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and
Entrepreneurship
Review

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Editorial

Dear Readers,

I am happy to place AMBER, Volume 14, Issue 1 in your hands with the theme "Business Case Studies". The authors have covered cases related to various Business Practices in this issue. Case Studies and Book Reviews have added flair to the Journal. This is a small effort by ABBS in Knowledge creation and dissemination. Cases represent authentic workplace decisions and encourage students to apply knowledge gained from the classroom or through additional research to solve the case. I wish the readers would benefit from this issue and would give feedback to make the forthcoming issues better. Business Case Studies are important as they help us understand how real-life business scenarios differ from any other kind of learning. Businesses are dynamic, meaning they are susceptible to external forces. A business case study tells us how a particular business responded to a unique situation. Other businesses can learn from them and be prepared for what can happen, how-to, or how not to respond to a similar situation. Case study allows the readers to apply theory to a real-life situation, analyze and draw insights. The business case study can be a fictitious account of a business situation provided by the instructor to check the readers' critical thinking and problem-solving skills to a greater extent.

Patrons of this Journal from top management of the institution deserve special accolades for their support and coordination in bringing out AMBER in the last 14 years. I fail in my duty, if I do not thank the editor of this Issue **Dr. K. Ravichandran** and the authors who have subscribed to this issue. I profusely thank the reviewers who shouldered the responsibility of reviewing the papers.

Management and social sciences research have undergone significant changes and advancements over the years. These fields have become more interdisciplinary and are constantly evolving to meet the demands of an ever-changing world. In this essay, we will explore some of the current trends in management and social sciences research. The field of management and social sciences research is constantly evolving, and researchers are exploring a wide range of topics to better understand the world in which we live. The above-mentioned trends are just a few of the many areas of research that are currently being explored, and it will be interesting to see how these trends develop in the future. Keeping this in mind the theme of the forthcoming Issue **Volume 14 and Issue 2 will be themed "Trends in Management and Social Sciences Research "**. Research Papers, Case Studies and Book Reviews are solicited from Corporate, Academic, Research and Student Communities.

Dr. H.R. Venkatesha, Director
AMBER - Chief Editor
Acharya Bangalore B-School, Bengaluru

Contents

Issue Theme: Business Case Studies

| Research Articles | Page Nos. |
|---|-----------|
| ABC 'S' of Art: Lessons for Michelangelo <i>Dr.R. Vishal Kumar, Dr.P.Shanmugha Priya</i> | 06 |
| From Rags to Riches and Riches to Rags <i>Dr. Ajitha Savarimuthu</i> | 10 |
| Post Pandemic Buyer Behaviour <i>Alina-Nicoleta BÎRSAN, Raluca-Elena GHINEA, Robert-Andrei COSTACHE, Cristina STATE</i> | 17 |
| A realty check on Fintech Money Lending apps <i>Shri. Navin M.A., Dr. CMA M V Alagesan</i> | 25 |
| The Recuperation: The Metamorphosis of a Heart Broken Wife into a Resolute CEO <i>Dr. Tanmaya Kumar Mishra</i> | 30 |
| Developing Brand Equity Through Consumers – Unfolding The Case Of Parle – G and Its Success In India <i>Dr. Reena Shyam and Prof. Afzal Basha</i> | 34 |
| Factors that Influence The Behavior of Young People In Making the Decision to Start A Business. Case Study <i>Liana-Eugenia ME'TER, Andreea-FlorinaFORA, NicoletaGeorgetaBUGNAR, Margit CSIPKÉS</i> | 39 |
| Internal Migration and Urbanization: A case study from Semi-arid regions of Pakistan <i>Ghamz E Ali Siyal, Dr. Imran Khalid and Ayesha Qaisrani</i> | 48 |
| Waste Management Systems Used in Oslo and Zanzibar <i>Cristian Alexandru STEFĂNESCU, Răzvan Cătălin DOBREA, Maria LOGHIN</i> | 60 |
| Book Review | |
| The Intelligent Investor <i>Book by Benjamin Graham</i> <i>Ms. Kedhareshwari</i> | 69 |
| Guidelines for Paper Submission | 70 |
| Guidelines for Review Process | 71 |
| AMBER Journal's Peer Review Process - Flowchart | 72 |
| Call for Papers | 73 |

ABC 'S' of Art: Lessons for Michelangelo

Dr.R.Vishal Kumar

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Michelangelo (Mike) hung the line from one of his customers. Despair was writ large on his face. The news was not very pleasant. His customer a B2C portal: myartwork.com had placed a request. "We are unable to sell your wares at the present price, please consider a substantial revision", was the message. The portal helped rake in more than 80 percentages of Mike's revenues. Losing this client would prove suicidal.

iRis Creations:

Mike was a gifted artist, the prodigal son of a famous portrait painter Prometheus. Mike learnt the basics of art at a very early age, mostly observing his dad working on portraits. Prometheus was a classical exponent of the early tempera style of painting. His paintings bore rich hues, often 150 layers of thin color. Mike used to assist his dad in setting up the canvas and at times trying his hand at coloring insignificant parts of the canvas. Mike understood the steps involved in painting from his dad. Build the canvas, prepare the concept sketch and then perform the master coloring.

Mike grew up to graduate from the Indiana School of Art (ISA). He started iRis Creations, a company that specialized in landscape and portrait painting. During his graduate days Mike developed three simple steps to paint. A style perfected by him over the years, the process was kept simple. Paint brown undercoat on canvas, sketch a rough drawing using white color and then do the actual (master) painting. This three-step process helped him work on several paintings simultaneously, while still retaining control over critical pieces of his composition. Tasks like setting the canvas and preparing the background colors was left to trained assistants.

iRis was an instant hit with customers. Due to the encouraging response, Mike tied up with myartwork.com an online portal that promoted art. Mike found online customers more serious and cost effective because it saved him the trouble of finding them all by himself. This way Mike could cater to a wide range of customers, wealthy individuals, trade organizations, professional firms, art studios and churches.

Mike's Woes:

Myartwork.com had recently begun to feature more artists on their portal. This presented them with an expanding revenue stream because sales through the portal led to lucrative commissions. However, for artists like Mike this meant a surge in competition. With low brand loyalty and no basis for differentiation, price seemed to be the deciding factor. The CFO of myartwork.com who called Mike had this to say: "Your present portrait prices are \$20 more than competition". The price of landscapes however was \$6 lesser than competition. Though landscape paintings contributed to a major part of the company's revenues, much of these orders were generated through referrals from portrait customers.

Pricing Art:

Mike understood colors better but not numbers. Disturbed by the call from myartwork.com he convened a meeting with his Chief Accountant-Scott and Production Coordinator-Sam. He began by referring to his conversation with the portal's CFO. "Unless we do something about this, we are going to bleed", grieved Mike. "Scott, could you explain how we have been pricing our artwork so far?" he enquired.

Scott a seasoned accountant worked for the Kimberly's retail chain, prior to his association with iRis. "There are a lot of costs that need to be traced meticulously", explained Scott. "We incur costs on selection of canvas, setting up the canvas, line drawing, master sketching and background coloring. Besides we incur significant costs on the post production too like canvas waxing, fume drying and frame mounting.

Sam, who was keenly observing the conversation, broke his silence. "So, Scott how do we arrive at the price finally?" Scott recognizing the fact that he was not talking to accountants drew a pencil from his pocket and started explaining his method on a piece of paper. "Direct material costs add direct labour costs and manufacturing overheads applied at the agreed rate of direct labour hours plus a 175 percentage mark-up on costs help us arrive at our price."

"And, what costs form part of the manufacturing costs you just outlined?" enquired Mike. "Ah, well a great deal like the seasoning of canvas to preserve its texture and durability, engraving the artists name to the painting, the special drying to help the color set fast and the mounting of wooden frames to render the painting ready to be displayed" Scott replied. Mike and Sam exchanged a confused look. The art of accounting and the accounting for art both presented formidable challenges and seemed momentarily incomprehensible. "Could you please give me that paper, Scott?" asked Mike. He decided to seek external help.

Prof. Podlovsky: Indiana School of Art

Mike remembered his sessions with Prof. Podlovsky. An impressive artist, Prof. Pod as he was popularly known taught accounting at ISA. Pod's research interests were in designing and developing Activity Based Costing systems and designing Balanced Score Cards. His consulting experience was rich and varied. Being both an artist and professor, Prof. Pod was in a better position to understand Mike's business. Mike sought Pod's help through e-mail. Since Mike had served under Pod for his term paper, Mike was sure Pod would remember him and respond. Pod was Mike's only hope.

Mike's E-mail to Pod:

Dear Prof. Podlovsky,

It gives me great pleasure to be writing to you after long. I introduce myself as Michelangelo (Mike) of the ISA Fall Batch 2009. I still cherish the memories of your classes and my student days at ISA. Hope this e-mail finds you in good health and spirit.

I write this e-mail in my representative capacity as CEO of iRis Creations, a company that I founded after graduating from ISA. The going so far has been pretty good; however, recent circumstances have necessitated this e-mail.

I seek your help on an important pricing decision that I need to make to keep me in business.

Two questions reign uppermost in my mind and I seek your guidance in answering them:

- i) Is my current pricing policy of 175 percentage mark-up on total cost appropriate?
- ii) Is there any room for me to reduce my selling prices? How do I figure this out?

I have attached details of my business and its cost structure (exhibits 1 - 3) and look forward

to your observations.

With fond regards,
Mike
CEO, iRis Creations

Prof. Pod's Response:

Dear Mr. Mike,

It is nice to hear from you after a long time. Having carefully examined the details provided by you, I opine that the present policy of adding a 175 percentage mark-up to total costs is appropriate. This is consistent with the practice prevailing in the industry and hence needs to be continued.

However, I do recommend a re-examination of the method being pursued to allocate your manufacturing costs to products. My analysis of your manufacturing overheads reveals that you have chosen to use direct

labour hours as your primary overhead cost driver. I invite your kind attention to the fact that landscape and portrait paintings differ in the amount of labour time. While landscape painting is less labour intensive than portrait, using direct labour hours as the basis for absorbing overhead costs is inappropriate. Choice of incorrect activity driver is distorting your pricing.

I regret my inability to delve on the questions you asked. My spouse's protracted illness requires my undivided attention and due to this reason, my Chair falls vacant tomorrow. Never the less, I submit a template for your reference. The following questions would help you in your analysis:

- i. What are the broad categories (activity pools) of your manufacturing costs?
- ii. What major activities mark each category identified?
- iii. What could be the most significant cost driver for that activity?

A smart student as you were, I sincerely hope you will figure out the solution all by yourself. Wish iRis Creations and you the very best in all further endeavors.

God bless.

Prof. Podlovsky
 Chair, Accounting
 Indiana School of Art.

The Task Ahead:

Mike read the e-mail and understood the message: choice of incorrect activity driver was distorting his pricing. He forwarded the mail to Scott with this note: "Dear Scott, help me

perfect the ABC-S (Activity Based Costing System) for art. I am eager to learn this from you.

Let us meet at 9.00 A.M tomorrow. Your inputs will be critical for the future of iRis.

Assigned Questions:

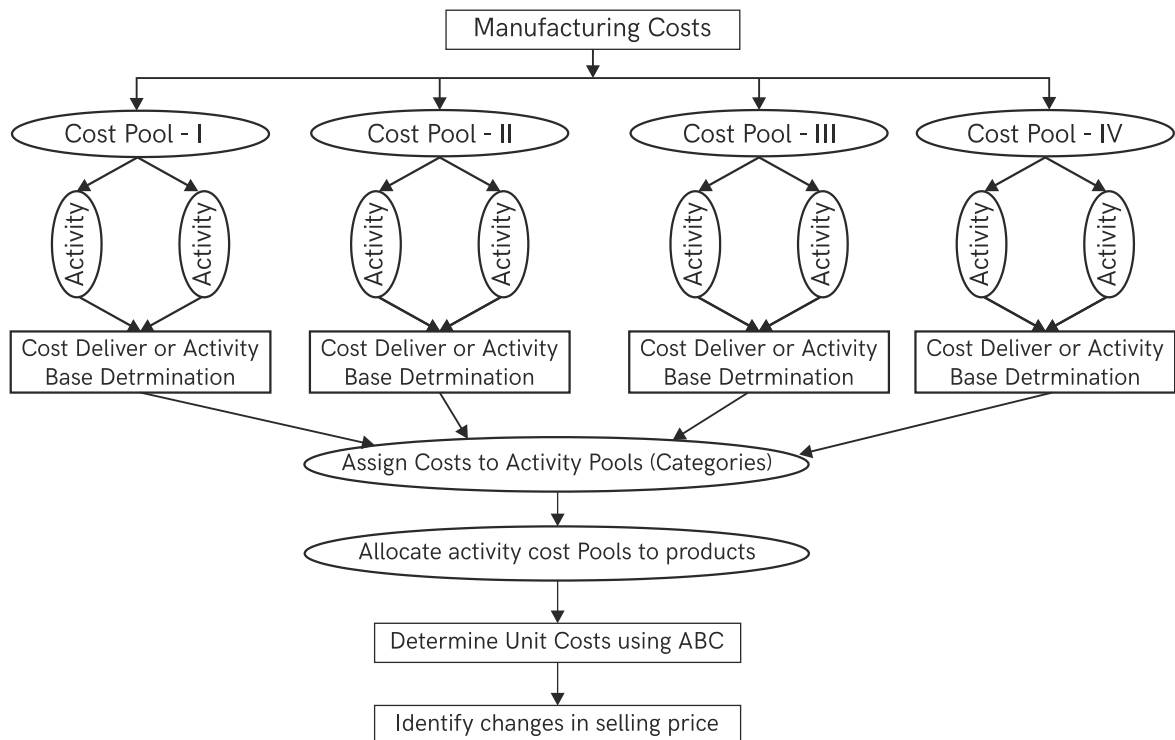
- 1) As Sam, provide the basic inputs to Scott on the current prices charged by iRis.
- 2) As Scott, perform the necessary calculations to help Mike make a decision.
- 3) As Mike, what will be your response based on the workings provided by Sam and Scott?

| Exhibit-I: iRis Creation's Production Sequence | | |
|--|--------------------------|--------------------------------------|
| Stage-I (Pre-production) | Stage-II (Production) | Stage-III (Post-production) |
| Selection of primed canvas | Master painting | Seasoning of canvas |
| Sizing of canvas | Contrast setting | Fumed drying |
| Undercoat of canvas | | Signage engraving |
| Graphite sketch of painting | | Frame mounting |
| ↓ | ↓ | ↓ |
| DIRECT MATERIAL | DIRECT LABOR | INDIRECT COSTS (Absorbed on DLH)* |

*DLH=Direct Labor Hours

| | Exhibit-II: Cost Structure/Pricing | |
|----------------------------------|------------------------------------|----------|
| | Landscape | Portrait |
| Number of paintings | 34950 | 7500 |
| Number of work orders | 440 | 110 |
| Direct material costs (\$)/unit | 25 | 35 |
| Direct labor (hrs.) per painting | 2 | 8 |
| Direct Labor Rate(\$)/per hour | 5 | 5 |
| Manufacturing (indirect) costs | \$364000 | |

| Exhibit-III: Manufacturing Costs Description | | |
|--|--|----------------------------------|
| Nature of activity | Description of activity | Total Cost (\$) Absorption basis |
| The manufacturing costs comprise of production department costs of \$249400 and utilities (power) cost of \$ 114600. A total of 5 lac kWh will be required of which 35 % is towards heating and the rest for running machines for signage engraving. A detailed description of the costs are as follows: | | |
| Seasoning of canvas | A set of 10 trained assistants work on waxing the canvas top reserve its dexterity and tenure. Since portraits on canvas require more seasoning 8 of the 10 assistants work on portraits. | DLH |
| Setting up of canvas | Seasoned canvas needs to be setup for production. A total of 150 production runs is required for landscape and 50 Production runs for portrait paintings. | DLH |
| Fumed drying/heating | Each completed canvas is exposed to fumes to enhance the color setting properties on canvas. The process is carried out in a special purpose chamber supervised by an assistant. The process consumes 30,000 kgs of charcoal of which 26,000 kgs are required to fume dry landscape paintings and the remaining for portraits. | DLH |
| Signage Engraving & Frame Mounting | The signature of the artist and the production house is engraved on the painting and a frame is mounted. This is a mechanized process that is automated. A total of 50000 machine hours are required for the same of which 90% of the hours are for landscape and the rest for portrait. | DLH |



From Rags to Riches and Riches to Rags

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Abstract:

One of the most audacious business people of his era was Dhirubhai Ambani. He became more optimistic and intelligent in handling business as he gave himself permission to take more calculated risks in life, which allowed him to grow as a person. Dhirubhai Ambani had to take various chances, such as leaving his nation for employment, quitting his position to launch a business, changing the direction of his company from selling spices to yarn and forging new commercial ventures like petrochemicals. Mr. Dhirubhai Ambani was a remarkable individual who always valued hard effort, creative and problem-solving, which helped him become India's most successful businessman, a true 'rags-to-riches' tale. Anil Ambani, previously one of the richest individuals in the world, has nevertheless lost \$42 billion wealth. Anil Ambani was able to transform himself from the richest man in the last century to the poster child for the phrase "riches to rags" Anil Ambani, once the sixth-richest billionaire in the world with \$42 billion in assets, informed a UK court in 2020 that his net worth had fallen to zero and that he became a pauper to Chinese banks. The case enlightens on fail of family business on the second generation due to lack of managerial skills and overconfidence on diversification.

Keywords: Raise, downfall, Rags to Riches and Riches to Rags

Early Life of Dhirajlal Hirachand Ambani

On December 28, 1932, Dhirajlal Hirachand Ambani was born in the village of Chorwad (Gujarat). The 3rd child born to a village schoolteacher and his wife, often known as Dhirubhai Ambani, he grew up in a low-income home. His first business venture was selling chaat-pakodas to pilgrims at Mount Girnar. After the tenth standard, he stopped studying. When he reached 17, he travelled to Yamen to work with his brother Ramniklal. Dhirubhai Ambani was manning a gas station in Yamen. Later, he rose to the position of business hiring manager. While in Aden (a city in Yamen), he additionally worked for Antonin Besse's at a salary of 300 Indian rupees. He spent some time working in Yamen before moving back to India. He desired to become a businessman while residing in Yamen.

When Kokilaben Ambani wed Dhirubhai Ambani in 1955, she had no idea how drastically her life would change. She got her first glimpse of Mumbai. She was travelling to Aden and was in awe of the steamer because it was another first for her. The way of life in Aden, where Dhirubhai briefly resided, was very dissimilar from Jamnagar or other locations she was born, yet Dhirubhai served as her mentor. For her, meeting Aden was a significant turning point. She gave birth to her first child Mukesh on April 19, 1957, in Aden (Anil, Dipty and Nina were born in Mumbai).

Dhirubhai Ambani's Rise

When Dhirubhai Ambani returned to India in 1958, all he had was 500 INR. Together with his cousin Champaklal, he founded the textile company "Majin". In the past, Majin imported polyester and exported items like spices and rayon to Yamen. At the Narsinatha Street in Masjid Bunder, Dhirubhai Ambani established his first business in just 33 metres squared made up the workplace space. Ambani had only retained a few significant items in a 350 square foot space, including three seats, a phone, and a table. Dhirubhai Ambani and his family were residing in a two BHK apartment at that time. Ambani had strong marketing skills, was seen as a risk-taker, and thought that increasing inventories would increase income. In the late 1950s, Ambani started a company called Reliance Commercial Corporation to trade in spices. Following a strategy of providing higher-quality items and accepting lower profits than his rivals, he quickly moved into other commodities. His company expanded swiftly. Dhirubhai Ambani and Champaklal's relationship dissolved in 1965. It is thought that the reason their collaboration didn't work out well was because they both had different perspectives on how to run a firm. Ambani focused on synthetic textiles after determining that the company had exhausted its options with commodities. With the debut of the first Reliance textile factory in 1966, he embarked on his first venture into backward integration. He founded a business in 1966 under the name Reliance Commercial Corporation, which was later renamed to Reliance Industries. He continued to pursue a strategy of backward integration and diversification, gradually transforming Reliance into a petrochemicals powerhouse and later expanding the company's operations to include plastics and power generation.

Along with his brother Anil Ambani, Mukesh Ambani attended the Hill Grange High School in Peddar Road, Mumbai. Mukesh Ambani attended St. Xavier's College in Mumbai after finishing his secondary education. The Institute of Chemical Technology then awarded him a BE in chemical engineering. Kishinchand Chellaram College is where Anil Ambani

obtained his Bachelor of Science degree. Later, Mukesh Ambani enrolled at Stanford University to pursue an MBA. Ambani took Reliance public in 1977 after being turned down for financing by nationalised banks. Investor confidence in Reliance remained unwavering despite accusations of political manipulation, corruption, and engineered raids on rivals as a result of the founder's deftness in navigating a sluggish economy and burdensome government regulations and bureaucracy. This was due in part to the handsome dividends the company offered as well as the founder's charisma and vision. Ambani is credited with introducing the stock market to the typical Indian investor. Thousands of people attended the Reliance AGMs, which occasionally took place in sports stadiums, and many more watched them on television. Dhirubhai was hailed for his crucial role in influencing India's stock market culture by luring crowds of ordinary investors to a market monopolised by state-run financial institutions. He is credited with establishing the equities cult in India. He never behaved in a traditional style and was frequently criticised for his commercial tactics, which led to controversy throughout his life. The "Dhirubhai school of management" was adamant that the advantages accruing directly to the shareholders were the only factors that mattered.

Under Indira Gandhi, the Indian government allowed the private sector to manufacture PFY (polyester filament yarn) in 1980. Dhirubhai Ambani requested a permit to establish a PFY manufacturing facility. Because the government at the time was prohibiting large-scale manufacturing and making it impossible to import yarn for the textiles, getting the licence was a protracted procedure that needed strong connections within the bureaucracy system. Despite fierce competition from the Tatas, Birlas, and 43 other concerns, Dhirubhai, also known as License Raj, was given the licence. Dhirubhai drew his eldest son from Stanford, where he was pursuing an MBA, to work with him in the company, which at the time was still a tiny but rapidly expanding business, to assist him in building the PFY facility. Dhirubhai Ambani invited his

son back to India from Stanford to take charge of a yarn manufacturing project in his company because he believed that real-life talents were developed via experiences rather than by sitting in a classroom. After leaving his university programme, Mukesh Ambani oversaw Reliance's 1981 transition from textiles to polyester fibres and then further into petrochemicals, which the yarns were made of, as part of the company's backward integration strategy, in which businesses own their suppliers to increase revenue and efficiency. In 1983, Anil Ambani graduated from the Wharton School of the University of Pennsylvania with a master's degree in business administration. After joining the company, Rasikbhai Meswani, the executive director, received regular reports from Mukesh Ambani. The firm was created from the ground up with the idea that everyone should contribute to it and it shouldn't rely too heavily on a small group of people. Even though Mukesh Ambani had little experience, Dhirubhai treated him like a business partner and gave him the flexibility to contribute.

