at national and international levels.

#### **7. Advancements in Modern Business :**

A number of advancements have occurred in commerce and industry in the last fifty years. These changes have revolutionised production and distribution.

Some of these changes are described as follows:

**(i) Improved Methods of Production:** The use of latest technology has revolutionised production methods. The rate of production has increased substantially. Mechanisation and automation have also helped in controlling wastes and reducing cost of production. Productivity of workers has also gone up.

**(ii) Large Scale Production:** The growth of multinational companies has increased the scale of production. The goods are not produced for local or national markets only but international demand is taken into consideration.

**(iii) Specialisation:** The division of labour has led to specialisation in every industrial activity. Industrial units produce small number of components but specialise in them. Big industrial units also encourage specialisation in small units. The specialisation helps in raising productivity and competitive strength of the units. This specialisation has further increased international trade.

**(iv) Research and Development:** The focus of industrial units is to devise better and better products on a regular basis. This has necessitated an emphasis on research and development. Research and development helps in controlling costs, increasing production and raising standards of living of people.

**(v) Expansion of International Trade:** International trade is expanding at a greater pace. The organisations like WTO are helping to bring together the whole world by removing various hindrances imposed by countries in the flow of goods and services. The whole world is now becoming one big market.

#### **8. Growth of Public and Private Enterprises:**

Industrialisation in India mainly started after 1947. British rulers wanted India to be the supplier of raw materials and consumer of their finished goods. After independence the government devised specific roles to public and private sectors. Basic and strategic industries were developed under public sector and consumer goods industries were left to be developed under private sector.

There were a number of changes in industrial policy from time to time. The public sector enterprises could not provide the required quantum for industrial development. It was in 1991 when government decided to limit the role of public sector only to a few industries and rests of the industries were left to be developed by private sector. Foreign entrepreneurs were freely allowed to set up unit in India.



A number of multinational companies, especially in automobile sector and durable consumer goods, have set up their manufacturing facilities in India. Foreign investors are allowed to own majority of equity in a number of Indian industries.

- **RECENT TRENDS IN MODERN BUSINESS**

**(A) Business Process Outsourcing and Knowledge Process Outsourcing:**

**Key trends for Business Process Outsourcing in 2019**

The business process outsourcing industry is regarded as one of the fastest growing industries in the world, supporting businesses across the world. The industry is driven by technology, competition and innovation. As per reports, the global market for business process outsourcing is projected to reach US\$262.2 billion by 2022, driven by the cost benefits achieved by outsourcing back office administration; and the development and advances in technologies like automation, analytics, artificial intelligence, cloud services. Such growth is promising for both clients and service providers.

Along with growth of the global BPO industry is the anticipated rise of new trends, set to shape and change the industry for the better.

Here are some 2019 emerging trends, we see:

**Adoption of Disruptive Outsourcing:**

Since disruptive outsourcing can deliver a competitive advantage by transforming the way organizations operate, and make them more efficient and effective. Service providers have already initiated discussions, conducted pilots, or have implemented at least some disruptive solutions.

**Artificial Intelligence in Focus:**

AI has been one of the most advanced innovations in recent times and will continue to develop further. BPOs will infuse AI in processes totally in the upcoming year, with humans working with technology as a team. Today, there are several organizations who are working on adding new cognitive features which include natural language processing and computer vision.

**Cloud Technology has made way:**

Cloud-based and digital solutions has enabled easy access to tools remotely and retrieve data whenever. Gartner projects that about \$1 trillion in IT spending will be affected by the shift to cloud by 2020. As companies move to cloud outsourcing, there will be an increased need for public cloud platforms for data storage. Service providers will need to provide more online data centers and equipment.

**Upcoming challenges with adopting disruptive solutions:**

The most common challenges with adopting disruptive solutions are data migration, security requirements, application optimization, organizational resistance, highly fragmented processes, and regulatory compliance.

