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THE BUSINESS ECONOMIST

48TH EDITION

Millennium

Honouring the Past,
Treasuring the Present,
Shaping the Future

DEPARTMENT OF FINANCE & BUSINESS ECONOMICS
MBA
FINANCIAL STUDIES & BUSINESS ECONOMICS
UNIVERSITY OF DELHI

THE BUSINESS ECONOMIST 2021

MBA (BUSINESS ECONOMICS)

In 1973, the Department of Business Economics, under the prestigious University of Delhi, pioneered a Masters Program in Business Economics called MBE, combining fundamentals of economic analysis with the practical aspects of business. Over the years, the department has evolved into a mature management institute with national reputation, imparting high-quality education to the students. In the year 2015, the Department awarded the Industry with its new, robust and comprehensive course – MBA (Business Economics) with a new updated syllabus. Rising to the occasion again in 2020, the Department's flagship course MBA- Business Economics became an integral part of The Department of Finance and Business Economics.

An eclectic and erudite group of faculty, researchers and professionals, with their vast pool of managerial expertise, gives the department its distinctive edge and an exalted stature. In addition to its MBA programme, the department also administers Ph.D. program in varied business and economics research fields.

In its illustrious history of 48 years, the Business Economics programme has held pride of place in training business leaders and academicians. Over the years, the department has fostered strong alliances with corporate houses and consolidated its position as their preferred recruitment destination.

DEPARTMENT OF FINANCE AND BUSINESS ECONOMICS, UNIVERSITY OF DELHI
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FROM THE EDITOR'S DESK

-Dr. Ananya Ghosh Dastidar

This edition of the Business Economist on Millenium : Honouring the Past, Treasuring the Present, Shaping the Future, looks to the future with immense hope, as it reflects on events of the distant, as well as more recent past. It marvels at the resilience inherent in our societies, businesses, economic processes, and leadership. Not only have these survived the deadly onslaught of the Corona pandemic but have reshaped, even reinvented the daily business of normal life, the 'new normal'!

It also engages with key trends, both dominant and emerging, that have shaped our world and the sustainability of our lifestyles. Climate change is perhaps the biggest challenge threatening the very existence of humanity on planet earth. The road to turning back the climate clock seems daunting, if not impossible! Yet, the grit and commitment brought to the table by populous and emerging nations like India, at the UN Climate Change Conference (COP26), was heartening and brings hope. Only a shared resolve to switch to renewable energy and climate friendly lifestyles can save our world; India appears well placed to lead such a global initiative at this critical juncture in human history.

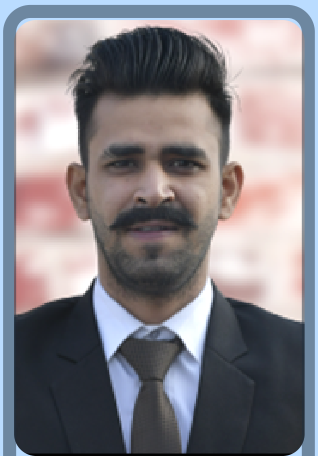
Data, seen as the new 'oil' of the 21st century, occupies the driver's seat in today's fast-evolving digital universe. As the Metaverse takes shape and boundaries between the 'real' and the 'virtual' get blurred, the future belongs to the young, the educated. It belongs to all who are ready to engage with the convergence of diverse technologies of AI (artificial intelligence) and emergence of complex products like cryptocurrencies and NFTs (Non-fungible Tokens). Not only are these changing the way societies produce and consume but also how they socialize, practice art and culture! As employment opportunities in the data and analytics domains surge, the value placed by the job market, on skills and higher education is at an all-time high. In this scenario, providing youth with affordable access to job-relevant skillsets poses perhaps the biggest challenge for India as it implements the National Education Policy.

Enormous fortunes made by tech companies, unicorns, clearly show that markets can phenomenally reward those willing and able to take risks and 'start up'! The ecosystem is especially conducive for fintech initiatives that can serve the farthest corner of India and reach out across the socio-economic spectrum, thanks to country-wide mobile phone penetration. Harnessing digital technologies to provide credit, financial services and opportunities for wealth creation may well be a potent instrument for inclusive growth and employment generation in the days to come. In the pages of this magazine, young minds engage with these issues and much more, in their search for sustainable pathways to the future.