Midway through the 1980s, Dhirubhai Ambani gave his sons Mukesh and Anil Ambani control of the day-to-day operations of the business, but he remained involved in its management until just before his passing. Dhirubhai Ambani was suffering from a major stroke. His first stroke, which caused the paralysis of his right hand, had occurred in 1986. He was checked into Breach Candy Hospital following his second stroke. He fell into a coma for over a week before death on July 6, 2002. Dhirubhai Ambani, who contributed significantly to the foundation through his hard work and suffering, is entirely responsible for the love and respect that the "Ambani family" enjoys today. Today's commercial world is ruled by a company that began as a one-room operation, all thanks to the vision and tenacity of this remarkable guy. Reliance Infocomm Limited, founded by Mukesh Ambani and currently known as Reliance Communications Limited, specialised in projects involving information and communications technologies. When the business was substantially investing in oil refineries and petrochemicals, Mukesh

Ambani, then 24 years old, was given responsibility for the Patalganga petrochemical plant's construction.

Dhirubhai Ambani, passed away without leaving a clear succession plan. Anil and his brother Mukesh quarrelled, so their mother Kokilaben intervened and divided the family-owned enterprises between the two of them. Reliance Group assets including interests in telecom, entertainment, finance, electricity, and infrastructure were given to Anil Ambani and Mukesh Ambani had control of petrochemicals, oil and gas, manufacturing and refining. Anil's fortune was believed to be Rs 550 crore higher in 2006, a year after their father Dhirubhai Ambani's empire was divided than that of his older brother, who is currently Asia's second-richest person. Ambanis' expanded the Reliance Group, and today Reliance is a market leader in the industries of textiles, petrochemicals, power, and communications.

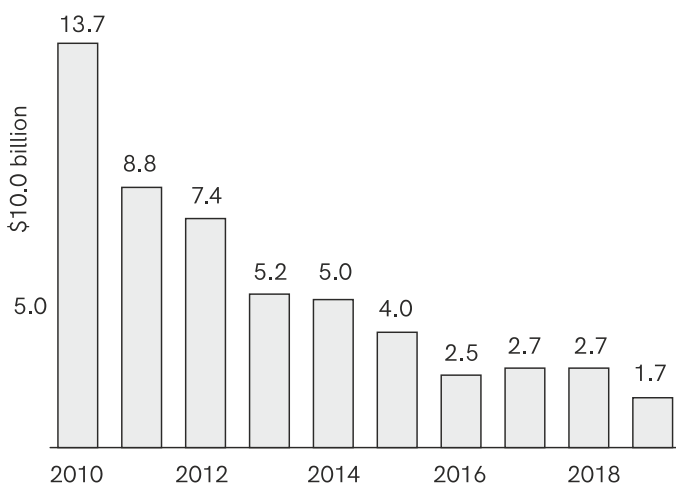
In 2004, Anil Ambani was also chosen to serve as an independent member of the Rajya Sabha. Anil Ambani is also credited with creating India's biggest initial public offering (IPO), that of Reliance Power, which in 2008 attracted the fastest subscription period in the country's capital markets' history. Ambani made his entry into the entertainment business in 2005 when he bought the majority of Adlabs Films, a business with interests in film production, exhibition, and digital cinema. In 2009, the business adopted the name Reliance Media Works. In 2008, Ambani's entertainment company was given a global platform through a joint venture worth US\$1.2 billion with Steven Spielberg's production company Dream Works. He helped with the creation of several Steven Spielberg movies, including Lincoln, which won an Academy Award. Since the creation of the Reliance ADA Group, Anil Ambani has become known as one of the fastest destroyers of shareholder value in the last 100 years, with the combined group market cap falling by 90%.

Anil Ambani's fall

Anil Ambani ranked sixth in terms of wealth in India in 2010. But after being accused of corruption in 2011, his fortunes started to tumble. Reliance Communications was accused of questionable 2G

spectrum allocation deals in 2011. The allotted spectrum to Reliance Communication was revoked after the con. Anil and his wife denied any misconduct and claimed they were unaware of how the management of the company made decisions. The Central Bureau of Investigation exonerated him of all charges in 2018. However, Anil's remaining success in the telecom sector was destroyed when his older brother Reliance Jio entered the market in 2016, sparking fierce rivalry.

Anil Ambani's Networth over the years



A significant day in the history of the Bombay Stock Exchange was February 11, 2008. Reliance Power's shares were launched on that day after the business raised a record-breaking Rs 11,563 crore in its IPO (IPO). It was expected that the IPO, which received over 5 million bids from all types of domestic and foreign investors and was oversubscribed by around 70 times, would do so. The government's announcement of intentions for ultra-mega power projects made the industry hot, and the Reliance brand had long been associated with outstanding profits. One of the largest portfolios of power production assets under development at the time, the company had stated it was working on 12 power projects with a total planned installed capacity of 28,000 MW. Reliance Power, his company, is accused of receiving an unauthorised advantage of about Rs 29,000 crore after the government permitted the use

of extra coal from mines connected to active projects. The company took a significant hit as a result of the charges, which ultimately forced it to incur significant debt. Anil Ambani's net worth fell from \$42 billion in 2008 to \$0 in 2017. "Investments made by Anil Ambani were valued at over \$7 billion in 2012; they are now worth \$89 million.

Due to its inability to make payments, Company declared bankruptcy in 2019. The corporation filed for bankruptcy because it owes Rs. 50000 crore in debt and has assets worth Rs. 18000 crores.

Asset management, life insurance, wealth management, commercial finance, and house financing were just a few of the financial services Reliance Capital dabbled in. The heterogeneous group of companies first appeared to have a lot of potential. But issues quickly started to surface. Reliance Home Finance Company was largely intended to give money to average people planning to purchase their dream homes, but it made more than 50% of its lending to other businesses as well, especially those involved in infrastructure and real estate development. Problems with cash flow beset these industries. But when they made loans to weak businesses inside their own group, things only got worse (Reliance Infra and Reliance Power). One can only image the situation in the Commercial Finance subsidiary when the Home Finance subsidiary was involved in this "inter corporate lending" issue (whose job is to lend to corporates). They were on the same page and continued to provide financial support to Reliance Group enterprises. And then, a domino effect started to happen when companies like Reliance Communications and Reliance Power started to fail and default on their loans. Even its own creditors were unable to be paid by Reliance Capital. It barely had Rs. 11 crores in cash as of March 2019. All of a sudden, no one was interested in lending money to the NBFC Reliance Capital. Thus, they lost access to funds. Reliance Capital started selling its shares in businesses that were actually doing fairly well in order to stay afloat. Now it is going through the bankruptcy procedure.

The financial health of some ADAG-backed firm

| Company | Financial Details |
|-------------------------|---|
| Reliance Communications | Reported net loss of Rs. 5,791 in the year that ended on March 31, 2021, as against Rs. 42,671 crore a year ago |
| Reliance Power | Reported net loss reported of Rs. 388.84. cr. in the year that ended on March 21, 2020 as against Rs. 601.66 cr. a year ago |
| Reliance Capital | Reported net loss of Rs. 1,075 Cr. in the year that ended on March 31, 2020 as against Rs. 1,513 Cr. a year ago |
| Reliance Infra- | Reported netloss of Rs. 771.17Cr. in the year that ended on March 31, 2020 as against Rs. 2426.62 Cr. a year ago |
| Reliance Naval | Reported netloss of Rs. 1760.74 Cr. in the year that ended on March 31, 2020 as against Rs. 10,926.55 Cr. a year ago |

To buy big power plants, he took out large loans. They funded numerous power-related projects. He was anxious and showed improper aggressiveness towards the power industry. The Power Industry encounters some challenges, which they are unable to address, leading to an increase in debt. Additionally, they borrowed large loans to operate and expand Reliance Communication. The telecom sector is quite competitive for them. When JIO joins the market and a sizable portion of Reliance Communication's client base switches to JIO, the situation deteriorates rapidly. As a result of all of this, their firm is not expanding as much, and they need additional clients to stay in business. Reliance Communication was forced to file for bankruptcy in 2019. The incorrect diversification is another factor for the downfall of Anil. His business diversification was poor. They did not concentrate on one particular business and made it successful. They took out huge loans to launch new companies that

they had foolishly invested in the name of diversification.

A Mumbai court declared Ambani in contempt of court in the early months of 2019 for failing to pay a personally assured debt that Reliance Communications owes to the Swedish equipment manufacturer Ericsson. The judge gave him a month of time to come up with the money instead of sending him to jail. Ambani was saved by his older brother Mukesh Ambani bailed out for a month. After a secured NCD (Non-Convertible Debentures) default, three ADAG Companies struck a standstill agreement with Franklin Templeton in April 2019. Due to this, SEBI modified the mutual fund regulations, lowering the exposure to unlisted NCDs to 10% and nullifying standstill agreements. As a result, FT India wound 6 debt funds, which affected 300,000 investors, and chose not to liquidate the pledged securities. Anil Ambani and three Chinese banks were entangled in a legal dispute in February 2020. He claimed that his present net worth is zero after taking into account his liabilities after the court ordered him to set aside US\$100 million. The issue is still ongoing, and the UK court has ordered him to pay the three Chinese banks US\$716 million. Anil Ambani was mentioned in the Pandora Papers in October 2021. Anil Ambani who completed his Master in Business Administration at the Wharton School of the University of Pennsylvania informed a U.K. court in February 2020 that his net worth was zero. Mukesh Ambani who discontinued his MBA in Stanford has a net worth of \$91.9 billion. As his father he believed that real-life talents were developed via experiences rather than by sitting in a classroom became true.

Conclusion

The story actually starts in 2005 when the Ambani brothers decided to divide the family firm. Financial services and the telecom industry were acquired by Anil Ambani. He was betting on what he believed could be the "future" of India. Having a stake in the company is necessary, but one must also manage it efficiently. To put it simply, the execution wasn't exactly flawless.

Anil Ambani continued to make bigger, bolder, and perhaps riskier bets in the power, infrastructure, and entertainment industries. Companies in the Reliance Group took on tremendous debt in an effort to expand no matter what. Anil Ambani's economic empire crumbled like a line of dominoes in 2017 when one organisation, Reliance Communications, failed. Following the Securities and Exchange Board of India's (Sebi) judgement prohibiting him from engaging with any listed firm, Anil Ambani resigned from his positions as director of Reliance Power and Reliance Infrastructure. His father raised from Rags to Riches and he turned himself from Riches to Rags.

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Post Pandemic Buyer Behaviour

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ABSTRACT

Romanian economy has been, for almost two decades now, based on consumption. Thus, private consumption has become a vital element in supporting national economy and everyday life, with peaks and lows. Numerous studies have documented the Romanian consumer's behaviour and purchasing trends, concluding that Romanians are more than just customers, rather "patients". Big retail chains have become "the main cause" for their illness, called consumerism. Before the pandemic, Romanian customers chose to acquire goods that they did not need, just because they were trending or because it brought them a boost of image within their social group. On the other hand, from the point of view of sales targets and other economic indicators, that retailers use to build their strategies upon, it can be understood how this "disease" is increasing, transforming consumerism into a real national (with international reach) pandemic. The profit of large retail companies has shown that in peace time (without war, cataclysms, or other adverse events), retail companies know how to manage their business and, above all, understand how to influence buyer behaviour. Under Covid pandemic threats potential customers' access to physical premises had been restricted, therefore retail companies swiftly adapted to the Governmentally influenced change of buying patterns by increasing online accessibility. We have investigated through a quantitative analysis how pandemic procurement and consumption trends varied under these circumstances. Our research showed results that we

found easy to predict, but difficult to explain from an economic point of view, mainly due to the psychological impact external factors played in general economy.

Keywords: *buying behaviour, consumerism, consumer behaviour, pandemic buying habits*

1. Introduction

Romanians, like other citizens around the world, love to shop for various reasons. Whether we are talking about needs, desires or simply the purchase of a particular product or service for image enhancement, retail chain customers have created a true consumer culture (Tasene & Ciacu, 2010). However, it would be wrong to say that only buyers are to blame for this consumer centric culture. An important role was played by retail chains that put up more and more attractive offers, generating true consumer habits for their customers. We can often wonder how it got here, and possible answers are quite grim. Both Romanians and people all over the world have little to no education in terms of personal finances, consumption and consumption habits that they can assess on their own. In the absence of this knowledge, retailers take advantage and develop authentic customer experiences to successfully implement sales strategies both in times of peace and crisis. As can be seen in Figure no. 1, we can observe the trend of Romanian consumerism and we can deduce, from the investments made, how retailers responded to the situation generated by the pandemic.

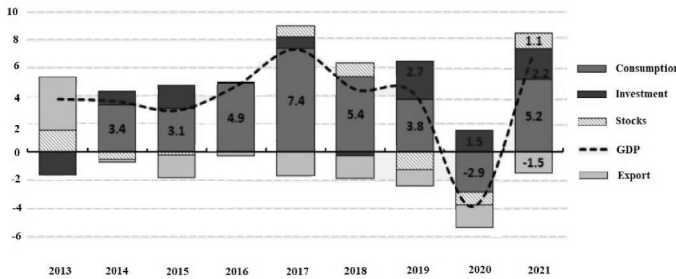


Figure 1. The retailing situation in Romania in the period 2013-2021

Source: Calculations based on CNSP (NIS, 2021)

2013 was the last year of Romanian economic crisis, and this cannot be considered in our analysis, 2014 showing an increase in people’s purchase of goods and services recorded consumption. Although consumption was high, investments were small. The same thing happened in 2015 when people continued to buy, even if less, but this time retailers begun investing more in their businesses. Another important thing to consider, implemented by retailers and highly appreciated by customers, are “Black Friday” programs inspired by US retailing strategies. The investments made and the implementation of “Black Friday” discounts can be observed in 2016 when sales increased by 1.8%. However, 2016 was not marked by investments, and retailers ` sold only their existing stocks. This has minimised stock associated costs, and the results of 2015 investments were felt only in 2017.

Retailers invested mainly in opening new stores and migrating businesses in online where the number of potential customers was exponentially growing. This was seen in 2017 when the number of customers increased by 2.5%, growth not being based on investments, but rather on the introduction of “buy more, pay less” programs”. The period 2015-2018 recorded higher consumption than the average. This was mainly because retailers developed consumer habits for their customers. According to the analysis carried out by a marketing agency ([https://ro.2performant.com / ?gclid=CjwKCAjwzaSLBhBJEiwAJSRokuovacpo2HB735kL7dBlui9ebtBLkYS7pS58t_WOyXeOjMDXS4p-AxoCRjMQAvD_BwE](https://ro.2performant.com/?gclid=CjwKCAjwzaSLBhBJEiwAJSRokuovacpo2HB735kL7dBlui9ebtBLkYS7pS58t_WOyXeOjMDXS4p-AxoCRjMQAvD_BwE)) Romanians bought more during holidays, spring and autumn seasons and little during summer. The main reason was that Romanians are away on vacation during

summer. We have paid particular interest to 2019-2021 period. In 2020 the crisis generated by the pandemic began to make its presence felt, especially at the end of the year, beginning of 2021. Retailers have felt this and chose to invest a record amount compared to previous years to be sure that the global situation does not affect their business. The year 2020 and the political decisions by which people had to be quarantined gave them the needed boost. Although they expected changes in buying patterns, stimuli, and quantity, they did not expect many of the stores to remain closed due to lack of access and inability to physically attract them on their premises. This was the moment when retailers migrated their activity to online and turned to the psychological side of the Romanian consumers. According to financial information provided by a business platform (<https://www.startupcafe.ro/marketing/cumparaturi-online-romania-magazin.htm>) Romanians, in 2021, bought from online stores up to 5.6 billion euros, 30% more than they purchased online in 2020. If we analyse this in depth, we can deduce that Romanians spent more than 15 million euros every day on shopping through e-commerce, which means an increase of 3 million euros every day compared to 2019. And in Figure 2 we can see the structure of monthly expenditures in Romanian households, underlining the fact that most of the monthly budget was spent on food products 34.6% and alcoholic beverages and tobacco 8.5%.

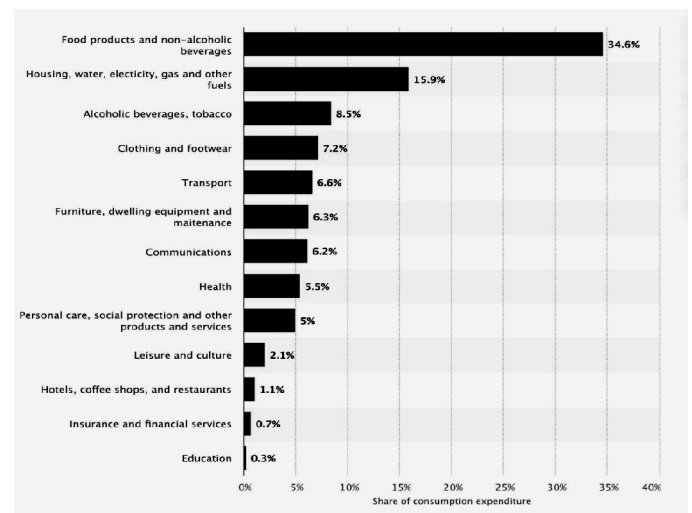


Figure 2. Distribution of monthly consumption expenditure in Romanian households in 2020, by type of expenditure

Source: statista.com (2021)

This can be explained from a psychological point of view. If during periods of peace Romanians spent most of their free time outside their homes and had different activities that involved mobility, restricting their freedom to travel and imposing quarantine measures increased their level of stress. Every time humans are stressed; they tend to be attracted to things that produce serotonin. Among the most common serotonin producing activities modern humans can easily access are shopping and eating sugar rich foods (Sheth, 2020; Hall et al., 2020). Basically, natural stimulated consumption, on psychological foundations, looked like in Figure no. 3:

retailers, etc.) and pure impulses (those impulses that are triggered by the need for serotonin). All this had a total impact on how people bought and consumed until the pandemic. To these a very important factor was added, respectively "fear" and change became inevitable.

As a result of these chaotic decisions and the fear induced to population, large retailers have taken advantage of the opportunities and placed their bets on e-commerce. They have developed catchy, user-friendly websites that catch your attention and, eventually, your wallet. Thus, the consumer of a product has also become the user of a platform. In addition to the money earned by the retailer through the sale of goods, it earned quite a large income based on the conversions of visitors to the website (Roggeveen & Sethuraman, 2020; Mead et al, 2020). We are wondering how great is the impact of switching from physical to online? How ethical or unethical are retailers and how well have they achieved their economic and strategic goals? To be able to answer these questions, we must go back to the target researched group and see what has changed in their consumption habits and, at the end of the analysis, conclude if we can create a pandemic model.

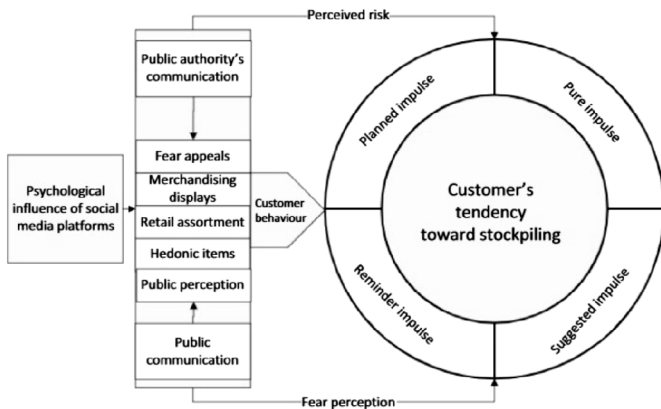


Figure 3. Customer psychology of impulse buying

Source: Processing after Naeem (2020)

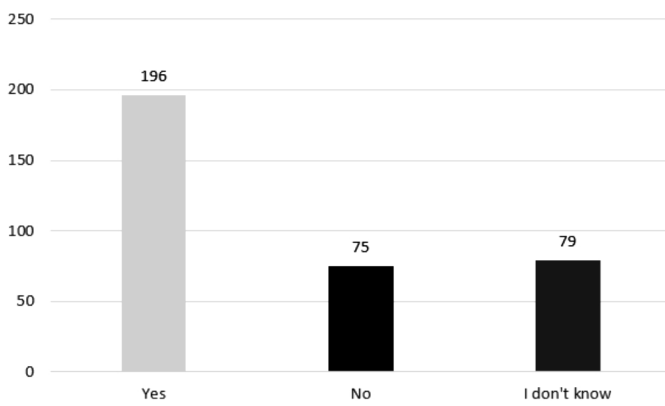
Basically, retailers didn't just move to the online environment to allow people to shop even when physical stores were closed. They developed new consumption habits by appealing on one hand to what the internet could offer them (hosting a website, digital marketing platforms, marketplaces), and on the other hand to social media platforms. Thus, as we can see in Figure no. 3, people began to stock up on food and care and hygiene products (basic products), but they also began to buy just for the pleasure of buying, to release serotonin into their body. The impetus for such purchases came from four directions: suggested impulses (their psyche influenced by advertisements on social networks), planned impulses (made by the Government based on announcements on the extension of alertness), reminder impulses (driven by false need for a product/service, assortments put on sale by

1. METHODOLOGY

The study carried out by us is based on quantitative research, where the questionnaire was used as a basic tool, which was carried out with through Isondaje.ro. The questionnaire was addressed to a number of 350 respondents, during a period of 3 months, between May and August 2021, remaining open to update our research for a time span of 12 months after the pandemic is considered ended, targeting more than 1000 respondents. The study respondents comprise 60% female and 40% male, with an average age of 32.1 years.

It can be seen from Figure 4 that people perceive a change in their consumption habits. The number of people who chose the 'No' option and the 'I don't know' option of the possible answers are approximately equal, while the number of those who chose the "yes"

option is indisputably majoritarian. People’s consumption habits have changed according to several variables. Main drivers of change in buying habits are retailers themselves who have chosen aggressive strategies to attract customers in a period when they hoped to at least obtain a level of profit that would allow them not to close their businesses, put staff on unemployment and to continue their activity, fighting challenges. On the other hand, another variable that acted towards changing consumption habits, is represented by the State and its politics.



The State, through its institutions, unfortunately rather managed fear itself than finding and implementing solutions for crisis resilience. This influenced people’s buying habits and, out of fear of not having access to basic food needs, to stock up and excessively order online. Another important factor that led to changes in population’s consumption habits was the always underestimated psychological dimension. People, whenever they feel stressed, tend to do activities that distress them and release serotonin into their body. Since people had nothing to do during this period, they chose to eat and purchase more. If before the pandemic there was a buying frequency that recorded increases during holidays (large volumes of purchased stocks), and during the rest of time there were occasional purchases, in small quantities, during the pandemic the frequency of purchases disappeared, purchases being recorded all the time, and in increased quantities. Basically, people bought much larger quantities than they actually needed.

Another aspect that we touched through our survey referred to where they were buying from. Thus, we conducted the analysis over two years of comparison: 2019 (year without pandemic) and 2020 (year with pandemic), and the results are at least interesting and can be seen in Figures 5 and 6.