**Need for more skilled workforce:**

With artificial intelligence, machine learning, blockchain and cryptocurrency, there is an overwhelming insurgence of new technologies for businesses to leverage in order to stay competitive. Hence there is a demand for a more skilled workforce, making room for more chances to adapt easier to changes.

**Shifting to a more customer centric process:**

Aside from the above concerns, focusing more on a client-centered approach is a trend. In fact, improving a client's experience never goes out of the valuable approaches in business.

**Focus more on value and less on cost:**

While most businesses outsource due to costs, they are increasingly focusing on the value of services provided by providers. The need to deliver solutions in time, will increase the need to provide better value to the clients, with transparency.

Business process outsourcing trends are constantly changing and will continue in the coming years as well. With technological developments progressing regularly, the outsourcing industry is getting bigger and more efficient in the years to come.

### **(B)Entrepreneur and Homepreneur:**

The rise of the homepreneur is a long-term trend that will continue to accelerate over the next decade. Fueled by technology and enabled by low costs, businesses of all kinds are finding there is no place like home.

With a troubled but recovering economy as the back drop, here is our list of the Top 10 Homepreneur Trends for 2010.

#### **Economic Trends:**

**1.The Job-Challenged Economy:** Despite clear signs of economic recovery, job growth and traditional employment options will be limited in 2010. Employers will continue to be concerned about the economy, focused on costs and timid about hiring. Because of high unemployment and the lack of jobs, many will turn to self-employment and home-based businesses in 2010.

**2.Bootstrapping:** Bootstrapping was one of the most popular business terms in 2009, and 2010 will see continued small business focus on cost containment and cash flow. The obvious cost advantages of being home-based is leading to more small businesses - including employer businesses and high-tech start-ups choosing to be home-based.

**3. The Home-Based Artisan:** Most think of home businesses as knowledge, commercial or office businesses. But a new do-it-yourself movement of crafters, digital thinkers, green advocates and other "Makers" are using their garages, basements and backyards as their factories. These new artisans are combining digital technology and tools with traditional methods to create innovative products, processes and business models.

#### **Technology Trends:**

**4. Cloud Computing:** Cloud computing has been on our top small business trend list for several years, and its importance for home businesses continues to grow Cloud-based IT services:

(1) provide access to advanced computing capabilities on a variable cost basis;

(2) reduce the need for IT infrastructure and support;

(3) enable mobile computing, provide back-up and security services; and

(4) improve collaboration with employees and customers. Simply put, the Cloud is a key driver of the shift towards home businesses.

**5. Mobile Computing:** Most home businesses are mobile with customers, suppliers, partners and employees located elsewhere. The growth of mobile computing provides home-based businesses with the tools needed to operate and manage a distributed business. 2010 will see more home businesses take advantage of smartphones, netbooks, location-based Internet services and other mobile services.

**6. Social Computing:** No trends list for 2010 would be complete without mentioning the growing importance of social computing. Facebook, LinkedIn, Twitter, blogs and other tools for collaborating with others and sharing information are changing business and society. Because social computing systems are generally cheap and easy to use, home businesses can effectively leverage these tools to amplify their business impact.

**7. Analytics:** Sophisticated yet easy-to-use tools are allowing home businesses to move beyond "gut level" decision making to data and information-based management. Online marketing tools in particular allow home businesses to develop sophisticated marketing programs once only available to large corporations. Analytical tools, often available through the Cloud, allow home businesses to successfully compete in a growing range of industries.

#### **Social and Demographic Trends:**

**8. The New Local Movement:** New localism is a trend that has been in place for years. Driven by changing demographics, technology, rising energy prices and concerns about the environment, Americans are increasingly

focusing on their families, friends and communities. Home businesses tap into this trend in two ways. Home businesses allow greater community focus for the Owner, and benefit from market opportunities created by locally-oriented customers.

**9. Boomers:** Aging baby boomers are flocking to home-based businesses. Flexibility and interest in pursuing a new career or passion, and the opportunity for improved work/life balance all contribute to the growing boomer interest in home businesses. In some cases financial flexibility provide boomers with the ability to start a home business. For others, financial need drives the decision.