FROM THE EDITORIAL BOARD' 21

Our materialistic lifestyle usually transcribes from an over-dependence on current trends and present discoveries. And in this conquest, we often forget about our past and the various sacrifices and successes that brought us here. In this edition of The Business Economist, however, we try to honour the efforts of the yesteryears and take cues to build a better, stronger and more advanced version of our future, be it in science, art or management. Our love for self-sustainability helps us to develop innovative ideas and techniques that push human boundaries, all while complementing the financial and analytical competencies that we've come to endure for many years now. And with this advanced amalgamation of domains, we strive to harness the efficient frontier for growth and move data beautifully for humanity's greater good.

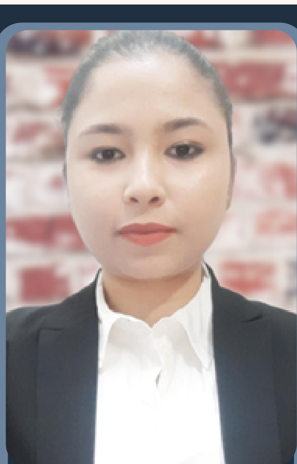
DEB JYOTI DAS (HEAD)
MBA(BE) 2ND YEAR



DEEPAK GOSWAMI
MBA(BE) 2ND YEAR

The COVID-19 pandemic has changed the world permanently. 2021 has been the year of transition. Individuals, businesses, and society have started to look forward to shaping their futures rather than just grinding through the present. The crisis has sparked a wave of innovation and launched a generation of entrepreneurs. Digitally enabled productivity gains have accelerated the Fourth Industrial Revolution. Supply chains have rebalanced and shifted, and the future of work has arrived ahead of schedule. This change has created an imperative for companies to reconfigure their operations and an opportunity to transform them.

Data is becoming an integral part of today's business system. The modernization of society has bought in new challenges and can only be solved via modern solutions. "Data is a precious thing and will last longer than systems themselves." - Tim Berners Lee. All the major core sectors are highly data-dependent and hence the need for data science is becoming essential. Modern tools like AI are changing the ways of working and hence influencing human conduct at a greater level and the future stands fully data driven. In today's economic situation when the world is hit hard, we can safeguard the upcoming challenges with the right forecasts from the data. In the running world of fluctuating financial markets, the aggressively changing Sensex figures can be analyzed more deeply using data science.



JINCY CHANDELIA
MBA(BE) 2ND YEAR

The devastating effects brought about by the COVID-19 pandemic have forced us to rethink our entire foundations relating to finance, marketing efforts and data analytics. Future trends will see an even more consumer-centric approach with customer satisfaction being a key area of note. Marketing performance will become even more dependent on marketing analytics. Where once marketing analytics were brought in as an add-on to give marketing strategies a boost, now they are integrated into every stage of the marketing process. New forms of digital marketing have emerged quickly with the impact of COVID-19. The process of creating and distributing relevant content to attract and engage customers and prospects has never been more important to marketing than it is now. All of the aforementioned trends only begin to scratch the surface of how society will evolve as we gradually move into a new post-COVID era.

PRAJIT SARKAR
MBA(BE) 2ND YEAR

RITIKA
MBA(BE) 2ND YEAR

Every crisis is unique. The financial sector, particularly banks, was at the heart of the global financial crisis a decade ago, serving as a cause and a catalyst. This time, the crisis is being driven by a pandemic, and indeed the banking sector is being viewed as a remedy rather than a concern.

The COVID situation is no exception, exposing new fault lines as well as reopening existing ones. In the long term, further research is needed to fully comprehend these fault lines and possible financial reforms to fix them.

As memories of earlier crises fade, there will inevitably be the temptation to decrease regulatory obligations. The COVID crisis has underlined the significance of financial robustness and a solid but flexible financial regulatory structure as a vital precondition for stability in quality of living standards.

It is quite imperative that we have a view in front of us while absorbing lessons from the past. The future would only be beautiful and easy once we embark on a well-carved-out path in the present. With the rise in the flow of Data, it has become critical to use it for the benefit of the entire world. Right from medicine to technology all the industries have felt its Midas touch. The tsunami of Data that is currently engulfing our world should be seen with the prism of sustainability so that the development stays healthy.

TATHAGAT SARTHAKA
MBA(BE) 2ND YEAR

Change is the new constant. In today's ever-evolving world, businesses need to adapt to survive. They need to keep pace with technology, business models, people's preferences & well-being, and the planet's health. So, Change Management needs to change and be ready to embrace or upgrade business strategies and plans. Businesses have to contrivance the right balance between rigidity and flexibility to maximize efficiency and sustain good work culture. "Change is hard at first, messy in the middle, and gorgeous in the end".