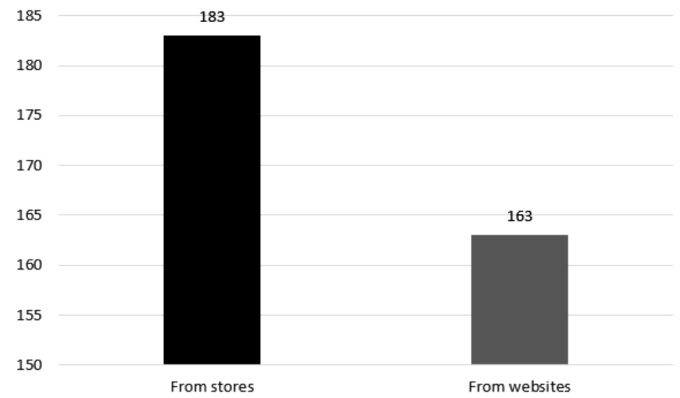


Figure 5. How do you preferred to buy products in 2019

Source: Processed by authors through Isondaje (<http://www.isondaje.ro/sondaj/848703609/>)

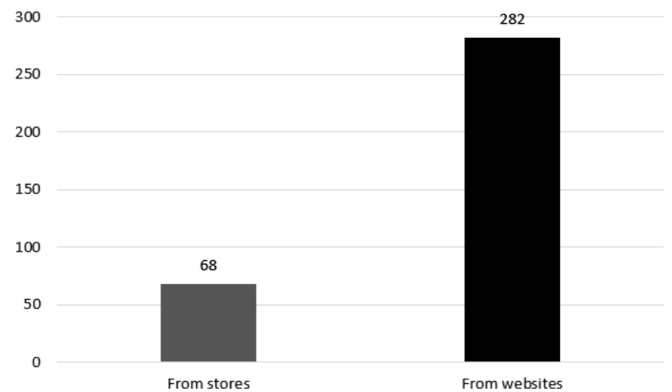


Figure 6. How do you preferred to buy products in 2020

Source: Processed by authors through Isondaje (<http://www.isondaje.ro/sondaj/848703609/>)

Results were very interesting. Looking at the chart corresponding to 2019, we found that people were buying more from brick-and-mortar stores than online, and we found three possible explanations. Firstly, most of those who bought wanted to see the product for themselves before purchasing it; it is a known that most Romanians are a little reluctant when it comes to using technology and online purchases. Secondly, Romanians used to purchase a most of their essential and non-

essential products during weekends or late evenings, after work. Therefore, on the way home, they would stop at a clothing store to try on and buy some immediately needed item, or they would simply stop at some grocery store to fill in their fridge. Thirdly, back in 2019 there were no mobility restrictions, so people preferred to walk, spend more time outside or in shopping malls than at home, having a different buying impulse (suggested or reminder impulses).

The situation drastically changed in 2020, when the pandemic hit humanity. On one hand, the number of brick-and-mortar stores had decreased considerably as a result of population movement restrictions, thus becoming a source of financial losses, rather than gains. As a result, the majority of potential customers chose to purchase goods or services remotely, thus increasing online sales with 30% if compared to previous year. This was forced to happen. People reluctant or who preferred to go to stores, had to access their preferred retailer's website and buy what suited their needs. But, people not only bought strictly necessary goods but also things that by purchasing felt a little moment of happiness in uncertain and anxious times, thus, finding the so much desired serotonin.

Moreover, a large part of the purchases made during the pandemic are from the HoReCa sector, especially from restaurants and cafes. Thus, people wanted to eat and taste the same foods or drinks, juices or coffees, from the restaurants they used to like to feel a sense or "normality", even during pandemic times. Thus, services such as FoodPanda, Glovo, Takeaway, Uber Eats, Bolt Food and many others like them, have been quite successful, their customers coming through their mobile applications or websites. Practically, all companies that moved or diversified their business online during pandemic and lockdown period, recorded income from two directions: both from the revenue obtained through the sale of goods or services, and the revenue obtained from traffic on those platforms as a derivate from traffic generated by people visiting their platforms.

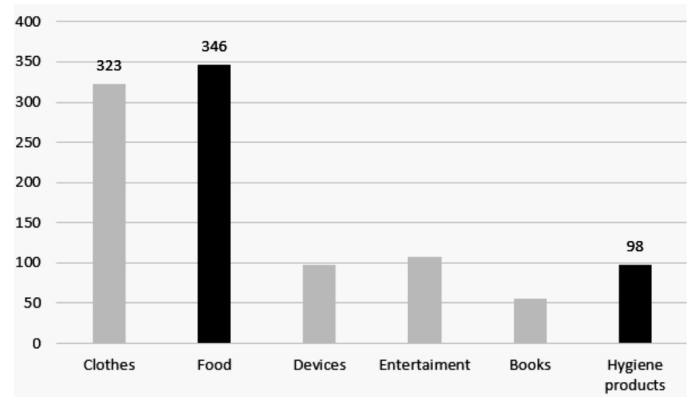


Figure 7. What did you bought often in 2019 Source: Processed by authors through Isondaje (<http://www.isondaje.ro/sondaj/848703609/>)

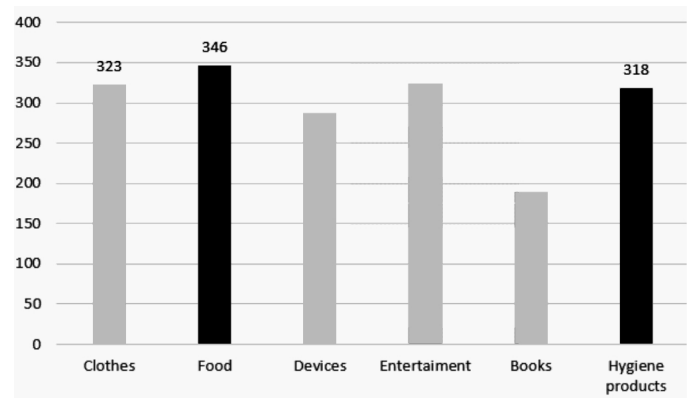


Figure 8. What did you bought often in 2020

Source: Processed by authors through Isondaje (<http://www.isondaje.ro/sondaj/848703609/>)

The year 2019 is a synthesis of the consumption habits of Romanians over a very longer period of time. We can note that among consumers' preferences were clothes and food, which was not surprising. If in the case of food products, we can understand the reason. Looking at the opposite pole, to the products with the lowest frequency, we can observe four categories: books, hygiene products, electronic devices and entertainment (video Games, tickets to various cultural events, etc.). What the pandemic and the aggressiveness of retailers did was to enhance all categories simultaneously through aggressive strategies. Thus, if in 2019 categories such as books, electronic devices, hygiene and entertainment were rarely bought by customers in comparison to other categories, 2020

meant an increase in the number of all purchased items. For hygiene products we can explain the increase as a result of the people’s fear of contagiousness and the desire to disinfect and protect themselves from viruses. The acquisition of products such as those in the category of electronic devices, though, provided availability to people to get in touch with other people, but also with retailers, basically to communicate, social and entire life moving online. Simultaneously, large retailers chose to put up promotions to different devices from the debut of the pandemic to prepare potential customers to gain accessibility from the comfort of their own home, mobility being restricted, so that they can purchase anything, any time (Ozlem, 2019).

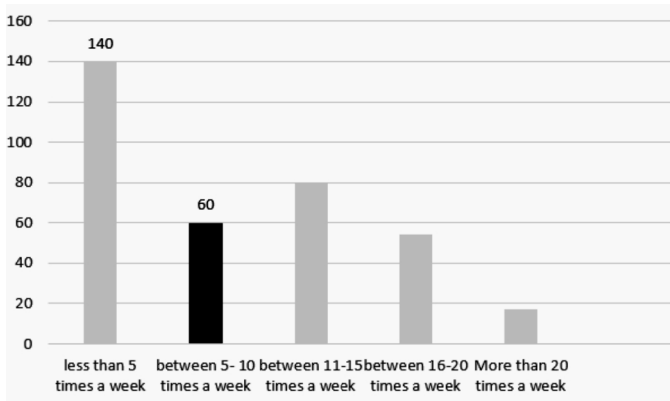


Figure 9. What was the frequency with which you bought products in 2019

Source: Processed by authors through Isondaje (<http://www.isondaje.ro/sondaj/848703609/>)

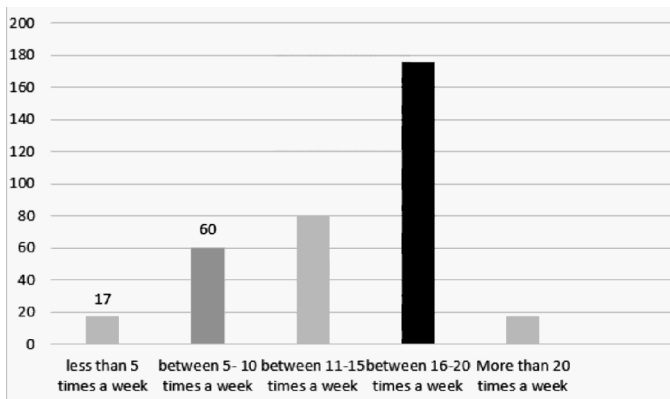


Figure 10. What was the frequency with which you bought products in 2020

Source: Processed by authors through Isondaje (<http://www.isondaje.ro/sondaj/848703609/>)

If the value and number of the stock changed between 2019 and 2020, so did the frequency with which people bought? At the beginning of our analysis, we started from the hypothesis that people have changed not only their consumption habits in terms of type of acquired products, quantity and value, but have also changed their buying frequency. Thus, within Figure 9 and 10 we can see how much their buying frequency has changed.

Most businesses had potential for innovation, but many of them chose to operate physically and without large investments because managers were satisfied with the registered levels of profit. People bought as much as they needed, as many times as they needed. Thus, we can observe that in 2019 people purchased certain things less than 5 times a week, sometimes 11-15 times, depending on the events of that week. Pandemic 2020, though, totally changed this rhythm. People who previously bought things less than 5 times a week, began to purchase between 16-20 times a week. This meant more consumption, more money spent on goods and services and, in theory, higher revenues for retailers. In Romania, one of the major online retail platforms is Emag. According to an analysis carried out by an economic profile publication (<https://www.google.com/search?client=firefox-b-d&q=google+translate>), Emag recorded a 52% increase in sales revenue during 2020 in comparison to 2019. These revenues were obtained exclusively from the sale of goods, with additional ones obtained from the website paid traffic, by no means negligible.

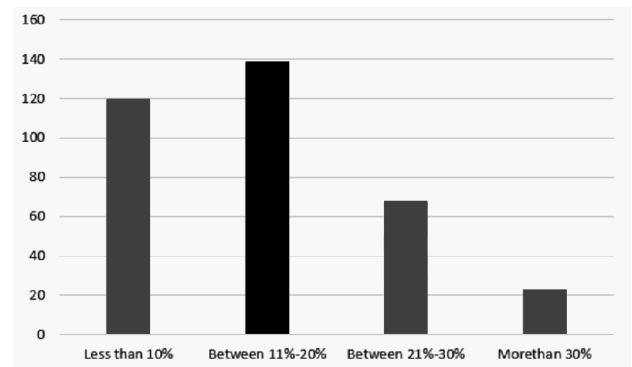


Figure 11. What was the percentage of the salary intended for the purchases of the necessary products in 2019

Source: Processed by authors through Isondaje (<http://www.isondaje.ro/sondaj/848703609/>)

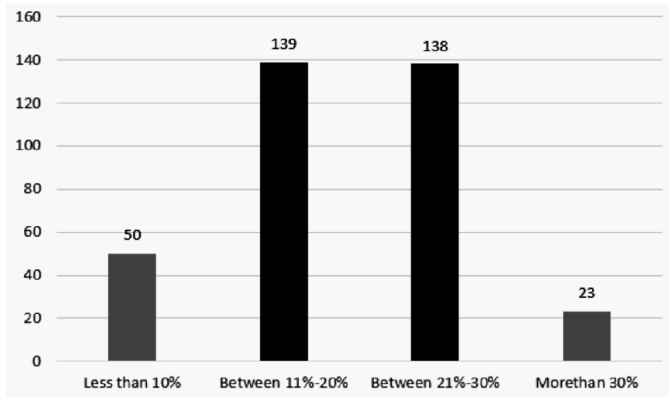


Figure 12. What is the percentage of the salary intended for the purchases of the necessary products in 2020

Source: Processed by authors through Isondaje (<http://www.isondaje.ro/sondaj/848703609/>)

We have noticed in previous charts that retailers have obtained extra income in multiple ways, while people, in return, received in addition to products and services, artificial happiness generated by their purchase. Considering that neither the average nor the minimum wage has increased in Romania, it is very important to observe how much people have spent on essential and non-essential products in the period 2019-2020.

When we talk about essential products, we talk about food. Since it is important to include in this category all types of purchased foods, we can state that the necessary (essential) products are all food. Now that we have defined what those essential products are from our point of view, we can see that people spent, in the period before the crisis, a maximum of 20% of their salary for such products. This percentage is represented by the majority of those who answered the questionnaire. We can also see people spending more on essential products, and this can be explained by variables such as the number of family members. The larger their number, the greater the number of those who purchase even more than 30% of the salary.

The year 2020 totally changed these habits. People no longer spent less than 10% of their salary on essential products. To meet their needs and for the release of serotonin, people began to spend more, even if their financial level remained the same. Thus, we can see that people spent either between 11- 20%

of the salary, or 21-30%. These two variants were chosen because they are the majority in the study for 2020. In other words, people began to spend more on essential products than before, developing stocks of products and increasing their serotonin levels in order to get through the pandemic period.

1. Conclusion

The situation in Romania is not much different from the situation in other states, be they European, included or not in the European Union. Although our cultures are different, consumption habits are broadly the same, and crisis situations can amplify, diminish or totally change behaviours.

From the consumer point of view, the pandemic produced a significant change in consumption habits, both in terms of frequency of purchase, place of acquisition, quantity, but also in the

amount spent on a specific category of goods or services. Stimulated by the psychological factors, political decisions, but also by big retailers' marketing and sales strategies, consumers began to spend a lot of money on products that they did not necessarily need, online, at irregular intervals. Basically, the pandemic has not only changed everyday life in general, but it has also changed the way Romanians buy most of things, and this has impoverished them even more as they acted on impulse to obtain a fleeting moment of happiness in a troubled time.

As for retailers, the situation has been exactly the opposite. Even if one can see many stores being permanently closed due to pandemic challenges, retailers by migrating online managed to keep their effect on customers and potential customers and double their revenues. But this strategic move (in cases such as Emag, as we have seen) was also backed up by revenues from online traffic on their platforms. We can conclude that, due to Romanian consumer's resistance to using technology, retailers have done more than just offer products and services. They went the extra mile and helped regular people understand technology at a decent level and use it to generate

even greater income for them. In other words, retailers have trained their target group of customers and potential customers to generate income through their purchases.

If before the pandemic we were talking about a cyclicity of sales, when the volumes and quantities were very high, and the revenues accordingly only during those periods, in the pandemic we could no longer talk about cyclicity. Romanians bought a lot in terms of the money spent, a lot in terms of purchased quantity and at small intervals of time. Thus, during the pandemic, though retailers got much higher revenues than in normal times (peace time), people got poorer, in exchange of short term, little happiness.

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A realty check on Fintech Money Lending apps

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Abstract

The financial market in India is fast changing with the growth of internet access to a very large population. The last development is the emergence of large number of financial money lending apps to feed the financial need of the Indian customers. Indian financial market has both formal and informal money lending business going for long time. The Informal financial providers such as money lenders are getting replaced to some extent by these fintech money lending apps especially in urban India. Thousands of such apps are available in the google play store and other app download options. It is high time government of India comes out with proper rules and regulation for this segment of financial service.

Key Words:

Financial services, Fintech apps, Interest rate, Terms and conditions.

Introduction

The Indian financial market is fast growing due to its huge population and the requirement for loan for a variety of reasons. The formal sector caters to only a small portion of the population who are influential. The common man is left with no choice to approach the moneylenders of various forms for their immediate requirements.

Formal Banking Systems consists of Commercial Banks both Public Sector and Private Sector Banks, Foreign Banks Branches in India, Cooperative Banks both Urban and Rural, Non-Banking Financial Institutions for specific purposes. The Informal banking consists

mainly of Money lenders of various shades and names. Most of the Small Business people and people who are daily wage earners, people who are working in MSME's, Informal sector employees depend on the local money lenders and Non-Banking Financial institutions registered as Societies. These individuals and societies charge exorbitant interest from their customers. One such type of financing is by these financial institutions in collaboration with the producers for selling the consumer durable items.

Non-Banking Financial Companies ("NBFCs"), are one of the most critical pillars for financial services in India. They play an important role in reaching out to a hitherto under / un-served and thereby broad-basing the formal lending ecosystem, and at the same time, bringing the benefits of formalization to the 'Bharat' we know. NBFCs cater to the needs of both retail as well as commercial sectors and, at times, develop strong niches with their specialized credit delivery models that even larger players including banks have found hard to match. They play a critical role in supporting economic growth across income levels, sectors as well as geographies, and in doing so, leading to more employment opportunities and greater wealth creation.

Various loan options available to an individual are : 1. Personal Loans, 2. Auto Loans, 3. Student Loans, 4. Debt consolidation Loans, 5. Pay day Loans, 6. Small Business Loans, 7. Gold Loan, 8. Loan Against property, 9. Agricultural Loan, 10. Consumer Loan.

The informal money lending business is mostly controlled by the black-money holders and the

politicians are also not interested in controlling this industry since their money is getting circulated in this sector. The technology development has helped these money lenders to expand their reach and scope to extract huge profits in this field.

Fintech Apps:

1. PaySense:

This is an instant loan app available in the google play store which can be downloaded by the lenders and the application process is simple. The individuals can apply for loan even if they are not employed since there is no requirement for salary slip for applying this loan. The platform had made arrangement for picking up the loan application from the lenders house. The application does not insist for collateral or credit score and does quick approvals and disbursals. The app provides loan to first time loan applicants and with zero credit history but after verification of documents only.

2. Money Tap

The individual in need of money based on the credit score loans are approved on instantly after downloading, registering and KYC verification. The whole process is paperless and online approval process. The loan is also collateral free for any purpose. If the individual is able to provide the basic required documents and on auto verification through online process the loan is sanctioned.

3. Dhani

This company started as drug store has expanded to financial services business. The app is especially designed for the part time working students for availing personal loans with simple documents but without the need for salary slip. The loan is also attractive since it offers 2% cash back for every transaction which can be used for future redemptions and services. The app promises no processing fee or other charges for the loan services offered by it.

4. Nira

On downloading of the app, the individuals with good credit score can get instant loan through this app.

The app verifies the credit score automatically through your PAN card number and once satisfied with the credit score and bank KYC the loan is processed fast and approvals are done online. The loan is processed on line as paper less documentation process.

5. CASH e

This is the one of the personal loan apps available for individuals. The person in need of money can login and register on the app. The app provides all the information required to be fulfilled for getting the loan. They have tie-ups with Flipkart, Amazon, Big Basket and others for Buy Now Pay Later partnerships as a loan option for their regular customers who have availed loans earlier. Good credit score is insisted by the app for granting of loan.

6. Home Credit

The app on downloading and registering requires for PAN Numbers based on which the credit score will be obtained and loan is mostly sanctioned only people with good credit scores. The loan sanctioned is for only 26 months making it a short-term loan option for the individuals with high credit scores. The app generates best offers after evaluating various options as best fit offers. The individual need to study the terms and conditions of the offer carefully while applying for the loan.

7. PayMe India

The loan app on downloading and registering offers wide variety of loans for last minute rent payment, utility bills, medical emergency, loss of work and salary etc., to tide over short term financial crisis faced by individuals. The loan is available only for maximum period of 2 years. The interest charged depends on the credit score of the individual. Corporate loans are also available for business purpose with fulfilling the right documents even for long term purpose.

8. India Lends

This is a loan platform which processes application for loan from different financial institutions like banks and NBFCs. The app processes application on behalf of these financial institutions and recommends to

them and they extend the loans. Based on the individuals PAN Number, the app processes the application and finds out credit score, based on the credit score and credit history of the applicant the app recommends various options available to an individual for loan.

9. Money View

The app is a 100% cashless and paperless procedure processing the applications digitally with good credit rating. The app provides loans up-to 5 years tenure. Once the documentation is completed money gets credited to the individual's bank account. The app is having Built-in expense tracker system, Bill Payment reminders, integration with third-party payment apps and with processing fees ranging from 2.5 to 4% of the loan amount.

10. mPokket

This is a website through which students and salaried individuals can get loan very fast. Normally the credit score is not considered for sanction of loan since they are extending for students and part time workers. They extend smallest amount starting from Rs 500 to students who need money for emergencies with high interest rates. Some loans are sanctioned with guarantors.

A Comparative statement of major terms and conditions of the above money lending apps are given below:

| Loan App Name | Interest Rate (p.a) | Max Loan Amt | Min Loan Amt |
|---------------|---------------------|--------------|---|
| Pay Sense | 12.96 to 27.96 | Rs. 5 Lakhs | Rs 5 Thousand |
| Money Tap | 12.96 to 27.6 | Rs. 5 Lakhs | Rs 3 Thousand |
| Dhani | 12 to 38.04 | Rs. 5 Lakhs | Rs 1 Thousand |
| Nira | 18 to 30 | Rs. 5 Lakhs | Rs 3 Thousand |
| CASH e | From 21 | Rs. 5 Lakhs | Rs 5 Thousand |
| Home Credit | 28.8 to 39.60 | Rs. 2 Lakhs | Rs 10 Thousand |
| PayMe India | 24 to 72 | Rs. 1 Lakhs | Rs 1 Thousand |
| India Lends | 10.8 to 36 | Rs. 50 Lakhs | Rs 15 Thousand |
| Money view | 24 | Rs. 5 Lakhs | Rs 5 Thousand processing fees of 2.5 % to 4%, |
| mpokket | From 42 | | Rs. 500 onwards (Student Loans) |

Documentation : Aadhar Card, PAN Card, Passport, Driving License, Bank Statement, Form 16A, Voter ID, Photograph etc. is collected for proof of Person and Address.

Usually, these apps disburse smaller loans after deducting interest for the period of loan which had to be paid in a very short period of time i.e., not more than 3 months. They disburse rotational loan for repayment of the old loan at a higher interest rate. Normal loan size will be very small limiting to exposure in thousands only. If the requirement of the loan is in lakhs, they refer them to NBFCs for disbursement so that these loan apps are safe by taking exposure of smaller amounts. These loan apps ask for permission in the Android phones for access to all the information in the Mobile phone. They get access to Contact details, Photos and all other apps installed in the Mobile. Once the individual fails to pay the due amount they resort to all types of intimidation techniques with the access to all information from the mobile. Since they are provided with the PAN, they get the credit history of the individual and they can charge high interest rates for the customers based on the track record.

Google App store is flooded with these types of apps and they get installed when the individual install other apps or they send advertisement messages which when clicked will install these apps on an Android Mobile. Chinese firms use Cloud services to host their apps in the Indian Mobile market with their Apps by sending messages for various purposes which when clicked will get these apps downloaded to the mobiles. When downloaded they get to access all the information of the individual sometimes including their bank account details. With the help of bank account details, either they siphoned the bank balance available in that account or they credit some loan to the individual's bank account without consent of the customer. After lapse of sometime these apps start demanding payment from the customer, when the customer refuses, they use all illegal methods for collection.

