



DIGITISATION FOR OPENING NEW BUSINESS VENTURES

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Abstract

In the era of globalisation, liberalisation and privatisation, Information and Communication Technology (ICT) plays a vital role in all sectors of economy. So, digitisation provides ample opportunities for developing economies to accelerate inclusive economic growth through opening new business ventures. Digitisation is the process of converting text, images, documents, data, information or sound into a digital form that can be processed by a computer or any other digital gadgets. It gives competitive advantages to business by doing things easy, better, faster, cheaper and more effectively. There are many benefits as a result businesses are making these changes in the organisations like reduce operational cost, more revenue, global expansions, customer interactions, quick communication, increases efficiency, lack of human error, safe data storage and to provide services anywhere in the world. In 2020, India has around 700 million internet users and the numbers are expected to grow to over 970 million users by 2025. This growth is beneficial for creating more and more opportunity to new business ventures. In the present research paper, researcher would like to highlight importance of digitisation for opening new business avenues that leads to economic development. The paper concludes use of digital technology has fundamentally changed the business scenario and creating new business opportunities.

Keywords: *Digitisation, E-Banking, E-Business, E-Commerce, E-Finance, E-Marketing, etc.*

Introduction

Digital revolution is also known as the third industrial revolution, a shift from mechanical and analog electronic technology to digital electronics. In the half of the 20th Century, people started adopting digital computers and digital record keeping till the present day. In the era of globalisation, liberalisation and privatisation, Information and Communication Technology (ICT) plays a vital role in all sectors of economy. So, digitization provides ample opportunities for developing economies to accelerate their inclusive economic growth through establishing new business ventures by worldwide. Digitisation is the process of converting text, images, documents, data, information or sound into a digital form that can be processed by a computer. It gives competitive advantages to business by doing things easy, better, faster, cheaper and more effectively. Digitization is the process of converting information into a digital format. In this format, information is organized into discrete units of data (called bits) that can be separately addressed (usually in multiple-bit groups called bytes). This is the binary data that computers and many devices with computing capacity (such as digital cameras and digital hearing aids) can process.

According to Pearce-Moses, digitisation is the process of transforming analog material into binary electronic (digital) form, especially for storage and use in a computer. Digitisation converts materials from analog formats that can be read by people to a digital format that can be read only by machines. The devices like scanner, cameras and other devices can be used to digitize knowledge contents. These technologies allow the digitisation of almost all types of materials, including paper documents, rare documents, photographs, sound recordings and motion pictures. Digitized information is easier to store, access and transmit. Nowadays businesses are moving towards digitisation because of it reduces operational cost, increase revenue, global reach, customer interactions, quick communication, increases efficiency, lack of human error, safe data storage and to provide services everywhere in the world. It happens when a business starts using digital technologies to change its business model and provide new value-producing opportunities. Digitisation protects all kinds of business records from natural disaster and thefts. ‘Digitization’ and ‘Digitalization’ are two conceptual terms that are closely associated and often used interchangeably in a broad range of literatures.

Digitization refers to “the action or process of digitizing; the conversion of analogue data (esp. in later use images, video, and text) into digital form”. Digitalization refers to the adoption or increase in use of digital or computer technology by an organization, industry, country etc. Digitalization is the use of digital technologies to change a business model and provide new revenue and value-producing opportunities; it is the process of moving to a digital business. The internet and modern technology have created new opportunities for business. The geographical distance between buyer and seller has decreased in importance and has changed the way in which companies and individuals conduct online business, trade and communicate. To promote digitization, Government of India has launched Digital India campaign in 2015 to ensure the Government's services are made available to citizens electronically by improved online infrastructure and by increasing internet connectivity or making the country digitally empowered in the field of technology. The vision of digital India programme is inclusive growth in areas of electronic services, products, manufacturing and job opportunities.