AYAAN ASHRAF HOSSAIN
MBA(BE) 1ST YEAR

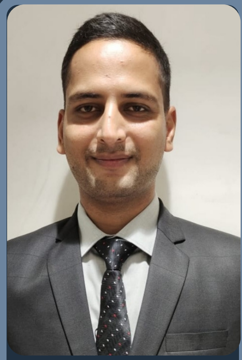
DEEKSHA KAPOOR
MBA(BE) 1ST YEAR

The importance of finance for a business can be concluded from the fact that a business cannot operate with a dwindling financial base. Also, the abundance of data made possible by the age of the internet has made it a valuable resource today. A business that does not make use of this resource can be seen as preparing for failure. This is where analytics comes into the picture. Lastly, marketing, as we all know, forms the basis for the very existence of any business. Learning from past mistakes to render a strong financial system, making the best use of the newly found resource, that is, data, and marketing the products while giving due consideration to the society at large can be trusted to add up as a sure shot recipe for the success of any business.

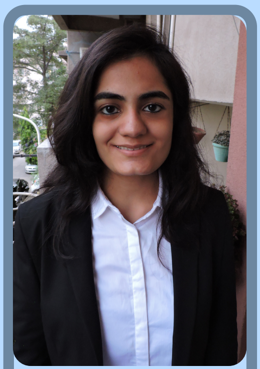
It is the age of opportunities. The idea that anyone can make it big has never been more relevant. The new age of Entrepreneurs, ease of availability of capital, technological outreach and astonishing pace of growth and success have turned the game on its head. It is not about doing a task efficiently but identifying a problem that others failed to comprehend and coming up with the best solution. We see it all around in the form of emerging fintech platforms, multifold jump in IPOs, data analytics driving business growth, or social media sensations becoming billion-dollar businesses.

KAMAL JEET YADAV
MBA(BE) 1ST YEAR

Change is constant. Its quickened pace defines our time. Technology continues its frenetic advance while the population grows by thousands every day. The global economic machine has increased the capacity to generate wealth, but while globalization has improved the lives of most, it is clear that many have been left behind. Challenging questions are emerging which demand answers. New technology will continue to drive innovation, unlocking potential solutions to a host of global challenges, from energy production and storage to mobility and healthcare. Powerful drivers are shaping our collective future. It is critical in these fast-moving times to stop and think about the future we are each creating every day through our actions or inactions.



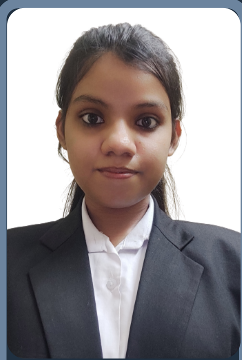
PRAVEEN SINGH
MBA(BE) 1ST YEAR



SANAH GULATI
MBA(BE) 1ST YEAR

Adam Smith defined Economics as “an inquiry into the nature and causes of the wealth of nations.” And an economist is an expert in Economics. Looking at both these definitions together, we can conclude that a business economist is a person who is an expert at evaluating the nature of a business as well as what causes it to prosper. Businesses today must stay updated and keep adapting to the changes that are taking place in the world of business. The pace at which these changes were taking place has been accelerated by the advent of the pandemic. It is imperative to be on the same footing with these developments for a business to prosper. The idea is to make the best use of the resources available in the present, leveraging the learnings of the past, to end up with the brightest of the future.

As the worldwide economy recuperates from the assaults of the COVID-19 pandemic, financial action has been acquiring energy, yet unevenly. Rising unrefined petroleum costs, rising inflationary tensions and worldwide approach vulnerability are the key dangers. Locally, high recurrence marks of action are ticking up as the subsequent wave lessens. While banks and other monetary foundations have strict capital and liquidity cradles, and asset report pressure stays moderate despite the pandemic, close checking of MSME and retail credit portfolios is justified close by the requirement for banks to support cushions, further develop administration and stay cautious with regards to worldwide overflows.