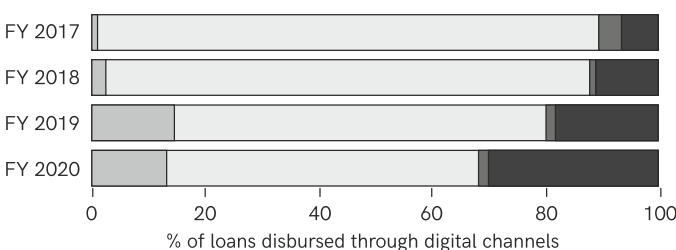
Many of these apps are capitalizing on the lack of financial illiteracy of the borrowers and charging very high interest up-to 500% annualized and mostly employ illegal methods for collection of over-dues or settled accounts leading to suicides by the borrowers.

A panel set up by Reserve bank of India found that more than half of about 1,100 digital loan providers were operating illegally.

The following table shows the growing influence of these informal lenders in Indian context. This will keep on increasing unless RBI comes out with proper regulations to control them. Micro Financing companies and Self-help group formations have

Share of Lenders

Shadow banks have increased their presence in India's digital space
 ■ State lenders ■ Private Lenders ■ Foreign Banks ■ Shadow Lenders



helped to some extent to help the marginalized from access of banking finance. The Micro Finance Companies lend up-to Rs. 50,000 to the small and

medium business people for their financial requirements. The Government is encouraging village people to form SHG's to get finance from the banks to implement their dreams jointly to form a business and get finance from the formal banking system.

- a) What are the various finance apps available to individuals?
- b) What advantages and the problems faced by individuals from Fin Tech Apps?
- c) What type of controls the regulator RBI can implement to streamline these Fin-tech Apps?

Teaching Notes:

Learning Objectives:

The student should learn about the financial market in general.

The financial market segmentation like Scheduled Commercial banks, Pubic Sector Banks, Private Sector Banks, Foreign banks, Urban Cooperative banks, Rural Cooperative Banks, Non-Banking financial Corporations registered with Reserve bank of India, Registrar of Companies, and Securities Exchange Board of India

The students must be made aware of various options available for the common man for meeting their financial requirements through the Fin Tech Apps.

The students need to appreciate the concept of Fin Tech App Loans and how it works. The students should be aware the advantages and adverse effects of using these apps.

- a) What are the various finance apps available to individuals?

Ans: The 10 apps most commonly used apps are (1) Pay Sense (2) Money Tap (3) dhani (4) Nira (5) CASHe (6) Home Credit (7) PayMe India (8) India Lends (9) Money View (10) mpokket.

- b) What advantages and the problems faced by individuals from Fin Tech Apps?

Ans: Advantages: They offer quick loans for meeting emergencies, Less Paper work, Online

Processing, No collateral required for the loan, Flexible end usage. Problems: High Interest Rates, Interest based on Credit Rating, High Penalty for delayed payments, Initial Processing Fees charged, illegal methods used for delayed payments.

- (c) What type of controls the regulator RBI can implement to streamline these Fin-tech Apps?

Ans: Like NBFCs government should bring in rules to streamline the working of these fin tech apps. The Reserve bank of India can appoint a body like SEBI to regulate and frame rules for the orderly growth of these fin tech companies. RBI should make it mandatory to register all the fin tech app companies to operate in India. Any Fin Tech App not registered should not be allowed to operate and they should be declared illegal. RBI should regularly issue information about the legal apps and take action against illegal apps regularly.

The Recuperation: The Metamorphosis of a Heart Broken Wife into a Resolute CEO

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Abstract:

Café Coffee Day (CCD) was founded by V G. Siddhartha Hegde, an Indian businessman from Karnataka state, who also served as its Chairman and Managing Director. In September 2017, the Income Tax Department (IT) conducted raids at more than 20 locations associated to Siddhartha. He was said to be in a lot of debt. In the fiscal year ending March 31, 2018, His Café Coffee Day net loss increased to Rs. 67.71 crore, up from Rs. 22.28 crore the previous year. Despite revenue of 122.32 crores, this is the case. In 2019, he vanished unexpectedly one evening. His body was discovered 36 hours after he vanished in Mangaluru. It appeared to be a suicide case.

After Siddhartha's death, many people predicted that the Café Coffee Day business would fail. His replacement was also a source of apprehension. Because of the rising debt, many people were concerned that the corporation would never be able to recover. Every leader's journey is unique, filled with opportunities to solve difficulties. Malavika Hegde, Siddhartha's wife, has defied all expectations by saving CCD from extinction despite being a single mother with two sons. Malavika became CEO of Coffee Day Enterprises Ltd in December 2020, and she has been dedicated to the company's growth since then.

Keywords: Case Study, Leadership, Stress and Burnout, Woman Entrepreneurship

About the company:

Café Coffee Day was the first chained café in India to introduce coffee culture. This coffee is exported to

clients in Europe and Japan, making us one of the country's top coffee exporters. In 1996, CCD opened its first Café Coffee Day location in Bengaluru, with a new vision - coffee as more than just a beverage. Today, CCD subsidiary Coffee Day Global Limited has the largest network of café outlets in India, with locations in over 200 cities. Our explorations into various industries are distinguished by the same passion that drove us to establish Coffee Day Global Limited in the first place.

On February 1, 2008, the company was founded as a partnership firm under the Indian Partnership Act 1932 and was later converted to a private limited company under Part IX of the Companies Act, 1956, as Coffee Day Holdings Company Private Limited. Coffee Day Resorts Private Limited and then Coffee Day Enterprises Private Limited were the company's new names. Our firm's name was changed to Coffee Day Enterprises Limited after CCD was transformed to a public limited company.

Vision: Showing the world where coffee can take us

Mission: To find extract the boundless potential in all that we do- just as we have for every cup of coffee.

Background:

Malavika Hegde was born in the year 1969 in the city of Bengaluru, Karnataka. She received her education from a local Bengaluru school. She earned a bachelor's degree in engineering from Bangalore University. Malavika is a Vokkaliga tribal member. Her father, Somanahalli Mallaiah Krishna, is a well-known Indian politician who has served in important positions such

as Minister of External Affairs and Chief Minister of Karnataka. Her mother, Prema Krishna, is a social crusader. Her younger sister, Shambhavi Krishna, is a business woman. She was a member of Malavika Krishna Hegde married V.G. Siddhartha, the owner of the well-known cafe chain Cafe Coffee Day, in 1991. Their two sons are Eshaan and Amartya. V.G. Siddhartha went missing on July 29, 2019. He was heading from Bengaluru to Sakleshpur with his driver. In the middle of the journey, Mr. Siddhartha directed his driver to Chikmagalur. When they drew close to Chikmagalur, he told his driver to pull over near a bridge. He got out of the car and instructed his driver to drive to the bridge's end and wait for him there until he returned.

His driver waited for him at the end of the bridge for an hour and when he did not return, he called him, but his phone was switched off. To find him, the driver returned to the location where he had left him. He phoned Malavika's oldest son and informed him of the situation when he couldn't find him, then rushed to the nearest police station and filed an FIR. The police began their search on July 30, 2019.

Police discovered a body in the Netravati River on July 31, 2019, at 7:43 a.m., that looked similar to VG Siddhartha. The body was verified and his family was summoned. Malavika was present for the verification as well. His body was transferred to his office in Chikmagalur once the verification and documentation were completed. Siddhartha's funeral will be held at Siddhartha's father's coffee farm in Belur Taluk, because that is where Siddhartha decided to become an entrepreneur.

Since she married VG Siddhartha, Malavika Hegde has been working in the coffee industry. She was a non-executive member of the Cafe Coffee Day board of directors. VG Siddhartha's Cafe Coffee Day proposal was criticized by her because he planned to charge 25 INR for a cup of coffee that could be bought locally for 5 INR. Siddhartha changed his mind and recommended that she get internet access along with her coffee, which she agreed to. They started putting the first CCD together. She was there with VG Siddhartha when the

first CCD restaurant in Bangalore opened in Brigade Road in 1996.

During the construction of their first CCD store in Bangalore, she said in an interview that they used to peek out the windows and play a game of guessing who would come into their cafe. VG Siddhartha was an active board member, but Malavika has been in charge of CCD's daily operations since 2008.

Malavika Hegde was named Chief Executive Officer (CEO) of Coffee Day Enterprises on December 7. Malavika Hegde will now lead the organisation for at least the next five years. Her headquarters will be in Bengaluru. The company's board of directors approved the nomination of independent directors C H Vasudhara Devi, Mohan Raghavendra Kondi, and Giri Devanur. Around 1,700 cafes, 48,000 vending machines, 532 kiosks, and 403 ground coffee selling outlets are located in CCD.

Malavika Hegde is a member of the CCD board of directors, but she does not receive a salary because she is a non-executive board member. In CCD, she owns 4% of the stock shares. Malavika Hegde is a nature enthusiast who enjoys planting trees. She and her husband have planted almost 3000 trees together. According to the Times of India, Hegde wrote on July 24 to the company's 25,000 employees stating she was committed to the company's future and that the Coffee Day story was "worth preserving" in a letter to the company's 25,000 employees. Her letter arrived just hours after an investigation revealed that a private corporation controlled by late founder Siddharth owed Rs 2,693 crore to the publicly traded Coffee Day Enterprises Limited (CDEL)

Malavika Hegde managed to lessen his debt even during the COVID lockdown after Siddhartha's suicide. She had previously stated that the hurdles have intensified, but that "some where along the way in the last 12 months, my purpose has been to continue Siddhartha's noble legacy. "He's given me a task to complete: to settle every lender to the best of my abilities, to expand the company, and to enthuse and develop our staff."

Because of the company's status, employees were anxious about losing their jobs and the company closing down. On the day of Siddhartha's death, the stock had also dropped. On February 3rd, they were prohibited from trading. Hegde worked extensively to minimize the company's debt after being designated CEO. The company paid its lender Rs 1,644 and received a payment from Blackstone, a US private equity group, according to Punekar News. By selling a stake in Mindtree, they were able to cut costs. Under her guidance, the firm entered into a share purchase agreement with respectable companies. Hegde has been a driving force behind the company's growth and will continue to do so.

"A lot can over coffee" this is the tag line of Café coffee day (CCD). The journey of CCD starting from its inception to bankruptcy and then from bankruptcy situation to touching the sky of success. The credit of success of CCD goes to Malvika Hegde. She didn't lose her hope after the suicide of her husband. As per record by 31st March 2019 CCD has a loan of Rs. 7000 crores. Malvika Hegde didn't lose hope, with strong determination to make CCD a successful business model the dream of her husband VG Siddhartha, she started working. She observed and understood all the issues and situation of CCD. During December 2020 she becomes the CEO CCD Enterprise Ltd. and with in a limited time by dealing with unfavourable situation she proved herself as a true leader. As per company's report published in India Times by March 2021 the loan was reduced to 1779 crores. In which 1263 crores of long-term loan and 516 crores of short-term loan was included. After becoming the CEO of the company Malvika Hegde she wrote a letter to 25000 employees of CCD. That she is accountable and responsible for the future of the company and to bring the company into a better position she will work together. A heart broken woman without running away from the debt faced all the critical situation and bounce back with strong determination. In August last year, CDEL said that it had reduced debt "Significantly" and that the management was trying to put the company back on track.

Risks Concerns and threats

- **Financial risk:** If the Company's cash flow proves inadequate to meet its financial obligations, its status as a going concern might be invoked.
- **Competition risk:** With growing westernization and increase in the penetration of global players and growing popularity of individual themed cafés, it might be a challenge for the Company to maintain its existing consumer base.
- **Regulatory risks:** Operating in the food industry space is subject to various regulatory risks with respect to failure of compliance to quality standards and various regulations imposed by the government policies. Failure to meet with the standards might result in legal implications and loss of business.
- **Climatic risks:** Bad monsoon might result in lower production of coffee leading to soaring high coffee prices. Passing it to the customers would incur menu costs and loss in price sensitive segment of consumer base. Thus, in adequate monsoon might result in falling revenues and profit.
- **Economic risk :** Sluggish growth of the economy impacts the spending power reducing consumption. Overall macroeconomic instability results in a lower demand. Thus, fluctuations in the economic scenario possess a major risk to the business of the company. Performance of the backward and forward linked industries is of vital importance for the logistics sector to perform.
- **Social and political risk:** Government policies play a major role in determining the fate of an industry. Relaxation of various regulations and simplification of tax regime give the much-needed push to the concerned sectors. Change in orientation with change in government possesses a threat to the business.
- **Pandemic Risk :** A pandemic is a rapidly spreading infectious disease that may pose a global threat. Pandemics can create social and economic chaos.

They can severely upset business operations by disrupting the supply chain and causing high absenteeism. This may impede your ability to deliver products and services to your customers. Managing the threats posed by a pandemic is critical for business survival. A business continuity plan can help you manage the impacts of a pandemic and meet your legal obligations to staff to ensure their safety. Business continuity plan will detail business's risk management strategy and business impact analysis. It will describe how business intend stores pond to an incident, sets out a recovery plan and defines policies and procedures for managing staff and communication.

- **Conquering every Obstacles:**

Malvika Hegde is a successful leader, she undoubtedly is a risk-taker and enjoy taking challenges. She always looks for new opportunities, solve market needs, giveup control, learn from and connect with other businesses, address excuses, follow their intuition to grow and lead the business. The art of problem solving is one of the crucial aspects of a leader which Malvika has rightly set example. Malvika first identify key problems in the market then work to solve that problem. The situations of business and financial challenges of CCD were very critical. Such kind of issues are better handled by experts who understand and specialize these problems. Hence, when leaders face difficult situation or though situation, they generally delegate

the judgment needed to a professional and call-in help to carry out that expert's solution as professionally as possible. Malvika Hegde delegated authority to managers and was not hesitant to spend time and money to solve the problem faster and more efficiently.

Successful leader like Malvika go one step ahead and do more than just solve the problem. once the problem is fixed, they spend enough time measuring the outcomes of their efforts with analytics tools and reflecting on those results. Malvika Hegde applied different modes of thinking and leadership style to solve the problems of CCD more precisely, and reap better long-term results.

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Developing Brand Equity Through Consumers – Unfolding The Case Of Parle – G and Its Success In India

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Abstract

Today's business world is highly evolving and the greatest challenge that companies face is staying relevant and sustaining in the intensely competitive marketplace. The food industry in India, especially the biscuit segment, has witnessed a surge over the years, beckoning marketers to formulate strategies that enhance brand value. According to the market research report by Blue Weave Consulting the Indian Biscuits Market is growing at the CAGR of 12.4 % and touched USD 5,151.2 Million in 2020. The market is expected to reach USD 11,792.3 Million by 2027. Attracted by growing consumer demand and profits in this sector several brands such as Parle – G, Britannia, SunFeast, Priya Gold, Horlicks, Biskfarm and others contest for market share and consumer loyalty. In such a scenario gaining competitive advantage and being the customers' preferred choice over competitors requires companies to focus on building brand equity. The present study aims at analysing the essential aspect of Brand equity for an Indian grown indigenous brand namely Parle G by using Keller's Customer-Based Brand Equity (CBBE) model. Parle G, a name that has withstood in the Indian food market for ages, despite intense competition and changing consumer tastes and preferences is ideal for the current study on Brand equity. The findings of the study will decipher how the company has leveraged its brand equity to translate into benefits such as enjoying consumer goodwill and loyalty and thereby increasing its relevance in the market over the years.

Key words: Competitive advantage, Brand Equity, Consumer Preference, Brand loyalty

Introduction

The Indian Biscuit Market is growing significantly due to changes in consumer taste and preferences.

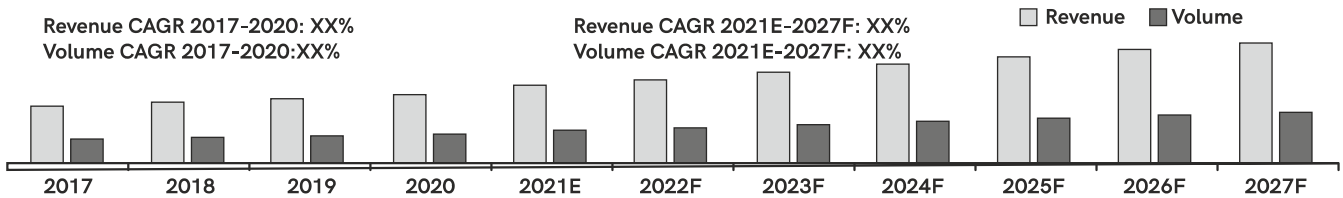
Consumers nowadays are becoming more health-conscious, which is increasing the demand for convenience food. Moreover, an increase in the availability of various types of biscuits, as well as an increase in per capita household income, are some of the factors that are contributing to the market's growth. Attracted by the intensely growing market several players have launched their brands to delve into the hearts of the Indian consumer. However, though this segment has tremendous growth potential but at the same time spawned up a highly competitive market that making it difficult to gain to secure a niche and sustained competitive advantage. To win in this category, focused marketing efforts on building and sustaining brand equity is the need of the hour.

Source: 6 W research

India biscuit market revenue size is projected to grow at a CAGR of 9.0% during 2021-2027. The demand for biscuit would increase on account of increasing demand for healthy & nutritional ready-to-eat food products and manifestation of demographic window in forthcoming years. Furthermore, varieties of biscuits and innovation in taste such as fruit biscuits, cream biscuit, sweet biscuits coupled with increase in demand during festivals such Diwali and Ramadan would bolster

demand for biscuit segment over the coming years. (6W research, 2022).

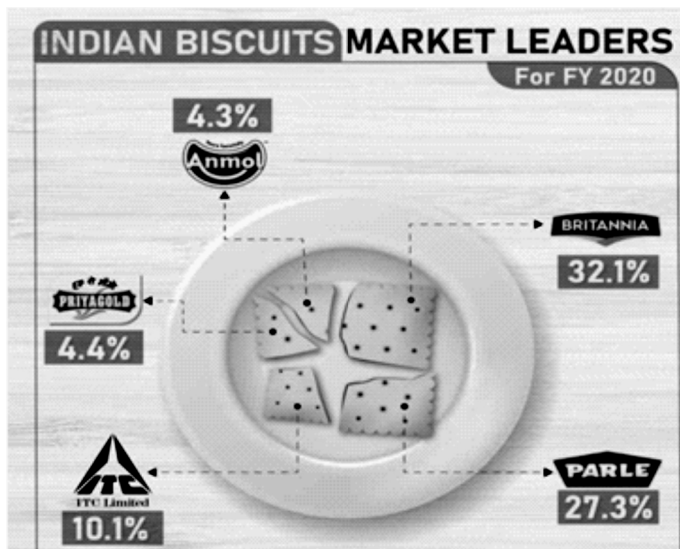
India Biscuit Market Revenues and Volume, 2017-2027F (\$ Million, Units)



Market share of Top biscuit brands in India

The biscuit manufacturing sector in India has tremendous growth potential giving consumers ample choice to select from a wide range of flavours and biscuit types. The market share is dominated by few top brands that have clearly define brand attributes that not only make them the customers’ preferred choice but result in gaining sustainable competitive advantage in the industry over decades.

GRAPH 2 showing market leaders in the Indian biscuit industry



(Forbes, 2020)

Leading biscuit brands in India

Britannia Biscuits

Since its inception in the year 1892, Britannia has scaled its way up to becoming the highest seller and most popular biscuit brands. Brtiannia, makers of iconic offerings as Marie Gold, Milk Bikis, Good Day

and Bourbon have been able to draw consumers from all age groups and segments.

Parle -G Biscuits

Staying the market for more than 90 years and offering more than 150, Parle - G is one of the oldest biscuit brands in India. The brand is a preferred choice among all age groups and has been successful in developing an emotional connect with the Indian consumers. Parle G s’ affordable pricing, widespread availability even in the remotest parts of India and powerful branding has contributed to its sustained leadership in the biscuit market despite threat from competitors.

ITC Sunfeast

ITC, a brand synonymous to tobacco managed to grab a significant portion of the attractive biscuit market by offering a wide range of biscuits, creative branding strategies and powerful distribution network. Despite being a late entrant, the brand has been successful in posing stiff competition to the stalwarts who have been dominating the biscuit industry for decades namely Parle -G and Britannia.

Surya Food Agro ltd

Millions of Indians have grown up eating Priyagold Biscuits over the past years. Priyagold has now become synonymous with India’s favourite biscuits. The brands ‘business strategy is to provide a quality product at a minimum price, especially targeting the middle- and lower-middle class that wanted to eat quality biscuits but couldn’t afford higher prices. Priyagold offers popular brands that include Butter Bite, CNC, Snacks Zig Zag & Marie Lite enabling the company to gain a

sizeable market share in the biscuit industry, despite the fierce competition from the established players. The World class manufacturing facilities, brand building and distribution efforts have contributed to making its presence felt in the Indian market.

5. Anmol

Yet another player in this segment is Anmol brand of biscuits. A brand that has successfully leveraged its brand presence, strategic supply chain, diversified product portfolio and consequent value proposition for reaching out to maximum household

Brand Equity and its significance for Biscuit brands

With competition being intense in the biscuit industry and brands continuously evolving their marketing strategies for sustaining their positions in the market, brand equity is important. Though Brand equity is multi faced, the term primarily describes how the brand is perceived and valued by consumers, it contributes to winning the hearts of the target audience and their loyalty. Positive brand equity translates to greater return on invests, higher customer retention rates, boost profit margins and turn customers into brand ambassadors. Keller’s Customer- Based Brand Equity (CBBE) model. Is a pyramid that is integral in understanding what a strong brand should have and how it can create value for companies operating in the biscuit industry. Hence focusing on how to create positive brand equity thereby ensuring value in customer encounters or experiences with the brand is integral for in the biscuit industry. With the Customer-based brand equity (CBBE), the study focuses on how a brands survival and success can be directly to consumer perception and attitude towards the brand.

The Keller’s model is based on the simple logic that – building positive brand equity is based on the experiences that customers have with the brand. Hence constructing ideal brand encounters or experiences is based on 4 levels of Keller’s CBBE work which includes:

Level 1: Brand Identity (who are you?)

How do consumers perceive you brand and how is it

distinguished from others by exploring the words and images buyers associate on hearing the brand name? Brand identity quantifies the breadth and depth of customer awareness of a brand.

Level 2: Brand Meaning (what are you?)

Once customers become aware of your brand, they’ll want to know more about your product. Level 2 is split into two categories: Brand performance and Brand imagery.

Level 3: Brand Response (What are the feelings for the brand?)

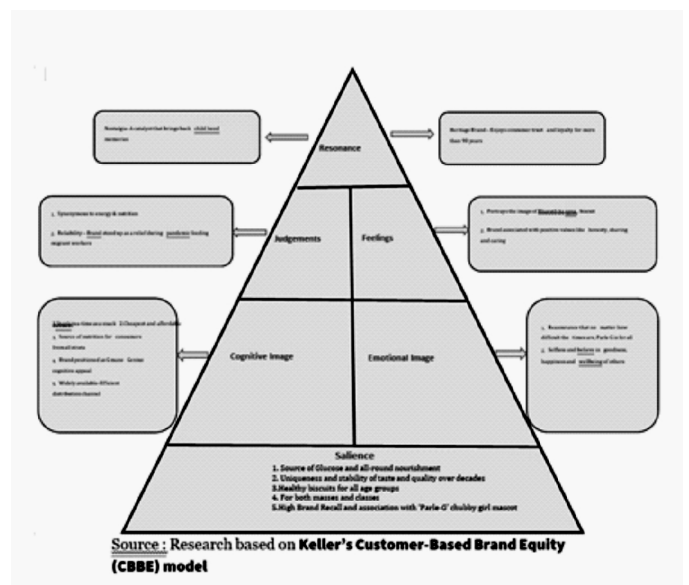
On this level of Keller’s model, judgment and feelings can be hard to separate and are intensely personal for each individual customer

Level 4: Brand Resonance (a strong relationship)

The apex of Keller’s CBBE model is resonance: when a customer is loyal to a brand, considers it superior, will buy no other and advocates its merits to other

Keller’s Customer-Based Brand Equity (CBBE) model. Is a pyramid

Based on Keller’s model on consumer-based brand equity, a pyramid identifying various dimensions of brand associations for Parle G sustaining in the market for over decades and enjoying customer loyalty.