Review of Literature

Singer and Zalmanson (2013) indicated that advances in digitisation and developments in information and communication technologies (ICTs) is changing the international business landscape, transforming business practices and creating opportunities for new types of entrepreneurial activities. One such type of entrepreneurial activity is digital entrepreneurship, defined as a new business creation opportunity generated by ICTs -internet, mobile technology, social computing and digital platforms. Lusch and Nambisan (2015) asserted that digital entrepreneurs go beyond simply adapting and using ICTs. To them ICT is both the trigger for their entrepreneurial activities and the infrastructure that support stakeholder interactions. Kane, Palmer, Phillips, Kiron, and Buckley (2015) showed that organizations are under increasing pressure to apply digital technologies to renew and transform their business models. At the same time, recent surveys indicate that many are not ready to respond to digital trends. Khan S. (2015) showed that digitisation has a proven impact on economy and society by reducing unemployment, improving quality of life and boosting access to knowledge and other public services. The process of digitisation is marked by cost effectiveness to cut the cost that incurred in various knowledge practices related to the

production, organization and communication of information that makes long-term economic growth. Darwiche and Singh (2013) indicated that in the current sluggish worldwide economy, the use of digital technologies is served as a means of boosting economic activities. The mass adoption of digital technologies through connected services and devices has proven to accelerate economic growth and facilitate job creation; however, its impact is not uniform in each country. Developed economies enjoy higher economic growth benefits from digitisation, such as growth and productivity, but, as compare with emerging economies have less gain in terms of jobs. The main reason for the differing effects of digitisation is the economic structures of developed and emerging economies. WTO Report (2021) argues that global nature of COVID-19 and its impact on E-Commerce may encourage strengthened international cooperation and the further development of policies for online purchases and supply. The pandemic has made it clear that E-Commerce can be an important tool for consumers. E-Commerce can also support small businesses and, by making economies more competitive, be an economic driver for both domestic growth and international trade. Maiti D., Castellacci F. and Melchior A. (2020) indicated that Information and communication technologies (ICTs) provide new opportunities and new challenges for developing economies. ICT adoption, digitalization and automation provide formidable new opportunities in terms of increased efficiency and productivity, the creation of new services and occupations and increased connectivity among agents. However, the extent to which developing economies are able to reap these potential benefits is contingent on a set of other social, economic and institutional dimensions. While economic growth and rising productivity are the major expected outcomes of digitalization, digital divides and related forms of exclusion and inequalities are commonly observed too. India, one of the largest economies in the world, with a remarkable pace of ICT diffusion, represents a relevant case to investigate the impacts of digitalization on economic development. Dosi (1988) asserted that a technological paradigm is a set of interrelated and pervasive innovations that increases productivity in many sectors of the economy. Karunagupta and Ravindraarya (2017) focused on emerging trends in the banking sector in India; they focused on the banking sector with reference to digitalization. The digitalization of banking system leads to a

strong foundation in of economy and to ready to become cashless economy to transform the Indian banking industry. Castellacci (2008) highlighted that the new technological paradigm based on ICTs may have important economic effects on growth, wealth and welfare in the near future and it may lead to radical changes in firms' production structure and organizations, in the patterns of consumption and in institutional settings. Innovation studies have extensively investigated the emergence and diffusion of ICTs and particularly focused on the pervasive economic effects that these general-purpose technologies have on different sectors of the economy. According to WTO Report (2021) pandemic has highlighted the importance of digital technologies in general, but also several vulnerabilities across the world. The resulting experiences and lessons are relevant to various discussions in the WTO, including those on electronic commerce, which could benefit from looking at greater international cooperation to facilitate the cross-border movement of goods and services, narrow the digital divide and level the playing field for micro, small and medium-sized enterprises (MSMEs).

Research Methodology

The present research paper is based on secondary data such as various literatures reviews, case studies, articles in journals, magazines, leading newspapers and reports of various national and international organisations or institutions.

Objectives of the study

1. To avail the digital business opportunities.
2. To identify the importance of digitisation.

Forms of Various E-Businesses

Due to evaluation of Information and Communication Technology the use of internet, computers, laptops, tablets, mobiles etc. are increasing day by day that's leads to create more and more opportunities for E-Business in worldwide. Followings are the different forms of E-Businesses which provide their products and services worldwide.

