



A Study on the Impact of 'Phygital' Retail Strategies on the Preservation of Artisanal Crafts in Local Economies with special reference to Western India Region

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Abstract:

The paper discusses one of the newly emerged innovations in Modern Commerce, often referred to as 'phygital', the convergence of physical and digital retail environments. This research investigates the impact of phygital retail strategies on the preservation and promotion of artisanal crafts within local economies. When we integrate traditional practices with modern digital tools, phygital strategies offer new areas for artisans to reach more audience, integrate their operations and sustain their heritage. The paper explores various phygital initiatives implemented in different regions, analyse their overall use and provides an understanding on the overall visibility and marketability of artisanal crafts artisans. Through case studies, analysis of economic data and other information as deemed necessary, this research highlights the benefits and challenges associated with phygital adoption. The findings show that phygital strategies can significantly boost the visibility to local economies, while keeping in check the factors like digital literacy in artisans and resource allocation. Ultimately, this paper aims to provide insights into how phygital retail can serve as a boost for culture preservation and economic sustainability in local artisanal communities.

Keywords: *Phygital Retail Strategies, Western India, Artisanal Crafts, Local Economies, Cultural Heritage, Digital Literacy*

Introduction:

Artisanal craft, deeply rooted in culture and tradition, is a significant component of economic framework of local economies. They are the source of income and employment for many in the Local Economies, while being a testament of cultural heritage. These items are produced using traditional techniques which are not well known and are passed down through generations, reflecting the cultural heritage. Artisanal craft includes handmade products, pottery, woodwork, jewellery, textiles, etc. In many rural areas, Artisanal Craft is a significant component of the Local Economies.

However, in an era dominated by rapid technological advancements and shifting consumer behaviours, traditional retail methods used by artisans face numerous challenges. The necessity to adapt digital tools has become a necessity for them, yet many artisans face significant complexities of digital marketplace while preserving the authenticity and uniqueness of their crafts.

As to counter these challenges, phygital has emerged as a promising avenue for artisanal craft sector. Phygital Retail, a blend of Physical and Digital Retail Environments, leverages technology to improve the shopping experience while maintaining the sensory elements, necessary

to appreciate Local Artisanal Crafts. Phygital Strategies offer various opportunities for Artisans with broader markets and integrating their operation while preserving the local cultural heritage.

Despite the potential benefits, the adoption of Phygital Retail comes with its own hurdles and problems. There are barriers like digital literacy, resource allocation and the need to balance innovation with tradition. Consequently, it is imperative to explore how phygital retail strategies can be effectively implemented to promote and support artisans in local economies.

This research aims to look into the impact of phygital retail strategies on the preservation and promotion of artisanal crafts. By looking into various phygital initiatives across various local regions, this study tries to assess the effectiveness in improving visibility and overall marketability of artisanal crafts. Through a combination of case studies, analysis of economic data and research data found on the web, this research tries to identify the benefits and challenges associated with phygital adoption pertaining to artisans in local economies. The findings are expected to provide an insight into how the phygital retail can serve as a catalyst for cultural preservation and economic sustainability in local artisanal communities.

The paper addresses both important elements, of technology and tradition, focusing on importance of innovative retail strategies in preserving cultural heritage and supporting the economic vitality of local artisans. The result of this study not only contributes to the academic discourse on phygital retail but also offers real life recommendations for artisans, policymakers and businesses aiming to embrace phygital retail strategies for the betterment of local economies.

Objectives of Study:

1. Understanding the challenges faced by Local Artisans.
2. Study the impact of using Phygital Retail Strategies on Preservation of Artisanal Crafts in Local Economies
3. Understanding the benefits and challenges faced by Local Artisans in adopting Phygital Retail Strategies
4. Providing suggestions to Artisans and Policymakers on embracing Phygital Strategies for betterment of Local Economies

Need of the Study:

While visiting rural parts in Western Region of the country, I came across many Local Artisans with their beautiful art pieces, which were only found in the particular region and can be considered as a cultural heritage of that region. Though these artisans had generational skill, they were unable to sustain their lives on the earnings by selling these pieces.

In a completely different case, I came across some artisans who were earning quite good and sustaining their livelihood from the earnings from selling the products from their artisanal skills.

Difference between the two? In the first case, market was limited to local limits while in the second case, artisans had used phygital retail strategies, that is, they were catering to local crowds while also using technology to open up global opportunities for them.

As a result, this research paper focusses on the impact of Phygital Retail Strategies on Local Artisans. It dives deep into the hurdles faced by the artisans while also talking about the benefits of using these strategies to them. This paper also gives suggestion to artisans and policymakers on how Phygital Retail Strategies can uplift the Local Economies

Literature Review:

This literature review looks into the existing body of knowledge available surrounding the aspects of 'phygital' retail strategies, artisanal crafts, and local economic development. It explores the studies that contribute to our understanding on how the integration of physical and digital elements in retail can influence the overall sustainability and growth of artisanal craft sectors.