Parle G's building on brand equity despite the COVID 19 pandemic

In recent times where most brands were struggling for survival, Parle G biscuits witnessed an increase in market share by 5%. It also clocked its best sales level recorded in eight decades. The lockdown turned out to be a huge opportunity for Parle-G and the brand left no stone unturned to grab it.

There were 5 major factors that contributed to the dominance of Parle G brand even during the pandemic: Longer shelf life and the packaging of Parle G - Due to the uncertainty surrounding Covid 19 people started stocking up their homes with simple essential food items. The long shelf life and the good packaging made Parle-G the customers ideal choice and in turn raising the demand for the product.

Affordable Pricing: Parle-G has always has been able to sustain itself in the market for years due to its low-cost strategy. Parle G value packs of 2 Rs and 5 Rs came in handy for many migrant workers who walked back hundreds of kilometers to reach their villages in the wake of Covid-19 lockdowns and travel restrictions. Indians who could not afford to buy bread could still afford to buy Parle biscuits making it truly Bharath ka Apna Biscuit (India's Biscuit).

Efficient Distribution system: Changes like increasing production units, forming more depots, were made by the brand thus making the distribution system more agile to tackle any shortages during this pandemic. When there was a shortage of most of the goods in the market, Parle-G ensured it did not stop production of its biscuits ensuring easy availability, be it a super market chain or local mom and pop stores.

Branding and advertising focusing on digital mediums -The lockdown has pushed even a traditional brand like Parle to embrace digital and explore the options available to reach out to its customers. While keeping its core 'Genius' at the center, Parle-G slightly shifted the communication from 'Kal Ke Genius' (for the Geniuses of tomorrow) to 'Genius Badal Raha Hai' (Geniuses are changing). To 5ndiatimes on growing influence of digital spectrum, the brand joined hands

with Taproot Dentsu and became digitally active. 'Aaj ke Digital Geniuses ke liye' (for the digital Geniuses of today). Parle G announced its partnership with the film, 'Shankunatala Devi' with the launch of a new co-branded video on Amazon Prime Video which will be promoted on OTT and digital platforms. Featuring the lead actress of the movie, Vidya Balan, the partnership amalgamates the brilliance of Shakuntala Devi, a mathematics genius with Parle-G to emphasize how Parle-G has nurtured 'Genius minds' since ages.

Inclusion of Parle G biscuits in donation kits of NGOs and welfare organizations-The biscuit was positioned as a cheap source of glucose in the food relief packages, further building positive feelings of consumer trust and reliability surrounding the brand.

It isn't easy being India's default biscuit and ensuring growth in times of pandemic. Parle G is an iconic brand which has been able to achieve this through its simple but effective moves in the market.

Conclusion

Building Brand Equity in current times involves changing focus from return on investment to return on involvement with the customer. Brand equity is important for marketers as it determines the prime reason why customers choose a specific brand over other similar companies. Brand equity is not only about the brands' logo and values of the company, but more about the trust that customers associated with the brand.

The brand Parle G has been building and maintain its brand equity over the years by maintaining quality and reliability as expected by their loyal customers. The company's marketing message also plays a crucial role in enhancing brand equity. Parle G established a brand connect with consumers of Indian households, especially through its brand mascot the Parle G chubby girl, but at the same time evolving its marketing strategies over a period of time. The recent marketing moves taken by the company to retain its position even during the pandemic, has resulted in the company increasing its market share and customer loyalty. Brand equity therefore is an important element of any

company's marketing strategy and therefore requires continuous investments in the brand to enhance its value.

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Factors that Influence The Behavior of Young People In Making the Decision to Start A Business. Case Study

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Abstract

This study aims to analyze the behavior when making the decision to become entrepreneurs of young people aged 21-23 (economics undergraduates in their final year at universities in Romania and Hungary). The tool used in the analysis is the questionnaire applied that revealed the factors making up the behavior when deciding to start a business. Knowing their motivation will allow them to understand action decisions, development plans, as well as the perception of today's world and the new reality. Similar studies have highlighted the link between the behavior of the young generation, including starting a business, and access to the Internet using new technologies (43% of young people aged 21 to 24 spend between 4 and 8 hours a day in front of screens), lack of financial resources, difficulty in accessing funding sources, lack of career counseling or moral support from those close to you. Compared to the needs of students in Hungary, the study underlines, in the case of Romanian economists, the link between their behavior when facing the entrepreneurial decision and funding sources (lack of own funds, difficulty accessing funding sources), but also lack of career counseling. The identified solution is to support the establishment of a counseling center for economics students within the faculty following the model of the center that operates in the University of Hungary.

Keywords: entrepreneurship, entrepreneurial behavior, career counseling, development plan

Introduction

The aim of the study proposed in this paper is to identify the factors underlying the behavior when deciding to start a business and the analysis of the manifestation in making the decision to become entrepreneurs of young people aged 21-24 (economics students in the final year at universities from Romania and Hungary).

The reason why the 2 countries were chosen for comparison is related to the existing functional links at university level (exchange of experience, joint activities with the participation of students from both countries), geographical proximity, socio- economical, and cultural influences. The subjects of this study are economics students in the final year (bachelor's degree) / age category 21-24 years.

The premises at the basis of the study are related to the need to integrate into the labor market after completing their studies and putting into practice the skills acquired during training in undergraduate studies.

Studies conducted for this purpose highlight the factors that influence and / or motivate the behavior of the young generation in making the decision to start a business.

Thus, in Romania, the behavior of the young generation in making the decision to start a business is influenced by: internet access with the use of new technologies (43% of young people aged 21 to 24 spend between 4 and 8 hours a day in front of screens), lack of financial resources, difficulty in accessing sources of funding,

lack of career counseling or moral support from those close to them, etc. In Hungary, according to studies, the behavior of the young generation in making the decision to start a business is motivated by: the need to achieve / desire to win, the place of control and the need for freedom / predilection in taking risks and self-sufficiency, self-confidence and optimism / initiative and responsibility, creativity / opportunity orientation / innovation, etc.

Literature Review

Entrepreneurship support in higher education has manifested itself in different ways (European Commission, 2008).

Unlike psychological studies highlighting the links between individual / personal factors (motivations, skills, tendency to take risks or predisposition to innovation) and elements of social context: family and expectations, social and institutional support for entrepreneurship (Baum, Frese, Baron, 2007) and sociological studies oriented towards understanding the socio-familial foundations of entrepreneurship, as well as the effects that entrepreneurial choices have on the family, status-role structure and social life in general (Blanchflower, 2000; Steele, 2004), economic studies include the description of key economic factors (lack of opportunities, costs and income, technology involved, etc.), as well as the study of economic developments and their effects on labor, as well as demographic factors of entrepreneurs (Audretsch & Thurik, 2001; Cuervo, 2005 etc.).

In the European context, the Green Paper study was identified. Entrepreneurship in Europe (2003) - a European Commission policy paper to encourage and support business start-ups and support.

Statistical data and information that characterize the decision-making behavior of starting a business are provided in a significant proportion by studies carried out in projects about at entrepreneurship.

In Romania

Following the existing studies, it is found that in Romania, even if there is a classification and a statistical

hierarchy of motivations, this classification is not conclusive due to the fact that not only one factor, but several factors are taken into account when it comes to influencing the decision to start a company or start a business (Global Entrepreneurship Monitor, Global Report, 2014): desire for success, desire to be independent, desire for personal and professional affirmation, dissatisfaction with previous results, desire to have wealth, lack of occupation or job.

According to the study Barometer of education and entrepreneurial culture among students (Romania, 2014) Romanian students (final year, specialties with economic profile) would prefer in to be entrepreneurs and not employed at the end of their studies (57%), and most would rather start their own business in the next 2 years (52%). Among the reasons that determine them to start their own business, the surveyed students mention: self-fulfillment, the possibility to put into practice their own ideas, independence and the prospect of additional income. Among the obstacles that stand in the way of the decision to start their own business the following were mentioned: lack of start-up capital, fear of failure and uncertain economic situation. Even if the study was aimed at young people with entrepreneurial skills acquired during their studies, with no practical experience in the field of entrepreneurship, most of them argue that starting their own business should take place after gaining work experience; however, there are some who, more courageously or perhaps less consciously, claim that starting a business can take place immediately after graduation or even during college.

The Romanian Entrepreneurship Barometer (2016) identified five pillars to support entrepreneurship: taxation and regulation, access to finance, coordinated aid, entrepreneurial culture, and education. These pillars are considered the main factors causing other factors taken into account in the decision to start a business: tax facilities, easiness in starting a business, legislation and public policies that support entrepreneurship, types of financing (start-up, expansion, growth capital), support modalities (mentors, associations and clubs of entrepreneurs,

business incubators, parks and business centers), tolerance to risk and failure, preference to act on their own, culture of innovation and research, appreciation of the well-being created through one's own business, training by participating in specific entrepreneurial courses or lifelong learning. These concerns belong to a mature segment of Romanian entrepreneurs: with accumulated life experience and entrepreneurial experience gained in the years of business development. Even if entrepreneurs in this business segment consider that business failure is perceived positively (learning opportunity), the fear of failure is one of the most important obstacles to the development of private initiative (indicates lack of necessary skills or a barrier to future initiatives). "The fear of failure remains one of the significant barriers to approaching entrepreneurship in Romania, given that eliminating the stigma of failure is critical for the development of personal initiative. When business failure has a very high cost imposed by society, potential entrepreneurs hardly choose this path" (Ernst & Young Romania). Unlike mature entrepreneurs, startup entrepreneurs consider bureaucracy and access to finance to be the biggest obstacles; precarious education is the second major obstacle in developing a business in Romania.

The startups Barometer study (EY Impact Hub, 2018) highlights the limits felt in front of the decision to start your own business: attracting funding sources, precarious education – mentoring and discussions with other entrepreneurs are their main source of learning – the entrepreneurial education, unlike the academic one, develops based on contact with successful entrepreneurial stories.

Compared to the previous edition, the startups Barometer study (2019) shows an improvement in the perception of education and access to finance, which does not mean that these issues have been resolved or improved at the national level (especially as much as Romania ranks last among EU countries in the latest PISA assessment on the share of graduates).

The White Paper on SMEs (2021) makes a profile of the Romanian entrepreneur: "the Romanian

entrepreneur in 2021 is a man, aged between 45 and 60, having economic training at university or postgraduate studies, his average entrepreneurial experience exceeds 20 years, he doesn't work in partnership and is the sole owner of the business" and groups the factors that influence the initiation/development of the business:

- factors with a negative influence on starting / developing business: coronavirus pandemic, excessive bureaucracy, low environmental predictability for SMEs, state policies to support companies and the population in the current context, insufficient state capacity to manage economic problems, uncertainties of future developments, excessive taxation;
- factors with a positive influence on starting / developing business: 6 out of 10 entrepreneurs intend to access structural funds (2020 only 3 out of 10), 4 out of 10 are self-financing (6 out of 10 in 2020), digital technologies: 7 out of 10 entrepreneurs use computers, the internet; 6 out of 10 use business operating software; 5 out of 10 use the electronic signature.

In Hungary

The entrepreneurship education is encouraged by Strategy on Lifelong Learning in Hungary (2005). Interest in entrepreneurship among students and graduates grew rapidly. Bridge Budapest (2016) has inventory entrepreneurial intentions of students: six out of ten young people in the 20-35 age group have concrete plans for their own business and almost 60% said they know a company which was founded by a young Hungarian and gained global visibility. The reasons why there are delays in starting a business have changed over time. Because financial security and risk avoidance fell to 18%, from 36% in 2015, entrepreneurship education remained a major barrier to starting a business. Global Entrepreneurship Monitor (GEM) emphasizes a growing interest in entrepreneurship. According to the data, 16% of students surveyed plan to start a business in the next three years. The main barriers to establishment are

"the unbearable education system and the negative media attention" (GEM Hungary, 2016). The study concluded that, in the long run, the challenge will be to make the education system more supportive of entrepreneurship.

Young people have the opportunity to choose between initiatives and online platforms for students: Junior Achievement, Job Shadowing, Student Entrepreneurs or Visit the Company which promotes good practices and encourages entrepreneurial initiatives. The national platform, the Association of Young Entrepreneurs (FIVOSZ), also offers programs and support for young entrepreneurs, including the possibility of connecting young entrepreneurs with experienced entrepreneurs. Supporting students and graduates in starting a business is a topical issue even if the emphasis has been more on skills development and less on support for start-ups (Supporting Entrepreneurship and Innovation in Higher Education in Hungary, 2017).

The study Entrepreneurship intentions and activity of students in Hungary (2017) conducted at the University of Miskolci highlights the fact that students in Hungary prefer to work as employees after graduation (86.1%) and have low entrepreneurial intentions; entrepreneurial intentions increase among students (36.4%) after 5 years after graduation: economics students are the most open to entrepreneurship, and social science students were the least reluctant.

Determining factors in the entrepreneurial decision are:

- a) Family support: family business influences students' entrepreneurial intentions and risk-taking and additional responsibilities related to setting up a company.
- b) Competences formed during university studies and university counseling (entrepreneurial counseling centers).
- c) New communication methods and new knowledge transfer practices.

Research Methodology

The research methodology used in this paper consists in applying an online questionnaire to young people

aged 21-23 (economics students in the final year at universities in Romania and Hungary). The questionnaire applied was made using the Google Forms application and is available at the following link: https://docs.google.com/forms/d/e/1FAIpQLSdNQvcCUhwxZ3racF5ywwgr0FZ8MTBYdfXfypaKkkq9DorFg/viewform?usp=sf_link.

The questionnaire on identifying the factors underlying the behavior in front of the decision to start a business was answered by 450 students (198 students from the University of Debrecen and 252 students from the University of Oradea). This questionnaire was applied from January to June 2021. The questionnaire was structured in ten parts (the name of the student is anonymous in the study).

The first part was to express readiness to start a business.

The second part focused on the field of activity in which the business would be initiated, and the following elements considered were access to information, respectively assuming responsibility.

In the fifth part of the questionnaire, students were asked what the challenges of the current period are. In the current context, students were asked about the motivation that would underlie their behavior in business. In the seventh part of the questionnaire, students were asked about their abilities and, if they existed, what the level of confidence in their own abilities was.

The eighth part of the questionnaire asks students about the level of entrepreneurial skills and how entrepreneurial knowledge was acquired. The penultimate part of the questionnaire investigates the availability of further entrepreneurial training.

In the last part of the questionnaire, students are asked about the development of knowledge and skills in the field of sustainable development.

Unfortunately, throughout the application of the questionnaire we faced the reluctance of students to respond to this survey, as a result we were forced to limit ourselves to the 450 responses received (only

from students of the 2 universities), although we recognize that initially we targeted a much larger sample.

Results

The answers recorded in the applied questionnaire were analyzed comparatively (Romania and Hungary) in order to reflect the availability of students in the final year to start a business and to identify the factors that were the basis for the decision to start a business.

Figure 1 shows that the share of students who have expressed a desire to start a business immediately after graduation is unfortunately relatively low. In Romania 21% of respondents said that there is availability to start a business, while in Hungary the percentage is slightly higher than 27%. We consider that a factor that influenced the percentages recorded in this question is the period of uncertainty experienced at the time of applying the questionnaire, we are talking here about the impact of the COVID-19 pandemic.

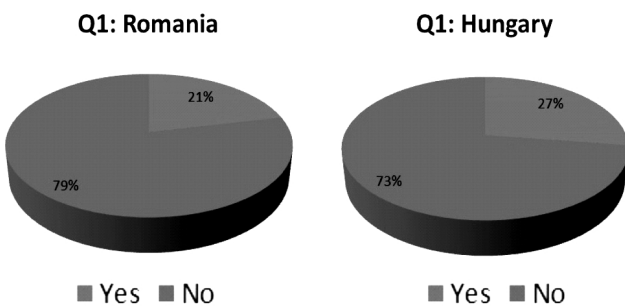


Figure 1. Q1: Is there availability in starting a business?

Source: made by the authors based on the answers received in *The questionnaire on identifying the factors that influence the behavior when making the decision to start a business*

According to Figure 2 the question *Can raising awareness and awareness of the benefits of entrepreneurship be an option for starting and developing a business?* was answered affirmatively by 99% of students in Romania and by 90% of students in Hungary. This response indicates the importance of entrepreneurship courses conducted during undergraduate studies, as well as extracurricular entrepreneurship seminars that facilitate the connection of students with entrepreneurs by

providing examples of good practice. We believe that these activities are very important and should exist in all universities, and that students should be facilitated access to such information.

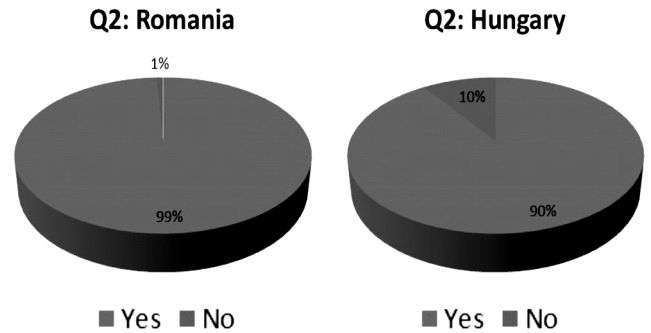


Figure 2. Q2: Could getting informed and raising awareness of the benefits of entrepreneurship be an option for starting and developing a business?

Source: made by the authors based on the answers received in *The questionnaire on identifying the factors that influence the behavior when making the decision to start a business*

Figure 3 provides the answers given by students at the third question: *Are you a person who takes responsibility on your own initiative and acts accordingly, without anyone asking you to do so?* 97% of students from University of Oradea answered affirmatively, while the percentage is slightly lower, 83% in the case of students from the University of Debrecen.

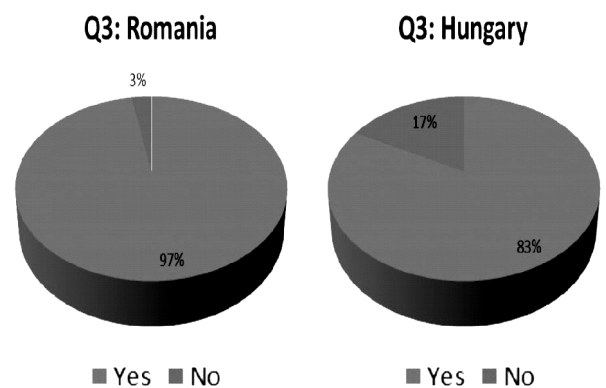


Figure 3. Q3: Are you a person who assumes responsibilities voluntarily and acts accordingly without anyone asking you to do so?

Source: made by the authors based on the answers received in *The questionnaire on identifying the factors that influence the behavior when making the decision to start a business*

By means of including question number 4 we wanted to identify the challenges of young people in the current period. In Romania, it seems that the main challenges that young people face are: lack of face-to-face socialization (32%) and lack of motivation (19%), followed closely by fluctuating emotional states (17%). In Hungary, the main challenge for young people is lack of motivation (45%), followed by fatigue (22% of respondents). Given the answers provided by students in Romania we are entitled to believe that the main factor that influenced the answers is the COVID-19 pandemic, in view of the fact that both courses and seminars were held in online format, which prevented the real face-to-face interaction.

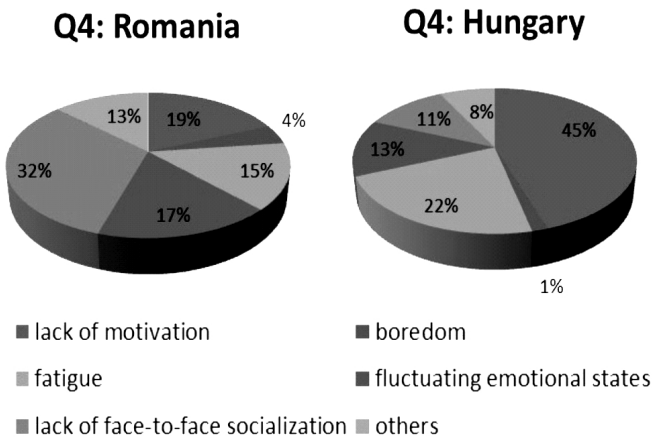


Figure 4. Q4: What do you consider to be the challenges of young people today?

Source: made by the authors based on the answers received in *The questionnaire on identifying the factors that influence the behavior when making the decision to start a business*

Question number 5 was intended to identify the factors that affect the decision to start a business. As Figure 5 indicates, both students in Romania and those in Hungary consider that the main factor affecting the decision to start a business is the lack of own financial sources (52% in Romania and 55% in Hungary). In addition, 29% of Romanian students consider that another important factor is the difficulty of accessing external funding sources. Regarding this aspect, a possible solution would be to participate in workshops specialized in attracting European funds, workshops that could be made available by universities to students

as extracurricular activities.

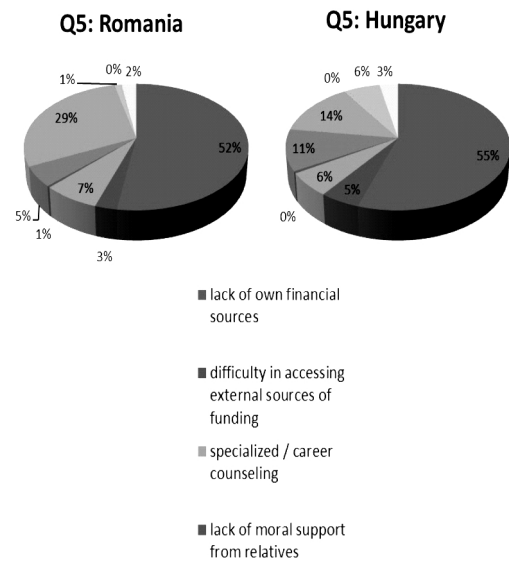


Figure 5. Q5: What do you consider to be the factors that affect the decision to start a business?

Source: made by the authors based on the answers received in *The questionnaire on identifying the factors that influence the behavior when making the decision to start a business*

Figure 6 highlights the abilities of students who support their own initiative. In Romania, 36% of students consider that the most important thing is the good management of emotions, and in Hungary, 44% of students believe that financial education is the main skill that supports their initiative. This shows us once again the importance of the entrepreneurial counseling centers present in Hungarian universities.

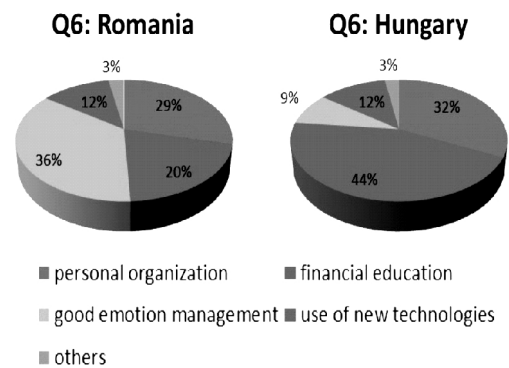


Figure 6. Q6: What are the skills that support your initiative?