E-Banking- Banking sector is lifeline of an economy. The passing of the traditional banking sector to E-banking, new strategies have become necessary in order to attract new and retain existing customers. E-banking is more popular among consumers in recent years. E-banking uses modern tools of information and communication technology to make different kinds of banking transactions. E-banking (Electronic-Banking) is also known as online banking, internet banking is an electronic payment system that enables customers and other banks to conduct different financial

transactions over the internet. It provides alternatives for faster delivery of banking services such as offering, various banking products and services to a wide range of customers at their office or home through different electronic devices. It is a generic term encompassing internet banking, telephone banking, mobile banking etc. It provides lot of benefits which add value to customers' satisfaction and to reach out consumers through many routes in terms of better quality of service offerings such as ATMs, telephone, internet and wireless channels which are now available to the consumers to perform their banking transactions in addition to the traditional branch banking and at the same time enables the banks gain more advantage. E-Banking provides various services 365/24/7 to their customers at national and international level. Various online payment options are available like Core Banking Solutions (CBS), Automated Teller Machine (ATM), National Electronic Fund Transfer (NEFT), Real Time Gross Settlement (RTGS), Immediate Payment Service (IMPS), digital wallets and mobile banking. This reduces cost, time, and efforts and provides quick and transparent services to their customers. Internet banking is highly comfort in our routine life, in fact this made our life simple and convenient and over all we are able to enjoy quality service smartly. Since last decades banks in India have invested heavily in the technology and online security to bring improvements in quality services and the fast processing of banking operation. According to Allied Market Research Report (2020), global online banking market size was valued at US Dollar 11.43 billion in 2019 and is projected to reach US Dollar 31.81 billion by 2027.

E-Commerce-

In today's time, everyone prefers for online shopping due to lack of time, more convenient and reasonable pricing. It is main reason behind the boom in E-commerce Industry. E-commerce Industry is booming with rapid pace. Many E-commerce companies have shown remarkable growth in short span of time. E-commerce or electronic commerce is also known as E-business refers to the transaction of goods and services through electronic communications. The sharing business information, maintaining business relationships and conducting business transactions using computers connected to telecommunication network is called E-Commerce. Electronic Commerce popularly known as E-commerce encompasses the process like buying, selling, transfer or exchange of

products, services and information through computer networks and the internet. The World Trade Organization defines "e-commerce is the production, distribution, marketing, sales or delivery of goods and services by electronic means". The concept of e-commerce is related to notions of internet economy and digital economy. All these concepts relate to the use of information and communication technologies for economic activities, but with different focuses. Internet economy refers to the economic activities that generate revenue from the internet or internet-related products or services. There are different basic types of E-commerce such as B2C, B2B, C2C, C2B and B2G. E-commerce caters enormous benefits to the buyers, sellers and also to the society these benefits are worldwide coverage, low setup cost, 24x7 connectivity, lower prices than traditional stores, better real time communication, online management of information, enhanced customer service, enhanced productivity, anytime - anywhere, time saving and hassle free, easy to search, convenient payment options, more options at lesser price, sharing idea, information and experience, services beyond geographic boundaries. Indian E-Commerce industry has been an upward growth trajectory and it is expected to surpass the US to become the second largest E-Commerce market in the world by 2034. India E-commerce sector is expected to reach US Dollar 111.40 billion by 2025 from US Dollar 46.20 billion in 2020 and further it is expected to reach US Dollar 350 billion by 2030.