1. The rise of Phygital Retail: The concept of 'phygital' retail, links physical and digital shopping experience, has gained much recognition in recent times. This change is brought by improvements in technology, changing consumer behaviour and the need for retailers to create engaging customer experience. Studies show that omni-channel strategies like AR, VR and interactive displays helps in improving customer experience and increase in sales.

2. The Link between 'Phygital' Retail and Artisanal Crafts: The use of Phygital Strategies to promote artisanal crafts presents its own opportunities and problems. Studies are trying to understand how digital platforms can improve overall market for artisans, improve product visibility, and create direct connection with consumers.

3. Importance of Technology in Empowering Local Artisans: Technology can play an important role in empowering artisans by providing information, resources, and networks. Studies also look into the overall use of mobile technologies, social media, and digital fabrication tools in supporting and helping local artisanal craft production and marketing.

4. Gaps in Literature and Research: Although there are existing literatures that provide valuable insights, there are gaps that are yet to be addressed. Specifically, impact of 'phygital' retail strategies on the preservation of artisanal crafts in specific local economies is to be studied. Further research should explore:

- Effectiveness of Phygital Retail Strategies on Local Artisans
- Role of Government initiatives in promoting its adoption
- Impact of Phygital Retail Strategies on social and cultural aspects of local artisanal crafts
- Long term sustainability of local artisans
- Phygital Retail Strategies effects on price and profit of artisanal goods.

By addressing these gaps, this research tries to contribute to a deeper understanding of the potential of phygital retail strategies in providing a sustainable development to local artisanal craft sector and preserving cultural heritage in local economies.

Methods:

This research considers qualitative and quantitative techniques to investigate the impact of phygital retail strategies on the preservation and promotion of artisanal crafts. By leveraging multiple sources of data, this methodology aims to provide a holistic understanding of the subject and ensure the reliability and validity of the findings.

Data Collection Method:**Interviews and Observation:**

Brief understanding and questioning were done with local artisans in rural areas of Marathwada region and other regions of Western India to take an understanding on benefits and challenges in adapting phygital strategies. Observation was done locally on site when visiting these artisanal sites.

Books and Articles:

Books providing an understanding of Phygital, it's meaning and implementation were referred to while writing this paper. Articles and Books explaining the problems faced by Local Artisans were also referred.

Case Studies:

Case studies are a core component of this research. Several phygital retail initiatives are considered for their

examination. Each case study provides insights into implementation, challenges and outcomes of phygital strategies. These case studies involve reviewing relevant business reports, marketing materials and policy papers.

Economic Data Analysis:

Assessment of Economic impact of phygital retail strategies on the artisanal sector was understood by understanding their Sales Revenue, Market Reach and Employment Rates.

Sample Size:

A sample size of approximately 100 cases was considered while making this research paper. These 100 cases are spread across Western Region of India. These cases were divided into two parts as is mentioned in the sampling techniques to understand the answers given by different sets of people. This helps provide a broad understanding of the challenges faced and successful implementations of Phygital Retail Strategies.

Sampling Techniques:

Sampling Technique was used while studying on the topic. The data was divided into two primary parts, being people with understanding of phygital retail strategies and second being, the people who didn't. Case Studies from various regions of Western part were considered to have a thorough understanding. People who are unaware of phygital strategies and who use it on a daily basis, both the aspects are covered. This provides a diverse range of perspectives and experiences to this study.

Findings:

This paper investigates the overall impact of phygital retail strategies on the preservation of local artisanal crafts within local economies. The findings are based on understandings of the articles and case studies of various artisans, brief interviews of artisans from a particular region of the country and economic data, providing valuable insights into challenges and

benefits of adopting phygital retail strategies. The findings of the same are listed below:

1. Enhanced Visibility and Marketability:

While a majority of population was unaware of the phygital retail strategies, the minority that did know about these strategies had significant influence on their businesses. The integration of phygital retail strategies has significantly enhanced the visibility and marketability of artisanal crafts. By using digital platforms, a large audience is available to cater to, both locally and globally. Online Marketplaces, Social Media and Virtual Exhibitions have provided local artisans with new channels to show their crafts, leading to increased sales. There was seen a good increase in online traffic and sales, particularly during peak festivals and cultural events.

2. Expanded Market: Traditional retail had markets limited to local markets, limiting their potential customer base. However, these boundaries were removed by adopting phygital retail strategies. The findings indicate that the artisans who used phygital strategies experienced growth in sales, with much of the sale from outside the local vicinity. This has provided local artisans with additional revenue and reduced dependency on local factors.