Source: made by the authors based on the answers received in *The questionnaire on identifying the factors that influence the behavior when making the decision to start a business*

In our study we intended to find out if students are willing to increase their knowledge by participating in various training courses. According to Figure 7, we can see that only 78% of Romanian students have this willingness, whereas 97% of Hungarian students have expressed their intention to participate in complementary courses. These percentages indicate that a campaign should be carried out in Romanian universities to inform students on the importance of completing their studies with various training courses.

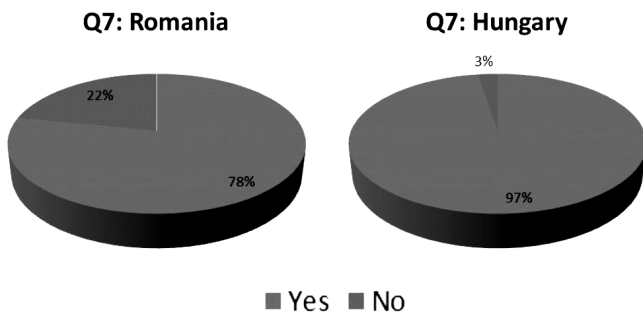


Figure 7. Q7: Do you have the availability to improve certain knowledge by participating in different training courses?

Source: made by the authors based on the answers received in *The questionnaire on identifying the factors that influence the behavior when making the decision to start a business*

In section eight of the questionnaire, we wanted to identify where the students' entrepreneurial knowledge was acquired. In Romania, 48% of students answered that they acquired entrepreneurial knowledge by participating in complementary / advanced courses (e.g. entrepreneurial skills, innovative entrepreneurship). In Hungary, 26% of students consider that they have acquired entrepreneurial knowledge equally through access to information and specialized sources and through participation in complementary / advanced courses. We believe that the large number of respondents in Romania who consider that they have acquired entrepreneurial knowledge by participating in complementary / advanced courses is due to the fact that at the University of Oradea, during the application of the questionnaire, entrepreneurship there were student-oriented projects carried out.

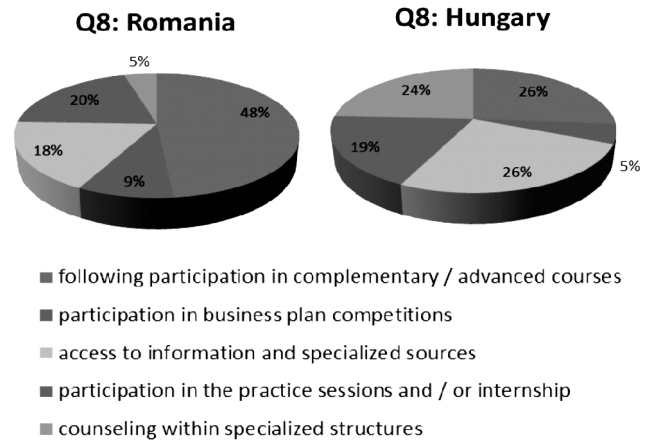


Figure 8. Q8: Entrepreneurial knowledge has been acquired

Source: made by the authors based on the answers received in *The questionnaire on identifying the factors that influence the behavior when making the decision to start a business*

In Figure 9 we can analyze how students responded to the question: Do you consider it necessary to develop knowledge and skills in the field of sustainable development, by ensuring a balance between environmental issues, social cohesion, and economic growth? It is observed that in a very high percentage both Romanian and Hungarian students answered affirmatively (99% in Romania and 96% in Hungary).

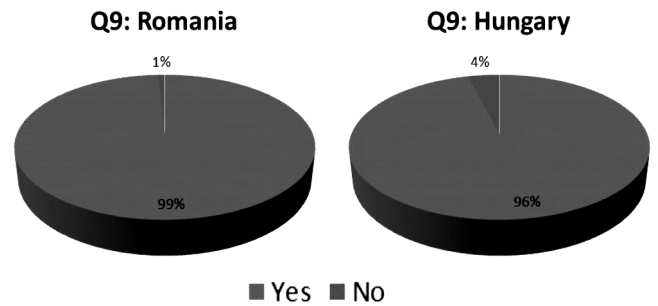


Figure 9. Q9: Do you consider it necessary to develop knowledge and skills in the field of sustainable development, by ensuring a balance between environmental issues, social cohesion, and economic growth?

Source: made by the authors based on the answers received in *The questionnaire on identifying the factors that influence the behavior when making the decision to start a business*

The last part of the study looked at whether students are confident in their own abilities. According to Figure 10, it is observed that the percentages of answers are

similar Romanian and Hungarian students. 81% of Romanian students and 83% of Hungarian students stated that they have confidence in their own abilities.

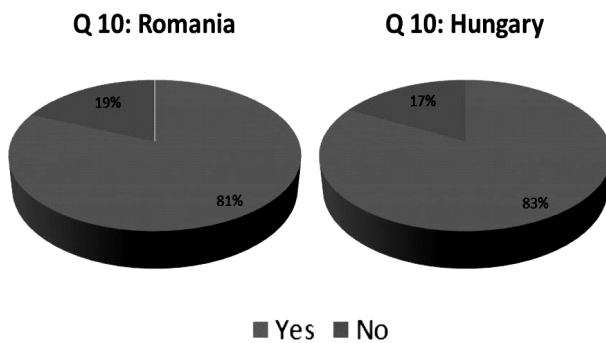


Figure 10. Q10: Do you trust your abilities?

Source: made by the authors based on the answers received in *The questionnaire on identifying the factors that influence the behavior when making the decision to start a business*

In the future, we intend to extend this study to several universities in Romania and Hungary to see if the results obtained in this study can be generalized for these two countries.

5. Conclusion

Entrepreneurial skills have a significant impact on the decision to start a business in the context of factors such as: the existence of a flexible economic and social environment, conducive to business development (legislation, free competition), the existence of a proactive culture of entrepreneurship, in the sense of a high degree of credibility of people who set up / run their own business, the existence of entrepreneurship education in schools and universities and a system of continuous training of individuals to assimilate knowledge and skills specific to entrepreneurship (Dragan, M., 2016).

Given that the labor market has undergone a number of major changes and will require skills adapted to change, entrepreneurship is the solution to make the labor market more flexible.

Even if the entrepreneurial intentions of final year (undergraduate) students – Romanian and Hungarian

– are still low, they can still be encouraged and supported by: updating the regulatory framework for entrepreneurship (in Hungary), adapting programs to current changes and the characteristics of the new generation of students (emphasis on practical knowledge) – in Romania and Hungary), the inclusion in the curricula of some entrepreneurship disciplines (in Romania), the establishment of entrepreneurial counseling centers in Romanian universities following the model of those existing in Hungarian universities.

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Internal Migration and Urbanization: A case study from Semi-arid regions of Pakistan

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Abstract

The study analyses the determinants of urbanization in semi-arid regions and the role of institutions in dealing with the issue. Focusing mainly on three semi-arid districts of Pakistan, i.e., Mardan, Faisalabad, and Dera Ghazi Khan (D.G Khan), the study draws on qualitative information gathered through the in-depth interviews of rural to urban migrants and key stakeholders. The push factors described by majority of urban respondents in all three districts are mainly economic, i.e., lack of employment and business opportunities in rural areas. Few respondents considered death of family members/relatives, conflict with other tribes and lack of health facilities as significant push factors behind their decision of migration. Although socio-economic factors were the primary cause of migration, climate change was not considered a direct reason. Nevertheless, a few respondents agreed that climate change had indirect effect on their decision to migrate. The pull factors are almost common in all three districts. These include better employment opportunities, proximity to their village and access to basic facilities such as educational institutions, hospitals, road and transport networks, sanitation amenities, etc. in the cities. The urban migrants faced a number of issues as a result of their migration, viz lack of proper accommodation, inaccessibility to pure drinking water, guarantor issues, finding employment or setting up business, and lack of information about public services. This has further exacerbated the situation vis-à-vis congestion of the cities as well as an increase in slum settlements.

According to development authorities, major reasons for unplanned urbanization and slums creation were lack of internal migration monitoring policy and coordination gaps between service providers and authorities concerned. Furthermore, stakeholders emphasized the need for immediate attention for overall agriculture sector development, including climate resilient and agriculture smart policies to lower the push factors of migration in rural areas.

Key words: internal migration, urbanization, climate change, slums, planned and unplanned urbanization, development

I. Introduction

Urbanization is the redistribution of population from rural to urban settlements with the passage of time (Peng et al. 2011). It is the push and pull factors (Push and Pull factors are those factors which force or attract to migrate), which force people to migrate. Urbanization, on the one hand, provides opportunities for growth, and on the other it gives rise to problems such as high population density, inadequate infrastructure, lack of affordable housing, pollution, slums' creation, crime, congestion, and poverty (GoP 2015).

Apart from aforementioned push and pull factors, forced migration is also a factor which contributes to internal migration. The lack of management in conflict zones is the root cause of increase in refugees and migrants (Mehdi 2007). The number of households displaced due to conflict between Pakistani forces and militant groups in FATA is 74,826. The repatriation

programmes initiated by the government of Pakistan have helped approximately 94% of Internally Displaced Persons (IDPs) to return to Federally Administered Tribal Areas (FATA). Almost, 94% of IDPs have returned to their respective areas in FATA (Yousafzai 2017, USAID).

Another important reason for migration is climate change (Torres 2007, Sattar 2014). Climate change refers to "a change in the state of climate that can be identified (e.g., using statistical tests) by making changes in the mean and/or the variability of its properties, and that persist for an extended period, typically decades or longer" (IPCC 2007). The problem of climate change supplements challenges that occur due to urbanization, especially in the developing countries. The rising losses in agriculture productivity force people to look for alternate modes of livelihoods. Therefore, migration is considered to be one of the various adaptation strategies that rural inhabitants employ to avoid loss of life and damage to property as a result of climate-related natural disasters (Saeed et al. 2016). The urban areas of Pakistan are also facing various issues that force people to migrate. These include urban drainage problems, inadequate potable water supply, and increased number of mortality rates due to natural disasters (Asian Development Bank 2017).

The climate induced migration is faced by people in various regions of Pakistan (Sandeelo 2017). During the past few years, unpredictable extreme weather conditions resulted in torrential rains, flash floods and landslides across Pakistan. In 2015, a heat wave resulted in the killing of 1,200 people (GoP 2015) and forced others to move during summer in Karachi. Below-average rainfall during the monsoon season in 2016 brought drought and decreased crop production, which forced hunger affected people to migrate to other areas for food (Ijaz 2017). The people residing near Indus delta have also witnessed large-scale migration because of sea-intrusion, coastal floods and rainfalls. Along with that, climate change has affected agriculture, business sector, water, health,

biodiversity, forest and socioeconomic conditions in Pakistan's semi-arid regions. Climate change has also affected farm and non-farm livelihoods, which resulted in migration of farmers and others from rural to urban areas (Ibid, Rasul et al. 2012).

The climate induced migration process may be temporary (as in the case of displacement of people for a short period of time) or permanent depending upon the severity of natural disasters (Ijaz 2017). For example, one of the studies found that climate change was responsible for the permanent migration of farmers in Gujrat district to urban areas of Pakistan (Abid et al. 2016). Heat stress is another climatic shock that has significantly affected Pakistan's economy (Mueller et al. 2014). Interestingly, heat stress is more responsible for permanent migration as compared to floods. Other climatic changes include cyclones, desertification, and floods which cause rural to urban migration. These changes have increased land degradation and lead to a shortfall in food production, which increases rural poverty and urban turmoil (Asian Development Bank 2012).

In the light of the above scenario, this study aims to contextualize rural to urban migration in terms of the contemporary push and pull factors in semi-arid regions of Pakistan. It also aspires to understand the institutional gaps that can be bridged to foster a more planned approach towards urbanization. The main objectives of this study are:

- To describe the main push and pull factors behind rural to urban migration in semi-arid regions and explore if climate change plays a role in the respondents' decision to migrate
- To investigate outcomes of rural to urban migration in terms of stresses and opportunities
- To analyze institutional gaps in dealing with the issue of urbanization

Rationale of Study

Numerous studies have been conducted to analyze the reasons behind internal migration. However, reasons

of migration along with post migration issues and role of institutions in semi- arid regions of Pakistan are less explored. This study adds to the literature on urbanization issue by focusing on pre and post migration issues along with institutional vulnerabilities in addressing them.

Figure 1: Migration Destinations of Faisalabad’s Migrants

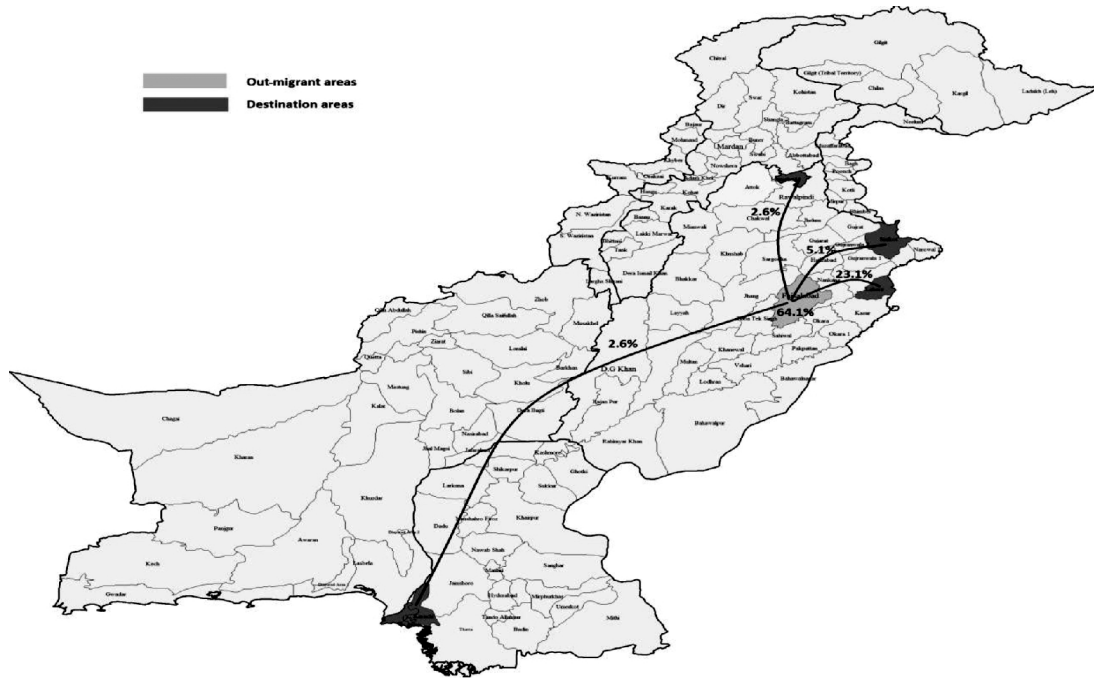


Figure 2: Migration Destinations of Mardan’s Migrants

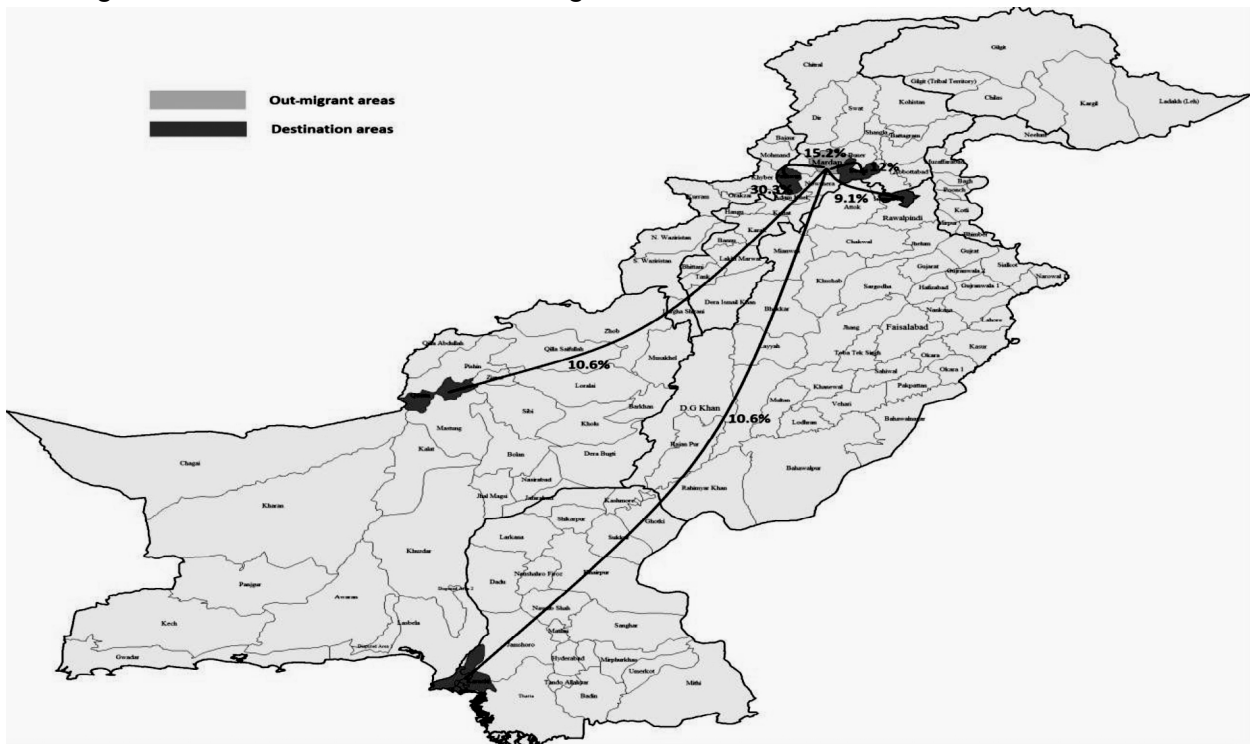
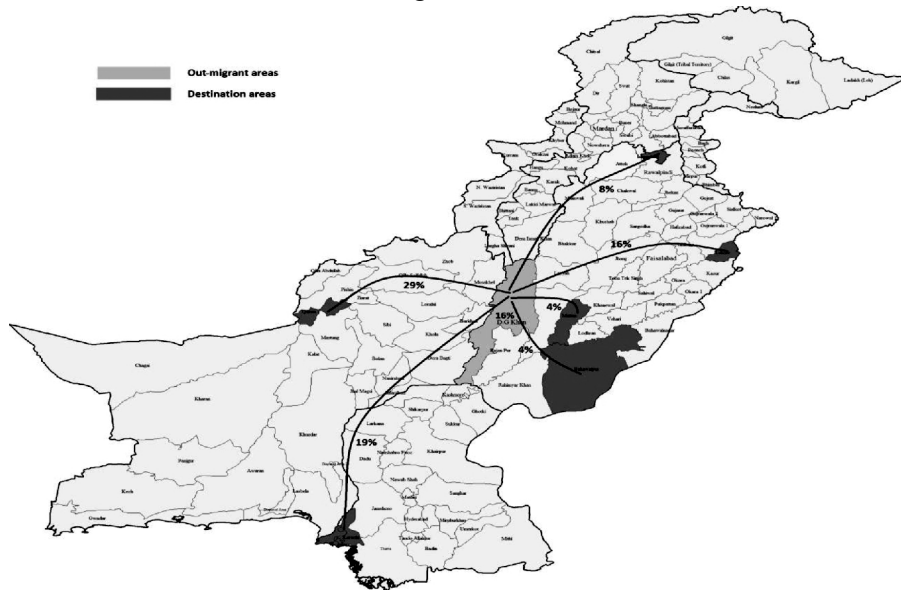


Figure 3: Migration Destination of D.G Khan’s Migrants



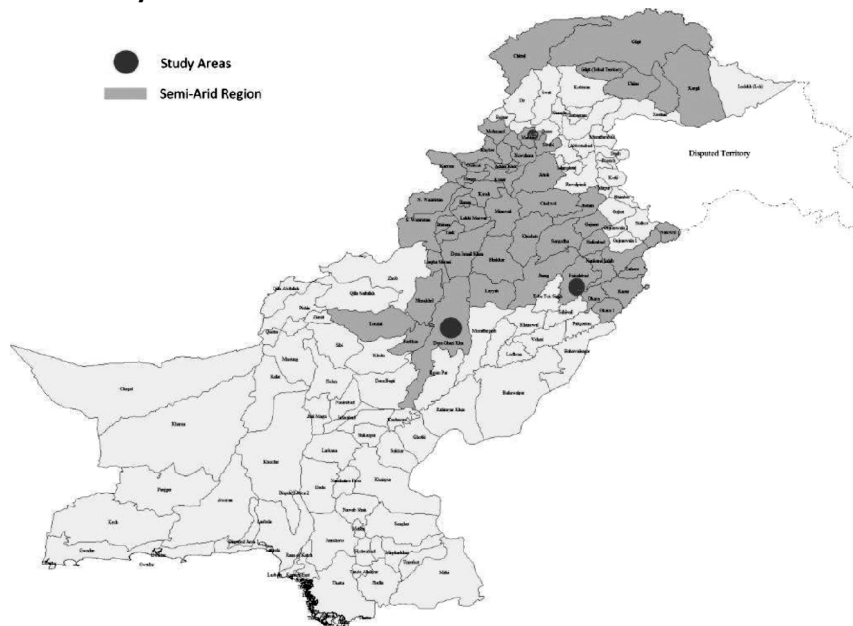
Source: Salik et al., 2017

I. Methodology

The methodology section defines study site, sample size and estimation techniques for achieving the overall objectives.

- **Study Sites:** For the study, three districts namely Mardan, Faisalabad, D.G Khan, from the semi-arid region of Pakistan were selected. The rationale behind is: Firstly, they are considered to be facing rapid climate change, including water stress (Farooqi et al. 2005). In fact, the semi-arid regions are in the phase of development since many decades which is further aggravated by climate change and extreme events (Council 2009). Therefore, semi-arid regions were chosen to observe pre and post internal migration issues, and the role of institutions in addressing urbanization and internal migration in these districts.

Figure 4: Urban Areas of Study Site



Source: Author

- Data Collection:** The study is based on a sample of 45 migrants, comprising 9 female and 36 male respondents, now living in cities. In each district, 15 interviews of migrants belonging to different occupation groups were conducted. The selection criteria of selecting these migrants are based on two components. First, urban migrants should have migrated recently (i.e., less than 5 years). Secondly, they should have migrated from rural area of the same district, which is in line with internal migration. Moreover, in order to get a detailed idea of the issue, migrants were selected from different professions such as labour, business and job-holders.
- This study is based on qualitative tools, i.e., in-depth interviews of urban respondents and five key informant interviews. The length of in-depth interviews was almost 30 to 45 minutes. Before asking questions, proper introduction of organization and purpose of the study was told to respondents. These in-depth interviews were transcribed and then analyzed through thematic content analysis.
- Key Informant Interviews:** In total, eight key informant interviews were conducted from representatives of Faisalabad Development Authority (FDA), Mardan Development Authority (MDA), Ministry of Climate Change (MoCC), Ministry of Planning and Development, District Office Agriculture (DOA), and Pakistan Institute of Development Economics (PIDE). These multiple key informant interviews were conducted to get updated information about initiatives of government departments in rural economy and issues related to internal migration.