**10. Work/life Balance:** Interest in work/life balance is growing across almost all demographic segments. The Great Recession has increased the interest in work/life balance as more people focus on non-economic life issues. Surveys and other research show women, boomers and Gen Y in particular stress the importance of finding balance. Homepreneurs often cite work/life balance as one of the key benefits of home businesses, As this news spreads, so does the interest in home-based businesses.

### **(C) Online Trading:**

Online trading is conducting stock transactions on the internet via several websites. Such businesses have a great role in emerging trends and online business has a great impact over many financial services consists of check writing, credit and debit cards, electronic bill paying. Over years the emerging businesses have a brief history of success all due to internet. The online transaction processes of finance inclusive of buying and selling of bonds, stocks and other investments, these all comes under online trading. The actual scenario of all the business trends have diversified their business into online transaction of their goods and services and literally it has a great impact on their sale of business. For instance we can take the example of any website which deals in several goods and services provided by them over the website and we see that all the perspective relating to the business is avail on the website whether it may concern to the discount, lump sum amount, certain taxes, etc.

After the emerging of sparkling trend of online trading business:

The communication cost of business to business has been cut substantially by using alternative means of communication online being used for the business purpose itself.

Travel costs has been reduced by way of retraining the staff in city offices of Service companies to sell/repair the stock, etc.

Marketing expenses have reduced by way of reduced advertising on broadcast media. Plans are being made to utilise low cost alternative media like internet and direct marketing to increase efficiency of marketing communications.

Miscellaneous expenses have been reduced by vacating accommodations and by reducing rentals in some of the cities as the business transactions as a whole are being done through online website even without the procurement.

In the Indian market, these measures have not only served the purpose of making the organization more tuned to efficient business practices but have also resulted in net savings in thousands of crores over the previous years

### **(D) Digital Marketing and Payment methods:**

As digital trends evolve every year, marketers should always be aware of the changes in order to easily adapt with emerging technologies and stay ahead in the market This will help them gain a competitive edge and become able to develop new ways to grow their businesses, generate leads and improve the relationship with their existing customers.

#### **1. Voice Search:**

Top brands are thinking how to deliver their promises using voice-enabled devices because they are affordable and offer greater capabilities than ever before while more visitors are using voice search to interact with these brands.

## **2. Smarter Chat:**

Chatbots have been rising in the few recent years and still persists in 2019. According to Grand View Research, 45% of end users prefer to use Chatbots as a major means of communication in customer service. Chatbots play a critical role in improving the customer experience and allow marketers to better engage with their audience - without really doing much. They offer real-time assistance to the user, dedicated support and a proactive interactions where they ask questions to understand the real problem.

Another rising trend is Whatsapp Business Messaging, which has become one of the most used messaging apps worldwide according to Statista. Besides, it's no longer restricted to personal usage; businesses are using the application on a daily basis for their daily activities.

Messaging traffic is expected to double by 2019, This is driven by over the top messaging Over-The-Top or OTT apps, going up from 31 trillion messages in 2014 to over 100 trillions by 2019 globally.

## **3. Micro-Moments:**

As more users are processing their online activities using their smartphones, marketers continue to leverage micro-moments to attract their audience's attention and fulfill their instant decisions.

Whenever a customer searches for something, looks for a nearby store, wants to finalize a task or makes a purchase, marketers can take advantage of these types of micro-moments to create targeted content and advertising.

In order for marketers to succeed in using micro-moments, they should understand the basic practices of each one. Let's take for instance the "I-want-to-go-moments". Brick and mortar stores can take advantage of such a moment by capitalizing on "near me searches, which have grown 2X between 2016 and 2017 according to Google.

## **4. Augmented and Virtual Reality Marketing:**

Augmented reality ads is one of the major applications that are now used by some marketers. It's a way to bring static or unreal environments into a more realistic experience, something that would integrate the "offer" with the "reality" of the buyer.