3. Encouraging Innovation while Preserving Tradition:

Artisans have been able to encourage innovation while preserving traditional craftsmanship. They are able to experiment on new designs, materials and production techniques. There has been found a significant knowledge sharing among local artisans, leading to innovative ideas. Despite these innovations, artisans still stick to and preserve their authenticity and cultural significance of their crafts.

4. Economic Sustainability and Livelihood of Artisans:

The economics analysis of local economies revealed that phygital strategies have positively impacted the

livelihood of local Artisans. The increased visibility and broad access to markets has increased their Sales Revenue. It has provided them with a stable and sustainable income, hence increasing their business and improving their quality of life. Also, this has led to job creation. As artisans expand their businesses to meet increased demand and employ local workers.

5. Challenges and Barriers: Although there is a positive outcome, the overall adoption of phygital retail strategies comes with its own challenges and problems. Digital Literacy is the biggest problem faced by local artisans in rural areas. Additionally, resource allocation is also a problem for small artisans with limited financial capacity. Understanding the artisans' problems made us understand that they struggle to maintain a balance between physical retail and digital retail. The biggest problem was the unawareability of phygital strategies among a significant population of people. Addressing these challenges will require investment in digital education and infrastructure to ensure overall participation by artisans.

Overall Impact:

The overall impact of phygital retail strategies on the preservation of local artisanal crafts is positive. The findings tell us that phygital strategies provide a boost in cultural preservation and economic sustainability within local artisans. Use of phygital retail strategies can provide a way for local artisans to improve their standard of living. However, addressing the problems of digital literacy and resource allocation will be important to ensure that all artisans can benefit from the opportunities presented by phygital retail.

Discussions:

The picture that emerges from the findings and overall analysis of data during the research work regarding the impact of

phygital retail strategies are actually positive. By combining digital tools with traditional retail practices, phygital strategies have created new opportunities for local artisans to expand their market and also foster innovation. The following discussions provide a brief understanding of these findings:

1. Enhanced Visibility and Marketability:

The increased visibility and marketability of the artisanal work underscored the importance of digital platforms in fostering the growth of these businesses. This provides artisans ability to present their crafts online, allowed to tell their stories and connect with customers on a deeper level, fostering appreciation and demand for their work.

2. Increased Overall Market: Local artists can now access new markets, which allows them to widen their client base. It was found that phygital retailing makes significant contribution to the well-being of local artisans in most cases where the marketplace is untapped in particular regions.

3. Suggestions for Policymakers and Artisans:

Policymakers need to design and implement proactive measures to facilitate and integrate the digital transformation of the local artisanal crafts industry, such as funding initiatives aiming towards digital literacy courses. They also need to allocate resources for developing the necessary infrastructure. Artisans must be ready to take on the challenge of integrating digital components within their authentic cultural works.

4. Challenges and Barriers: Although there are many benefits, the research finds various problems to the adoption of phygital retail strategies. Digital literacy remains the biggest hurdle, particularly to rurally located artisans with limited access to technology. Addressing these barriers will require investment in digital education, infrastructure, and resources to ensure equal participation by the artisans.

Conclusion:

The research elucidates the impact of phygital retail strategies on the preservation and promotion of artisanal crafts in local economies. By using and integrating the phygital retail strategies into their daily operations, local artisans can benefit truly by having access to broader markets, streamlining operations and sustain their cultural heritage.

The integration can help foster the growth of artisans in which they can look at and connect to different artisans across various geographical areas and take inspiration while not being too differentiated from their local art. The economic benefit is evident in increased sales and customer engagement.

This can provide a sustainable income and living to the artisans, hence helping them expand their businesses. This can help create employment in the rural areas as the artisans expand their work.

One significant challenge faced by artisans is the problem of digital literacy and unawareability of phygital retail. If the consumer doesn't know about a product, how is he going to use it for his benefit. In this aspect, Government should launch various programs for digital literacy of these artisans and also to provide them with such resources as will be beneficial for their work to expand.

Policymakers should launch on ground programs for these artisans to make them aware of the programs that are available to them. There should be camps to make people understand how to use phygital retail strategies for their benefit and how it can improve their overall living conditions. We should also focus at the part where art, that has been carried down generations is not well known to people and is fading as a result of it. It is our cultural heritage and hence, should be preserved for. We should focus on how these artisans should not go

into other ventures, while leaving their skilled artistry. We should encourage various artisans who are still using culturally followed method for making beautiful art pieces and help them provide a sustainable living through their artisanal work.

Ultimately, the research highlights the potential of phygital retail strategies to serve as a catalyst for cultural preservation and economic sustainability within local artisanal communities. By leveraging the power of digital technologies, artisans can not only preserve their cultural heritage but also thrive in an increasingly digital world. The insights gained are beneficial for artisans and policymakers as well.

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