E-Finance-

Financial sector plays an important role in the economic development of any country in the world. E-finance including investing, banking, mortgage lending, and insurance will grow at a dazzling rate in the coming years. It's a reflection of the spectacular growth of the internet. E-finance is a part of E-business and provides financial services through over the internet on any public or private network. When various financial activities are carried out electronically or over the internet is called E-finance. E-finance will empower both consumers and businesses, enabling them to reduce transaction costs, speedily process documents online and have instantaneous access to information. For businesses, online finance can dramatically improve efficiency and decrease the costs of internal business functions such as expense reporting, management, time and billing procedures. Business can now shop for loans on the web, lease a building or purchase health insurance for their employees. Procedures that

used to take weeks and that required seemingly endless phone calls, paperwork and manpower can now be handled in days or hours electronically. In world financial markets, traders and money managers have access to cutting-edge data about the markets 24 hours a day all over the world. For consumers, the internet is becoming part of daily life. According to industry experts, traffic on the internet doubles every 100 days. The internet has emerged as a powerful tool for people to manage their money and get financial news. As a result, there is a boom in online brokerage firms and financial news web sites. By visiting various web sites, individuals can read corporate annual reports; also they can take insurance policy, invest in share and stock over the internet 24 hours a day. The new era has brought with it longer trading hours, lower costs, and greater transparency and pricing information. Online brokerages offer ease of use, lower commissions than traditional brokerage and the ability to monitor individual accounts. As traditional ways of doing business have been transformed by technology, many large scale, traditional brokerage houses have entered online investing. Thus, in this way E-finance is beneficial for businesses and consumers. According to Indian Financial Services Industry Report (2021) India is expected to be the fourth largest private wealth market globally by 2028. Goldman Sachs, investors have been pouring money into India's stock market, which is likely to reach US Dollar 5 trillion, surpassing the UK, and become the fifth-largest stock market worldwide by 2024.

E-Marketing-

E-Marketing is also known as Web Marketing, Digital Marketing, Internet Marketing or Online Marketing. It refers to the marketing of a brand, company, product or service over the Internet. E-Marketing is the process of marketing a brand name using the internet through computers, mobile, digital gazettes as mediums. E-Marketing encompasses all the activities a business conducts via the worldwide web with the aim of attracting new business, retaining current business and developing its brand identity. E-Marketing uses different technologies and media to connect customers and businesses. Especially in this era of technology, E-Marketing has become a very important part of the marketing strategy of different company's making business worldwide. There are various benefits of E-Marketing such as to connect with customers faster and at affordable cost, reducing marketing costs through automation of electronic media, survive in the competition, increase

customer loyalty with frequent communications, target the right audience and global reach. It seems that, the return on investment from E-Marketing can far exceed that of traditional marketing strategies. Also, the transparency of the internet allows the marketer to have access to analytics and data in a near real-time fashion which will allow the marketer to make changes to align with the market's reaction thus making E-Marketing a preferred solution for marketing business. The digital marketing sector is booming and expecting to grow at 27 percent. In 2020, India has around 700 million internet users and the numbers are expected to grow to over 970 million users by 2025. According to Goldman Sachs Report, digital marketing career scope in the Indian market will be worth US Dollar 160 billion by 2025, which is three times the current value.

Advantages and Disadvantages of Digitization

There are many advantages and disadvantages of digitization these are as follows.

Advantages of Digitization

1. User-Friendly
2. Access to Information
3. Advanced Automation
4. Time-Saving
5. Cost Efficiency
6. Transparency
7. Better for Communication

Disadvantages of Digitization

1. Complexity
2. Digital Media Manipulation
3. Addiction
4. Data Security
5. Social Disconnect
6. Job Insecurity
7. Overreliance on Gadgets

Conclusions

In the modern economy digitisation creates various business opportunities by providing 24x7 services to their customers at national and international level. This is beneficial to both businesses as well as consumers in terms of reduce cost, time, efforts; also provide quick and transparent services. These are highly comfort in our routine life, in fact this made our life simple and convenient and over all we are able to enjoy quality service smartly. Digitisation increases production of various goods and services, sale, employment opportunities, income and profits of business firms that leads to economic development. Since last decade digital businesses are investing heavily in the modern technology and online security to bring improvements in quality services and fast processing of their operations.

It sees that there is an upward trend for all digital business ventures in India and abroad. India has made remarkable improvements in digitization, but there is yet lack of availability of proper infrastructure and concern facilities at some places as result creates hurdles in the process of development of digital business.

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