Michael Kors is a successful example of augmented reality ads. They created an ad on Facebook asking their users to try and purchase their sunglasses.

Aside AR ads, many businesses have been using augmented and virtual reality marketing for the purpose of creating brand awareness.

For instance, IKEA and L'Oreal managed to improve their customer experience with virtual reality by allowing them to visualize their products before buying them. Nivea, Starbucks and Volkswagen are other examples of big brands who succeeded in augmented reality.

## **5. Live Videos - More Stories:**

Thanks to Facebook, Instagram and Youtube, live content is the fastest growing segment of internet video traffic due to the remarkable waves in the recent 3 years.

Live streaming content allows marketers to engage with their leads in a quickest way possible, improve their relationship with followers, reach a broader audience and boost their social channels traffic.

## **6. AI and Machine Learning:**

With global leaders like Amazon, Microsoft and Google extending their resources in AI and machine learning, this trend is not going away anytime soon.

AI allows marketers to anticipate future probable patterns of their customers based on collected data.

With this data, marketers can then determine how to better engage with their active buyers using different channels such as direct mail, sales outreach, or digital advertising.

Several industries like food and beverage, ecommerce, life science and healthcare have started using AI. For instance, many food retailers use big data to determine the best delivery times of their products. This is done by gathering data from different sources such as the weather, road traffic and temperature... Furthermore, big data can help determine the effect of all these factors on food quality.

In the ecommerce industry, 86% of customers say that personalization is an important role in their buying decisions. Ecommerce companies use big data to predict their shoppers demographics and behaviors in order to create a more personalized experiences such as sending customized discounts or re-engagement emails.

According to technology experts, AI and machine learning are expected to penetrate various new areas in 2019 affecting jobs like banking, finance, accounting and even intellectual jobs such as teaching.

### **7. Engagement-Based Email Marketing:**

As email marketing is getting smarter, marketers have started to care more about sending emails to subscribers who are active on their lists. For instance, if a contact highly engages with your emails, he should be regularly nurtured with content and updates about your company until he converts into a loyal customer. On the other hand if a subscriber hasn't opened an email for a certain period of time, he will be considered as a dormant contact and will no longer receive additional emails.

But to send the right email to the right segment, marketers need to identify all their leads behaviors. If the platforms they are using have limitations to classify their audience into different segments based on their behaviors, they can integrate their tools with other applications that allow them to do that. After all data is determined and different segments are created according to defined criteria, marketers will be able to target their leads more effectively with behavioral-based emails.

**8. Rich Lead Profiling:** offered by companies that collect and manage complex data for millions of leads and businesses, data enrichment has become more and more important. Marketers use data enrichment to reveal more details about their leads and personalize their approach when attempting to contact them. The great advantages of data enrichment is that it removes any wrong or inaccurate information that companies might have about a specific lead such as his email, phone number or street address.

These retrieved data are then used to obtain other missing data. For instance, if you have an email of a particular lead, the data enrichment process will fill in his name, phone number, street address, his job position and household situation.

### **9. Browser Push Notifications:**

Push notifications are moving into the realm of web browser technology and are one of the most popular web development trends for 2019.

Companies use browser push notifications to reach their leads more effectively and communicate with their audience in a more powerful way.

Another major role such notifications play is retaining customers and improving conversion rates. Ecommerce companies for example, use browser push to retarget their shoppers who abandoned their shopping carts and entice them to complete their purchases.

### **10. Content Personalization:**

As one size doesn't fit all and customers want more relevancy, the need for a personalized approach in marketing is becoming more critical than ever. Although delivering the right content to the right audience at the right time is tricky, it will add a big value to your content marketing strategy because it plays a major role in boosting your users engagement rates.

Personalizing or customizing content for audience relies on visitors data in order to deliver relevant content. It consists of showing dynamic landing pages based on specific criteria such as geographic, demographic or behavioral attributes with highly targeted call to actions for the purpose of converting them more effectively.

For instance, Group on asks visitors to confirm their locations once they land on their site in order to deliver accurate, geo-targeted offerings.

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