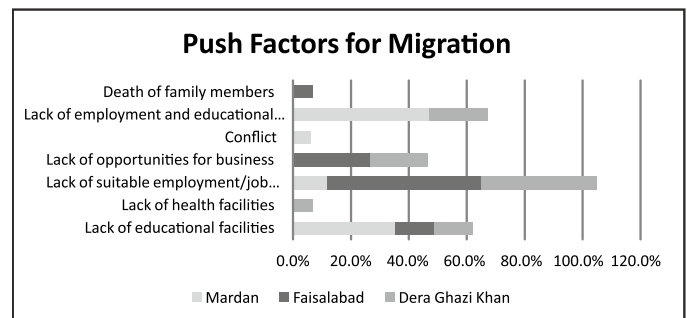
II. Results and Discussion

This section of the study describes results and provides discussions on push-pull factors of migration, highlighting issues and opportunities introduced by migration, and institutional gaps in dealing with the management of urbanization.

III..I Push Factors for Urbanization

The major push factors for migration were lack of suitable employment opportunities and educational facilities in rural areas. Other important factors included lack of infrastructure, health facilities, business opportunities, conflicts, and death of family members.

Figure 5: Push Factors for Migration



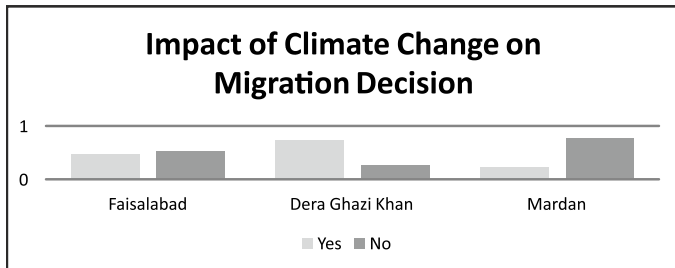
Source: Author findings from study sites

Results show that in Faisalabad, lack of business and employment opportunities in rural areas was the major push factor behind migration. Other push factors responsible for migration included: lack of educational facilities and death of a family member. In D.G Khan, lack of suitable employment/job opportunities and business opportunities was the major push factor. Other factors were lack of educational and health facilities, which forced the urban migrants for migration. In Mardan, both the lack of educational and employment opportunities were major push factors. Another reason for migration was conflict, which forced people to migrate to urban areas. The major push factor described by development authorities for rapid urbanization was lack of access to basic facilities such as access to education, health services and employment.

Climate Induced Migration

Apart from aforementioned push factors, climate change was found to be an emerging push factor responsible for migration of people, albeit indirectly. As such, climate change has increased stress on income sources.

Figure 6: Impact of Climate Change on Migration Decision



Source: Authors findings from the study sites

Among these districts, respondents from D.G Khan were having higher responses of climate induced migration as compared to other districts. Climate change was found to be negatively affecting income sources and health of individuals. Agriculture was negatively affected by climate change due to changes in rainfall schedules. Irregular rain events destroyed wheat crop during harvesting time. Another reason for negative impact was lack of rains, which increased the pest attacks. This change affected cotton crop negatively, which reduced crop productivity and raised the cost of inputs for cropping.

Apart from crops, less rainfall also caused reduction in fodder, which negatively affected livestock. This situation resulted in increased nomadic trips to feed animals. Another change was increased number of hot days and heat stress. In order to cope with it, families shifted to larger houses from small houses. Along with that the respondents, who laboured in factories, said that they were unable to continue their jobs due to heat stress, therefore, they quit their professions and switched over to businesses or comparatively less heat-stressed options.

Incidences of climatic induced disasters like floods have increased, therefore, resulting in heavy losses to crops, infrastructure, and private property. An urban respondent from D.G Khan said:

'Owing to floods, salinity increased in soil, which diminished its productivity, so I had the only choice, i.e., to switch over a new profession and migrate to the city area'.

Extreme climate events have also affected businesses sector, including small businesses and construction industry. Moreover, changes in the monsoon season have resulted in fewer rainy days and as such have increased the number of working days available for businesses and labourers.

Agriculture and business sectors of Faisalabad district were also negatively affected by climate change. Increase in heat and reduction in rainfall were reported to be responsible for lower crop productivity. Similarly, business sectors were also affected by climate change in different ways. The pharmaceuticals business sale increased with lower rainfall that has increased health viral issues in community such as flu, cough and fever. Contrary to pharmaceuticals, labour involved in fabric industries said their working hours have reduced after the demand for warm clothes has decreased, ultimately resulting in financial stress on the labour class.

In Mardan, climate change was reported by very few urban respondents as a driver of migration. Some respondents mentioned indirect pathways through which climate change impacted their livelihoods. For instance, a rickshaw driver (respondent) said that due to excessive or uncertain rains his travelling to his village has reduced. These rains are responsible for commutation problems and increased the cost of vehicle's maintenance. Therefore, it was also one of the reasons for migration to urban areas by respondent for avoiding such disturbances. Other respondents said that these climatic changes were considered very sensitive for casual agriculture labour and that associated with plant nurseries. Owing to consistent impact they highlighted its influence on migration decision in terms of a search for better employment opportunities in the cities.

The issue of climate change was also discussed with key representatives of governmental organizations concerned. The acceptance of stakeholders' vis-à-vis impact of climate change on economy supports climate change as one of the emerging push factors for internal migration. The viewpoints of experts from District

Office Agriculture (DOA) of Mardan, Faisalabad, and D.G Khan also support existence of this issue in influencing migration decision of people. According to them, climate change has affected agriculture sector, which is responsible for changes in crop productivity. Especially, increase in unseasonal or lack of rains caused loss to crops, such as cotton and wheat crop. Additionally, condition of drought has further reduced crop yield in past 5 to 6 years in all these districts.

In fact, increase of temperature during winter and summer season has enhanced pest attack especially on cotton crop. Another challenge is water shortage which is also affecting wheat crop in rain fed areas. Further to this, lack of variety of seeds or fertilizers has aggravated the coping mechanism to deal with climatic changes.

The view point of DOA was supported by the representative of Urban Unit in Federal Ministry of Climate Change (MoCC), who said that climate change has significantly affected the whole economy especially agriculture. The key informant interviews with academicians from Pakistan Institute of Development Economics (PIDE) further strengthen the aforementioned view point of stakeholders. They confirmed the existence of climate induced migration in Pakistan especially at arid areas like Tharparkar, Sindh.

The representative of Population Unit of Ministry of Planning and Development says that there are two major reasons for rapid urbanization in the world, namely, natural birth rate and rural to urban migration. Out of these two, rural-urban migration is a major contributor. The push factors for such rise of urbanization, as described by the Development Authority, is: lack of basic facilities, especially health, education and transportation, in rural areas that forces people to migrate to cities. It is creating negative pressure on urban areas. Its solution lies in the provision of basic facilities and improvement in their

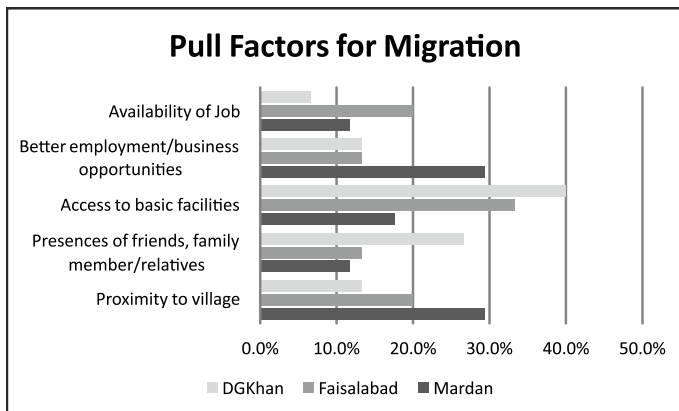
quality in rural areas. Faisalabad Development Authority (FDA) is in the implementation of phase of this master plan which started in 2015 and will be completed in 2035. This master plan has been developed by the Urban Unit for planning. This project defines structure of Peri-urban, and Urban areas implemented by city district development authorities in the Punjab. Another Similarly, Mardan Development Authority supports aforementioned reasons of urbanization and said the number of government housing schemes and private towns has increased due to increase in population during the past 10 years.

In the context to agriculture, representative of District Office Agriculture (DOA) said the determinants of rapid urbanization force people in rural areas to migrate. Marketing issues are common for farmers as cost of production is rising which reduces earnings of all the farmers. For example, farmers don't get their price of sugarcane from sugar-mills on time. Other negative issues are saline soil, scrap reclamation, poor quality of underground or tube well water, limited availability of canal water, and availability of less agriculture land due to rapid industrialization. Similarly, representatives from PIDE said that lack of facilities in rural areas has triggered urbanization. The permanent migration occurs due to search for employment or opportunities to start a new business while, temporary migration is occurring due to conflicts or security issues. In addition, there are many people who are unable to migrate due to lack of affordability. People can't afford to live in central city areas which are too expensive for them.

IV.II Pull Factors for Urbanization

The major pull factors for migrants were access to basic facilities, better employment or business opportunities, proximity to village, presence of social networks like friends, family members or relatives, and secured job in cities. The figure 5 highlights major and minor pull factors of migrants.

Figure 7: Pull Factors for Migration



Source: Authors findings from study sites

The pull factors as described by the respondents were similar across all the select districts. In Faisalabad, access to basic facilities (road, transport), proximity to village, and availability of job were major pull factors. Other factors included presence of family relatives, and friends, and better employment opportunities. In D.G Khan, access to basic facilities, presences of both; family relatives and friends, and availability of better employment opportunities are the main reasons for migration. In Mardan, proximity to village and better employment/business opportunities and proximity to village were considered as major pull factors.

The major pull factors for rural to urban migration are access to basic facilities, especially, availability of better education institutes and proximity to large cities. That’s why people prefer to live in city area as they can move for work. After observing reasons of migration, we can

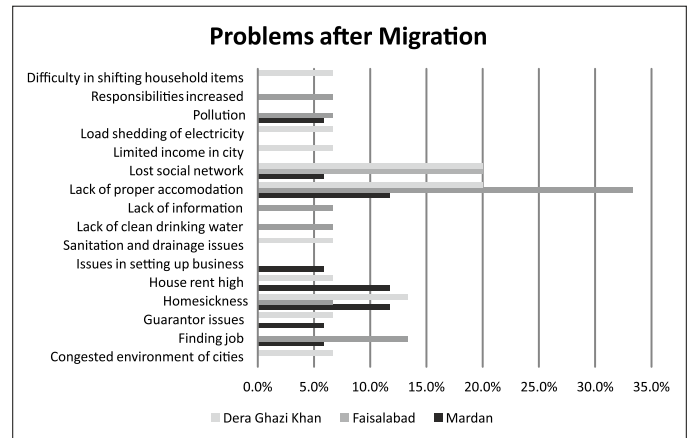
conclude that push factors are more than pull factors. It means that push factors are forcing people living in rural areas to migrate to urban areas.

IV.II Outcomes of Migration

A majority of migrants (87%) agreed that they have faced certain hurdles after migration. Therefore, outcomes of internal migration were also inquired from urban migrants. The chart given below provides details

of those outcomes of migration hurdles that were major causes of lack of satisfaction in selected districts.

Figure 8: Problems Faced after Migration



Source: Authors findings from study sites

Urban residents said that major problems faced by them after settling in cities were lack of proper accommodation and social networking. Apart from that, other problems were jobs search, lack of access to clean drinking water, homesickness, asymmetric information about access to other services, pollution and increased responsibilities for managing home.

For D.G Khan, a majority of urban residents described the same problems after migration as faced by urban residents of Faisalabad, These are: lack of proper accommodation, and lack of social networking. The other problems faced by them are home sickness, guarantor issues for residence, congested city environment, load-shedding, high rents, limited income, poor sanitation and drainage services, shifting luggage due to lack of transportation facilities and road facilities in rural areas.

In the above chart, it can be seen that some respondents of Mardan faced no issue after settlement in urban areas. Apart from those, few respondents mentioned lack of proper accommodation, higher amount of house rents, homesickness and no social networking issues in settling up business, and jobs search were problems faced by them. Along with that, migrants said providing guarantor is a big issue when

they go to take house on rent. Owing to lack of social networking, it became one major issue in settlement in urban areas. Despite facing such difficulties, all the respondents see improvement in their overall living standard after migration.

The major reason for migration problems was lack of urban planning. This argument is supported by key informant interviews which discussed significance of planned and unplanned migration. The academicians from PIDE described that mega cities are outcome of rapid urbanization which requires effective governance to gain from it. The existence of unplanned urbanization can be seen from environmental degradation and lack of proper services provision of Sanitation and Solid Waste management services. Along with these problems, another research highlights unplanned urbanization increasing problems, like, poor housing quality and affordability, transport, health, education, and land management (Shaikh and Nabi 2017).

The reasons for lack of better services provision have been explained by the development authorities of Faisalabad and Mardan. First, there is a lack of internal migration policy for managing and controlling rapid urbanization. The Ministry of Overseas Pakistanis only deals with the international migration and has nothing to do with the internal migration. Management of migration requires a platform that can regularize private construction and builders under development authorities. The major barrier behind planned urbanization is the lack of coordination between development authorities and other service providers such as responsible for electricity, gas, water and sanitation. The major reasons for lack of coordination were absence of mandate, political support, resources insufficiency and lack of authority. These contribute to inefficiency of development authorities in dealing with planned urbanization. Therefore, this lack of coordination with development authorities is one of the major reasons for unplanned urbanization or creation of slums. A representative of the development authority said:

'Earlier, No Objection Certificate (NOC) from Taluka/ Tehsil Municipal Administration was a must for an organization (such as Water and Power Development Authority, Communication and Works, Public Health, and others) before it had started development works. Nowadays these service providers don't get NOCs as there is a lack of coordination among different departments which results in financial losses. We are trying to regulate them but there is no control on people and service providers. For example, one of the duties of development authority is to construct roads whereas Water and Sanitation Authority (WASA) is excluded from the process. So, roads were dug up to inlay sanitation and drinking water pipelines without consulting the development authority. This lack of coordination results in heavy financial losses', Hence, aforementioned concerns of development authorities are important to address rapid and haphazard settlement of migrants from rural to urban areas. If these concerns are properly addressed that can reduce institutional vulnerabilities and improve urban planning.

IV. Conclusion and Recommendations

This study was conducted to understand internal migration through push and pull factors, outcomes of internal migration and institutional vulnerability in dealing with urbanization problems. The results show that common push factors were lack of employment and business opportunities in rural areas. Minor push factors were lack of infrastructure for sanitation, drainage system, roads, and transport. A few also reported deaths of family/relatives, conflict with other tribes and lack of health facilities as push factors in Faisalabad, Mardan, and D.G

Khan respectively. Apart from common push factors, climate change was the indirect reason which influenced the decision to migrate. Climate change negatively impacted the agriculture and non-agriculture income of individuals, which ultimately forced people to migrate and find alternate means of income in urban areas. The number of respondents

from D.G Khan was higher than the remaining districts who reported that climate change impacted their decision to migrate in some way. The pull factors responded by urban migrants were almost common in all districts. The pull factors are better employment opportunities, proximity to their village (hometown) and access to basic facilities (educational facilities, hospitals, road & transport facility, sanitation, etc.).

The outcomes of internal migration are congested environment of cities, lack of proper accommodation, impure drinking water, guarantor issues, employment/setting up business and lack of availability of information about public services. Amid such issues, urban migrants even considered significant improvement in their living standard after migration. These urban problems faced by urban migration occurred due to unplanned urbanization. The major reasons for this unplanned urbanization are lack of internal migration policy for monitoring issues of new rural to urban settlers and lack of mandate to development authorities for taking action against service providers and private builders for not following urban planning.

In the light of above discuss, following are the recommendations that the government needs to consider:

- Initiate rural development and capacity building programmes on agriculture smart practices
- Develop a joint coordination unit at district level for removing coordination gaps between public service providers and development authorities for an appropriate land use
- Develop an institution to register rural to urban migrants that may help them provide information related to employment or business setup. It should also focus on reasons and dynamics behind internal migration. After analyzing reasons, it should try to address their issues.
- Set up new industrial units in peri-urban areas near villages that will reduce pressure on urban areas by rural employment seekers.

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Waste Management Systems Used in Oslo and Zanzibar

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Abstract

As we have completely entered the 21st century our planet has acquired a few progressions and enhancements, while simultaneously arriving at an exceptional degree of thriving for the majority of its occupants. Simultaneously, the improvement errors between different pieces of our planet have never been more noticeable because of the uncommon advancement of all correspondence and data sources. Quite possibly of the most apparent region where such inconsistencies are difficult to overlook because of their expansive effect is the administration of side effects, in particular the waste created by the day-to-day activities of the populace - metropolitan waste. There are nations that have carried out administration frameworks that outcome in a net less amount of waste - implying that that particular nation imports squander to use it for own enterprises and there are nations that have become storerooms for the waste created by different nations. This study thinks about the waste administration frameworks in such nations from the most evolved ones(OSLO) to the ones which are right now the most un-created (ZANZIBAR) around here and dissects areas of strength for their flimsy spot while giving answers for development.

Keywords: development, management, waste, management systems, comparison, systems, Zanzibar, Norway.

1. Introduction

The production of waste is one of the main results of the human activity taken as a whole, and while such generation is inevitable, the manner in which various

state and private entities approach the management of such waste is a clear indication of that society's degree of economic development, social responsibility and awareness of the effects of such waste on the environment in general and on human life in particular (Zimring & Rathje, 2012). The manner of approach on the management of waste has changed throughout the years from the simple dumping of waste which has a huge impact over the environment to complex management systems which have a zero or negative impact. However there is still a huge difference between the manner in which developed countries such as Norway approach this issue versus the manner in which less developed countries such as Tanzania manage this issue. This article has as main purpose the presentation of the overall context in which waste is generated including the specific analyzed cases, the description of the existing management strategies and the differences between them, differences arising from the discrepancies in economic development and the proposal of a system which would have as main purpose the reduction of the discrepancies between the two locations.

2. Study

The study is divided into several areas namely: 1) an analysis of the types of waste generated that are the focus of the study; 2) a description of the areas which are the focus of the study and of the waste management strategies used by them; 3) a comprehensive proposal for several solutions aimed at reducing the gap between the two analyzed cases and; 4) a set of conclusions with regards to the two cases.

2.1 A short analysis of the types of waste generated in regular human activities

Waste can be classified into several categories depending mainly on: generation source (household-municipal, industrial, commercial, construction); type of waste (degradable and non-degradable); degree of reusability (reusable and non-reusable); degree of danger in handling (perilous and non-perilous) (Wheeler & Glucksmann, 2015; Franceschetti, 2017). The Waste Management theory states that there is no non-reusable waste, meaning any and all waste with extremely small exceptions (radioactive waste) can be reused, recycled or repurposed. The same theory states that landfills are the final solution and solely for inert construction waste which cannot be repurposed. As such a unitary approach on waste management with the aim of establishing a Municipal Waste Management Strategy for any administrative unit has to take under consideration as a final purpose the elimination of the landfill as a means of disposing of waste. Since the broad area of Waste Management has many more classifications and types of waste, the analysis of which is not possible in such a paper, the main focus for the current paper will be a small part of generated waste, which however is the largest in terms of quantity generated for most of the planet, namely Municipal Solid Waste or more precisely, the waste generated by households in their daily activity.

Households in their daily activity generate waste from various sources, waste which in a civilized society is collected, separated by type, processed, reused, repurposed and recycled to begin a new cycle of usage. The types of waste generated by households and the quantity of such waste depends mainly on several factors: household income, NGDP for the country in which the household is situated, degree of civil awareness of population, involvement of the local and national authorities. These types of waste are:

Biological degradable waste – waste generated by food leftovers and food processing. This type of waste can be easily repurposed in residential compost units and turned into compost to be used in gardens, parks, etc. There is also the option in the case of large

generation of such waste of bulk collection and turning such waste into electricity through gas digesters; This final option is also applicable and recommendable in the case in which the majority of the generated waste is biodegradable.

Plastic and paper waste – waste generated mostly by packaging of food products and any other purchased products. This type of waste can be recycled after collection by specialized companies and recycled with the final purpose of repurposing into various forms. Such types of recycling include processing plastic products into plastic pellets through mechanical processing or into fuels through pyrolysis processing. Paper waste can be processed and turned into packaging or into insulation for houses by specialized companies. There is a large number of companies throughout the world that are turning such waste into usable products (<https://conceptoplasticos.com> is one of the most successful examples having won numerous awards for their initiative)

Glass waste – waste generated by bottles mainly and by broken glass products. This type of waste while in the previous years had decreased a lot due to the prevalence of plastic bottles, has started increasing in the last two years due to a switch to a more environmental conscious population which has started using reusable glass bottles. This type of waste is 100% recyclable; however, this depends on the collection degree

Cloth waste. Depending on the type of cloth it can be repurposed or broken down into fibers and turned into cloth-based products such as blankets or carpets (There is thriving industry doing this in India - <https://circularapparel.co/blog/2020/07/13/where-does-textile-waste-go>). However, the majority of such waste ends up into landfills due to the lack of specialized processing units.

Construction waste: This type of waste can be separated into two types of waste: reusable and inert non-reusable. The reusable waste is the organic one: wood and its derived products mostly – leaves, bark, particle boards, etc. The inert/non-reusable is the

actual construction waste – tiles, brick, cement, plaster boards, drywall metal studs, nails and screws, etc.

This reusable waste can be mostly repurposed while the portion not suitable for such can be crushed and turned into mulch or other decorative garden products or into wood pellets for usage into wood burning residential heating units or commercial greenhouses. The inert/non-reusable waste can be further separated into metal waste which can be collected/sold to specialized companies which are processing such waste, while the non-reusable portion must be crushed and can be used either in landfills or as basis for road building.

Most of the construction waste for households comes from renovation performed for residential units and as such the quantities are not significant.

Furniture waste. This type of waste is different from the rest since in itself it generates four types of waste: cloth, metal, wood and plastic since these are the main components used for building of furniture. The options are as follows: either the individual components after separation in specialized centers will be reused according to the above, or the piece of furniture can be taken over by other types of companies and will be repurposed (i.e., chest of drawers can be used as a sink stand or wood entrance doors can be used as sliding interior barn type doors or old wooden windows can be used as picture frames.

Medical waste. This type of waste is classified into hazardous and non-hazardous. The manner of disposal and treatment for each of them is different since the danger posed by each type is different. However, given the generation point for these wastes, the majority of household generated medical waste is hazardous since it consists mainly of used contaminated bandages, needles, syringes and expired medicines.

Human waste. This is the second category of waste generated by households in terms of quantity and it is a category which is not analyzed usually or even put in the same "basket" as the rest of the waste, although, depending on the manner of approach when dealing with it, it can be either the category with the highest or the lowest impact on human life.

Human waste is usually processed into water treatment plants which are usually municipally sized, namely built to cater for the needs of an entire city, while the waste is transported (most of it) through centralized underground pipe systems. The rest of the waste is transported to such facilities by specialized vehicles.

Please take under consideration that all the above are true under ideal conditions and for administrative units which have implemented to the nth degree all options of processing waste. However, at this moment this is done only in theory due to various impediments as we shall further demonstrate.

The purpose of this document is to draw a comparison between two diametrical opposed areas of our planet namely between the Municipality of Oslo, Norway and the Municipality of Zanzibar, Tanzania. Both of these municipalities are the capitals of their respective regions/countries with Zanzibar being the capital for the Zanzibar Archipelago (Part of Tanzania in a federal form of organization and the main hub of tourism for the country) and with Oslo being the capital of Norway.

2.2 Study Area

Oslo

The capital, main city and most important city in Norway with a GDP of 58 billion USD as of 2019, Oslo has become a model for the municipalities throughout the world in terms of waste management strategies, which above all take under consideration the impact over the environment and its reduction in the normal activity of such a thriving city.



Figure 1. Location of Oslo in relation to Norway

Source: worlsatlas.com

The population of Oslo is of 580000 individuals as of November 2020 (<https://populationstat.com/norway/oslo>), while the waste generation rate for each individual was of 0.89 Kg pe capita per day as of 2018. This quantity is decreasing year after year due to the increased practices of recycling as can be seen from the below graph. These figures add up to a quantity of generated waste of around 189000 tons MSW per year. This does not take into account the greater municipal area of Oslo which doubles the population and subsequently the generated waste.

Oslo has invested heavily into any and all technologies of recycling, sorting, collection and technologies aimed at repurposing the collected waste, while developing the mentality of its inhabitants through learning programs for both children and adults. At the same time the state developed a system of fines and check points based on averages, which was aimed at increasing the recycling level and creating a collection and recycling mentality.

Specifically, there are 14 recycling stations both large and small, 2 mobile recycling stations and 1022 local collection sites for glass and metal packaging. Due to this around 57% of the collected waste is transformed into heat and energy, further used in households and businesses. Actually, the energy produced through the transformation of waste powers all the schools in Oslo.

As it can be seen Oslo lies at one extreme end of the waste management strategies with a developing strategy with a required net result of zero non recycled waste with the exception of asbestos and inert wastes. This was not achieved immediately, but rather following a complex process implemented in a period of years. The first year in which waste was separated by type was 1997 and the system was improved during a 15-year period, resulting in the currently used system.

Two main factors had a large impact on the strategy applied and, on the results, achieved:

1. Effective planning both overall planning and micro planning, meaning all the steps in the collection, usage, recycling, generation and reusage process were analyzed and improved continuously.
2. Segregation of waste based on different colored bags, namely for recyclable items, this system allowing for the ease of processing and possibility of evaluation of generated quantities and further on, evaluation of solutions to be implemented in the management of waste.

Zanzibar

Zanzibar is the capital of the homonym archipelago (consisting of two islands Unguja - commonly known as Zanzibar Island and Pemba) located in Eastern Africa of the coast of Tanzania, and part of the Tanzanian Republic. It is a mostly self-sufficient republic, loosely affiliated to the mainland, only several areas being managed by the larger government of Tanzania namely military, currency and supply of electricity. For the rest of the management of the archipelago, the population elects its own president and ruling body and manages all local decisions.

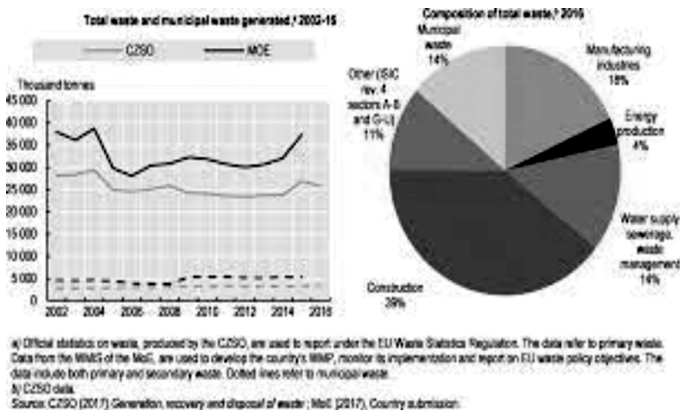


Figure 2. The evolution of waste generation and composition for the city of Oslo Norway.

Source: www.oslo.kommune.no/politics-and-administration/statistics/environment-status/waste-and-recycling-statistics/



Figure 3. Zanzibar Island part of Zanzibar Archipelago and its relative position compared to Tanzania

Source : Geology.com

The population in the Municipality of Zanzibar is of 403,658 individuals as of March 2021

above are based on information provided by the Revolutionary Government of Zanzibar, these are all extrapolations since actual figures will be available only starting in 2021 (the first full year during which Zanzibar has a controlled high standard landfill which was financed by the World Bank). The current figures do not take into account the informal waste dumping or burning or the waste which is collected and sold to third parties (mostly recyclable materials such as plastic, cardboard and glass to Chinese collection companies which export these to China).

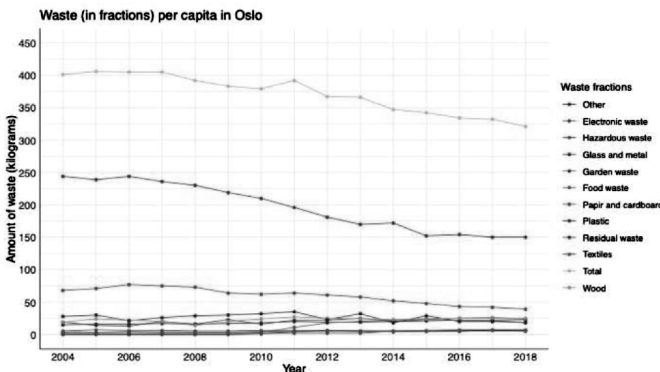
Main industries and income generation for the archipelago are tourism and agriculture. The infrastructure for the islands is almost nonexistent except roads and electricity supply, there is no centralized management of waste, supply of water or any other services.

These lead, at least in the terms of waste management, to a situation which can be summarized as follows:

- There are no centralized, organized collection services except the ones provided to hotels and state institutions;
- There is no formalized payment for any of the collection services that exist;
- The majority of the population on the islands (except the ones in the main city) are burning their waste or dumping it on the side of the roads.
- All human waste is dumped into informal pits or open-air latrines since there is no centralized waste water treatment.
- Except the hotels, nobody is paying to have their waste collected and processed;

The government recognizes the situation as dire and is taking steps to ensure a solution will be available in the future.

Zanzibar sits at the other end of waste management strategies, since there are no implemented strategies, situation which has a huge impact over the environment, population and development of the island.



The graph shows the amount (in kilograms) of house hold waste per capita in Oslo, divided into different fractions. The fractions are: Other, Electronic waste, Hazardous waste, Glass and metal, Garden waste, Paper and cardboard, Plastic, Residual waste, Textiles, Total, and Wood. Data source: Agency for Waste management.

Source: <https://www.statista.com/statistics/1221854/largest-cities-in-tanzania>

Waste generation rate for each individual was of 0.75 kg per capita per day (http://roaid.ro/wp-content/uploads/2021/05/IMPACTSTUDY_ZANZIBAR_PREMIUMAUDIT_AUGUST2020_final.pdf) with some 85% of it being wet waste (biodegradable waste: food scraps, food waste, fruit pulp, and plants parts). All this adds up to around 300,000 tons of MSW out of which some 250,000 tons are biodegradable waste suitable for decomposition in anaerobic digestors (Dinh et al., 2020). What has to be taken into consideration is the fact that although the figures

At this moment there have been studies performed which point towards a solution that would address the two main problems on the island, as while the waste issue is the most visible one, the other problem has an even higher impact on the development and that is the lack of sufficient supply of electricity to deal with the existing and future consumption.

The solution proposed by these studies consists of the development under a partnership between private companies and the local government of a WTE (Waste to Energy) facility which would take the majority of Municipal Solid Waste - not human waste, and transform it into electricity.

This would effectively solve both problems, however the costs associated to such a development are prohibitive and not conducive to implementing such a solution in the near future. At the same time the makeup of the waste generated on the islands also leads to a different solution to be implemented, solution which has a lower cost point and takes advantage of the types of waste generated.

As can be seen in figure 4 the main component of the generated waste in Zanzibar is organic, which is not suitable for a WTE facility as proposed in the initial studies. As such the most effective strategy for the management of the waste generated on the island must include a mix of the following: Digester Ingestion facility which would process all organic waste (it can also be used to process human waste). Such facility would generate electricity also and it will also provide rich nutrients to be used in agriculture on the island, thus targeting several industries: Energy, Agriculture, Environment with a relative cheap solution.

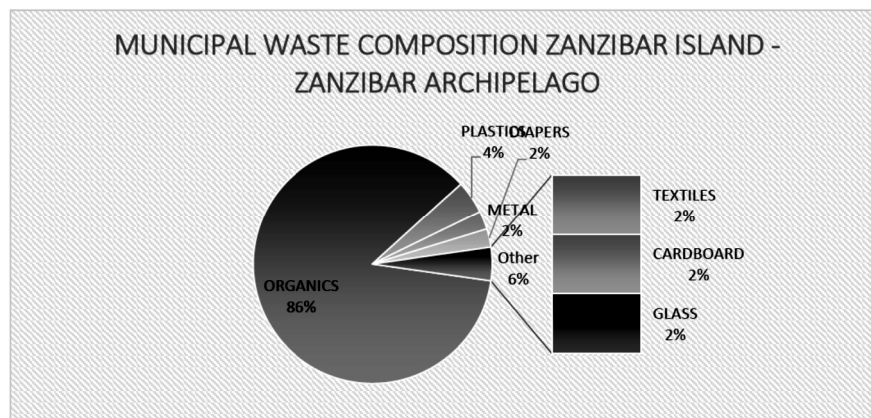


Figure 4. The makeup of Municipal Solid Waste generated on the islands of Zanzibar Archipelago as per a study performed by the Author during 2018-19 on-site. The study was commissioned by the Romanian Foreign Affairs Ministry through ROAID.

Source : Made by authors

Collection and recycling facilities for the plastic, metal, textile, glass and cardboard waste. This has the potential of generating enough income to offset the costs associated to the collection and recycling from the sale of accumulated recovered materials. Small incinerator with energy production generators attached which would deal with the hazardous waste such as diapers or medical waste. Setting up of a payment scheme by the population which would include collections services, segregated on types of waste; All the above can only be achieved if the population is made aware and taught the basics of waste recovery and reusage and the perils of out of control dumping as it happens at this moment. That is why the above measures/solutions have to be doubled by the following:

Setting up a learning program in the schools to increase the awareness of the population with regards to the waste management. This would have an added effect if as the school children in Japan are cleaning their

schools, the school children in Zanzibar would take part each month in a cleaning program for the islands – namely picking up trash from the countryside and along the roads.

Setting up on the site of the existing landfill of a waste separation facility which would be used solely for the separation of all collected waste into organic, recyclable waste and construction waste in order to redirect all streams of waste to their appropriate disposal facilities as mentioned above.

As it stands for Zanzibar, any solution which solves the problems is sufficient, however the lack of knowledge coupled with the lack of funds of the local government and the unwillingness of the population to pay for the management of their waste is not a good combination and it leads to wrong, expensive decisions.

3. Results – A comprehensive proposal for several solutions aimed at reducing the gap between the two analyzed cases

When analyzing the situation of waste throughout the world, one has to take under consideration the cycle of waste generation in relation with two factors: GDP per capita and the degree of schooling for the specific areas.

As such there is a direct correlation between the increase of the two factors mentioned above and the decrease of generated waste and the makeup of such generated waste. For example, economies which are under development or third world classified will have a small quantity of waste generated per capita. As the industrialization of said country will increase and the population will have access to more diversified goods the quantity of waste generated per capita will increase, and finally will start to decrease at the moment the said country or municipality will go towards a first world economy.

At the same time the evolution from third world to first world countries has a major impact on the makeup of waste generated by the population. For example, third world countries generate waste which is mostly

biodegradable since the products used by them are coming from local agriculture (mostly subsistence) – as can be seen above from the make-up of waste in Zanzibar, while industrialized countries generate a lot more non-biodegradable waste generated by a consumerism industrialized society and the first world countries revert to mostly biodegradable waste since they recycle the majority of their waste as can be seen above for Oslo.

The current practices in the management of municipal waste are different between the two municipalities, however these differences do not stem necessarily from the higher development of Oslo versus Zanzibar, but from the needs for each of them and the manner in which the management of such waste addresses these needs.

In analyzing the management for both of the municipalities, we shall take under consideration both existing practices and planned ones. Taking into consideration all the above, the best solution available in order to reduce the gap between the two analyzed municipalities is one which will stretch over a period of 10 years with the aim of transforming a third world country mentality of the population with regards to waste generation in a first world country mentality, while at the same time implementing the appropriate cost-effective solutions that would reduce the environmental footprint of the municipal waste generation.

The solutions to be implemented according to the existing best practices (Rathoure, 2019; Chang & Pires, 2015) and based on the make-up of generated waste on the island are as follows:

Complete analysis of the generated waste: commercial, agriculture, residential, medical, industrial, analysis which would generate the exact quantities (+/-10% discrepancy) of generated waste for each type. This can be achieved through the usage of local communities

Set up of a training program in schools, state administration buildings and commercial businesses

with regards to: waste, collection practices, dangers of not upholding the best practices in this area and achievements possible when upholding these practices.

Setting up of island wide collection services with collections separated by type: recyclable plastic, recyclable glass, recyclable metal, biological and food waste (including construction materials since most of the construction materials used by the population are wood and leaves), medical waste.

Setting up of a sorting station which would collect all waste on the island and separate it on categories with the initial purpose of recycling, repurposing and reusing.

Setting up with the aid of the state of PPP units with the aim of repurposing the sorted waste into materials to be used on the island – for example all recycled glass can be transformed into windows for the schools (none of the schools on the island has windows) or the plastics could be used in making new waste containers.

Setting up of a waste to energy anaerobic digester unit which is the best solution for processing biological waste (Dinh et al, 2020) which would take all biological and food waste collected on the island and use it with the final purpose of generating electricity to be used on the island (another large issue on the island is the availability of electricity)

Setting up of a medical waste treatment plant within the anaerobic digester facility, which would treat such medical waste through shredding and sterilization, which would generate further on plastic waste, which can be used in the above-mentioned plastic waste recycling PPP.

Setting up within the sorting station of a construction waste crushing machine for the hard construction waste (nonbiological). At the same time all the above have to be supported with a coercion program implemented by the state, namely fines for not upholding the collection practices, for burning waste, for dumping waste and for depositing waste into pits. These fines have to be high and at the same time

replaceable with community work namely the collection of waste from public roads.

4. Conclusion

Solutions are global, management is local: This statement is the basis of our analysis, due to the fact that although there are sufficient means of managing the generated waste, it is up to the local management to pick and choose which one is best suited for each situation.

As can be seen from the above, while the same solution could work for both situations, there are barriers to a linear application, barriers which are generated by local customs, financial limitations, degree of culture and “mindfulness of others”.

What this means is that while there might be similar conditions for various administrative units, the manner in which a solution is implemented depends on the local factors as one unit might choose a solution another one might choose another solution.

The problem is that any analysis on the solutions to be implemented does not necessary depends on the future impact over the environment, but rather on the immediate solving of a problem. For example, applied on the case under analysis the obvious solution for the waste generated in Zanzibar would be the building of a large incinerator which would act as an energy generator essentially a WTE facility which would take over all the waste generated on the island irrespective of type.

However, such a solution has several disadvantages as follows:

- Extremely high costs for initial set up;
- Low number of involved individuals in terms of employment opportunities since such a facility is mostly automated;
- High costs for the population due to high amortization;
- High costs for the generated electricity, to be paid by the population;

- Long term possible impact over the environment, impact which would be visible solely after 20-30 years in terms of pollution.

There is no activity which would have as purpose the reusage or recycling of the waste.

In conclusion there is no set solution for the case of Zanzibar, due to the fact that although the technological solution can be determined based on the make-up of the waste, there is a large portion determined by the population and their personal view over the problem of waste. At the same time as mentioned above, the "mindfulness of others" mindset is a must, due to the fact that the entirety of the population has to take into account how their actions have an impact over the rest of the population, over the environment and over their own existence and personal development. All the above analyses can be applied to Romania and any of its administrative units, since the status of the waste management systems is almost on par with the ones in Zanzibar, landfilling and incineration being the preferred solution for some 90% of generated waste. However, an in-depth analysis or even a superficial one can only be achieved based on the composition of the generated waste in analyzed administrative units.

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BOOK REVIEW

The Intelligent Investor

Book by **Benjamin Graham**

DOI: <https://doi.org/10.23874/amber/2023/v14/i1/220795>

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Benjamin Graham, widely regarded as the father of value investing, wrote "The Intelligent Investor," an epic investment book. The book was first published in 1949 and has since become an everlasting investment guide for all levels of investors.

The author, Benjamin Graham, is considered one of the fathers of value investing, and his book is a guide to investing in a way that emphasizes long-term strategies, risk management, and the importance of fundamental analysis.

The book is divided into two sections: the first covers the fundamentals of value investing, and the second covers various investment strategies. Graham's central thesis is that investors should prioritize buying undervalued stocks over overvalued stocks. The book is a comprehensive guide to analyzing financial statements and calculating the intrinsic value of a stock.

The book's first section gives an overview of the stock market and values investing principles. Graham emphasizes the value of a long-term investment strategy, dubbed "Mr. Market."

Graham compares the stock market to a moody person who can be extremely optimistic one day and extremely pessimistic the next. He advises investors

to profit from market swings by purchasing stocks when they are undervalued and selling them when they are overvalued. The book's second section outlines specific investment strategies for readers to consider.

Graham discusses various financial statement analysis methods, such as earnings-per-share (EPS), dividend payout and book value analysis. He also defines a "margin of safety" as the difference between a stock's intrinsic value and its market price. The importance of diversification is one of the book's most important takeaways.

Graham contends that investors should spread their investments across multiple sectors and industries rather than putting all of their eggs in one basket.

Overall, "The Intelligent Investor" is a must-read for anyone with an interest in investing. Graham's insights and investment strategies have withstood the test of time and the book is still relevant today, more than 70 years after its initial publication. The book is written in a simple, easy-to-understand style that is suitable for investors of all levels of experience. It is highly recommended for anyone seeking to establish a strong foundation in value investing principles.

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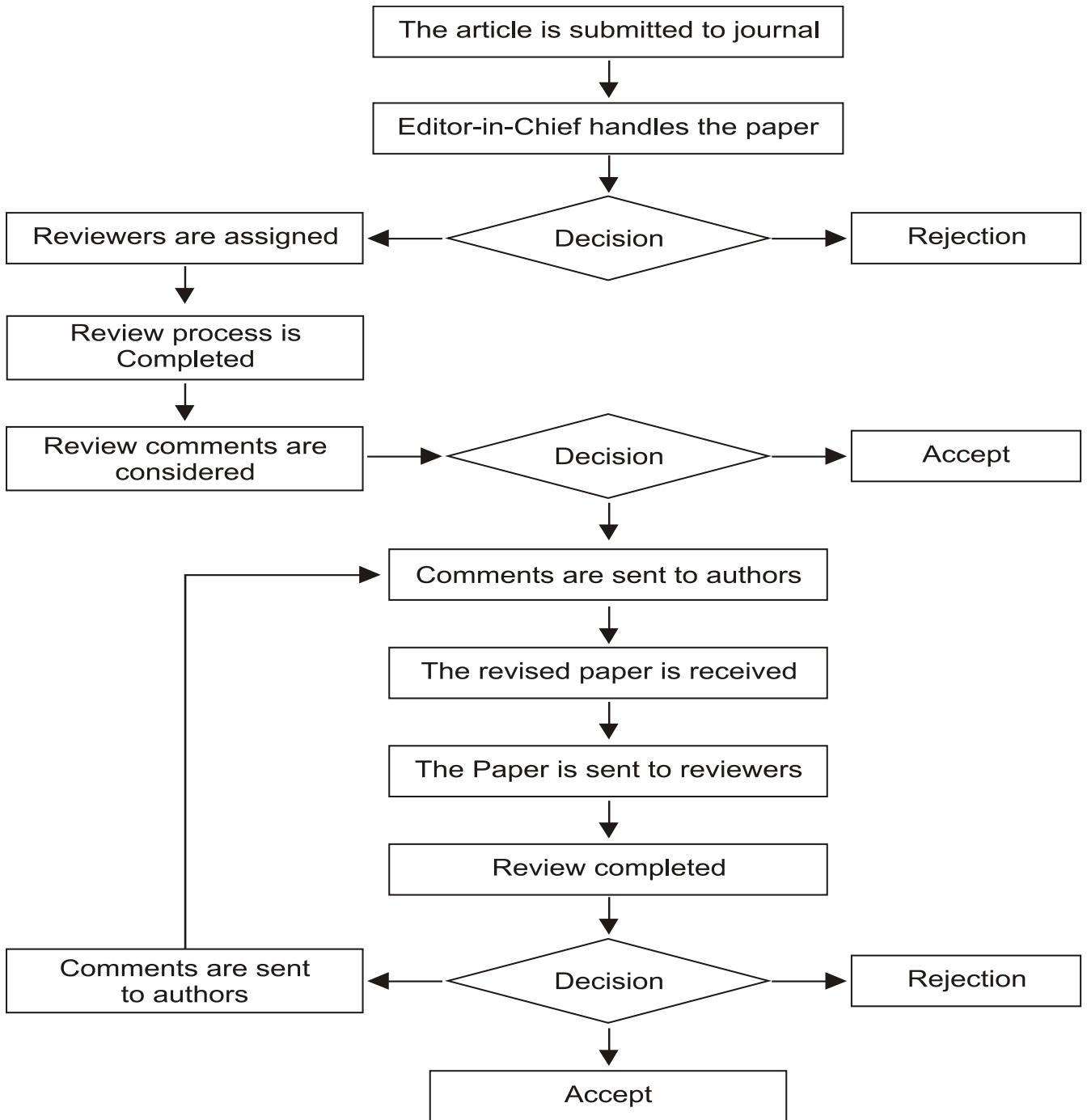
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Trends in Management and Social Sciences Research

Management and social sciences research have undergone significant changes and advancements over the years. These fields have become more interdisciplinary and are constantly evolving to meet the demands of an ever-changing world. In this essay, we will explore some of the current trends in management and social sciences research. The increasing use of AI and big data analytics has revolutionized the way organizations operate. These technologies are being used to analyze large volumes of data to provide insights that can help organizations make better decisions, improve efficiency, and reduce costs. Researchers in management and social sciences are exploring the use of AI and big data in various areas, including marketing, finance, and human resources. The growing awareness of the impact of businesses on the environment and society has led to a focus on sustainability and CSR. Researchers are exploring ways in which organizations can operate in a more sustainable and socially responsible manner. This includes the development of green technologies, the reduction of carbon emissions, and the implementation of ethical business practices. Entrepreneurship and innovation are key drivers of economic growth and are therefore of great interest to researchers in management and social sciences. Researchers are exploring the factors that contribute to successful entrepreneurship and innovation, including the development of new technologies, the creation of supportive environments, and the availability of funding. Globalization has led to an increase in international business, and researchers are exploring the challenges and opportunities presented by this trend. This includes examining the impact of cultural differences on business operations, the development of global supply chains, and the management of cross-cultural teams.

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