SIMRAN
MBA(BE) 1ST YEAR

VARSHA GURIYAN
MBA(BE) 1ST YEAR

A sage once said," Whatever the present moment might be, it can always grow into something better." 2020 was a particularly tough year for people, businesses and economies. But going through it has made us more self-aware, compassionate and resilient. Though the virus is still around, we have adapted ourselves to live in its presence. People are going back to offices, businesses have gone from surviving to thriving, and the global economy is back on track for solid growth. Indian, after recording the lowest GDP in the last 50 years, in 2020, the real GDP is expected to grow at 8.3 % by 2021-22. The situation is still a bit uncertain, but it's only in hindsight that things become more evident.

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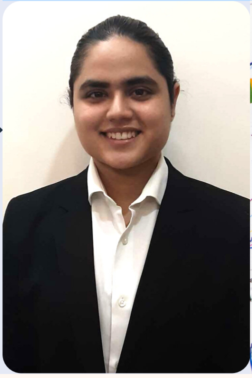
THERE WAS AN IDEA

Divya Wadhwa & Kamal Jeet Yadav, MBA(BE) 1st Year



A Business is an entity where individuals work towards a shared objective. They follow a set process of production and professional activities with predefined guidelines. The goal of most businesses, in general, ultimately is to make a profit. In a globally competitive market where various products and production methods exist, the goal remains the same. But the tools and processes to reach that goal evolve over time, and a business's narrative and branding changes.

Let's look at the marketing campaign of Coca-Cola over the last few decades. Their narrative went from portraying coca-cola as a cool refreshing summer drink to representing a striking style statement. It is currently marketed as a drink that quenches thirst, spreads happiness, and helps form bonds.

Marketing is the measure for this transition because it is not merely a tool. It integrates with the whole process, from ideation of a product or a service to its advertising to its positioning in the market to its sales. Marketing has been transforming to keep pace with the rapidly changing world that we live in. People's lifestyles and preferences have seen 360-degree evolutions, and our marketing notions have grown accordingly.

The most recent transition in marketing is towards sustainable marketing. In the words of Philip Kotler, who adapted the World Commission on Environment and Development definition of sustainability to said that "the concept of sustainable marketing holds that an organization should meet the needs of its present consumers without compromising the ability of future generations to fulfill their own needs." But does that not create a contradiction between the primary goal of a business to earn a profit and the sustainable goals. Because these sustainable goals warrant changes requiring the business to put the planet's future, the current environmental vulnerability over their ultimate goal of a profit. So, what drives this change of strategies that businesses are investing billions of dollars in?

We must look at the bigger picture rather than just companies and their innovative strategies to answer that question. We must look at the very core of what is causing these companies to change. We must thus look into the human heart and the human mind that churns 3000 thoughts per hour.

Some of these thoughts hit us right in the head. These are the thoughts that keep us from sleeping or help us sleep better. These ideas can range from buying a sustainable piece of cloth because I seek to do my bit to harboring and consuming stories that bring me a happy ending after a bit of trouble, that is.
Talking about happily ever after, let me talk about a woman who brought her heroines all the happiness she never could have, Jane Austen. The author of the enormously famous Pride and Prejudice earned just about £575 (after tax) in her lifetime, which would be equivalent to just over $53535.60 at today's prices. Compare this then to the $121.6 million box office of the film adaptation of the same; 17

such adaptations have been made to-date thanks to the human need to link financial and marital bliss together and, of course, the delight of Austen's character's follies.
Austen's tales revolve around young women finding love and financial bliss bundled together; it seems dull, does it not?
Yet it is the encashing of this very happily ever after that has spawned an enormous market. This fantasy of ultimate happiness fuels a huge market flooded with diamonds that are forever and platinum bands that signify permanence in both the price of the ornament and the hope of the love(if only).
Even if I leave Austen aside, Bidgerton, another one of the 19th century happily ever after tales, is not only the best-selling novel series but has also now taken the shape of a Netflix series that has made history on Netflix With 82 Million Viewers. The Disney Cinderella movie, which is, after all, the ultimate ever after fairytale made on a budget of $95 million, has a Box office of $543 million.
The narratives of these tales change following what the people who will be fed them want. Our stories take on modern approaches, and intelligent marketing wins the day. It is thus crucial that we realize the importance of the narrative people seek plays for a profit-seeking entity.

Sustainable living, let's talk again about this new popular kid on the block. Why is it that sustainability is a huge issue now? We have, as a planet, had the need to make revolutionary changes in our consumption patterns for a really long time now. The difference is in the amount of care and attention that people like me and you placed on it. With groups like Climate Action, Reclaim the Streets, Chintan, and events that spread awareness about environmental issues amongst people, sustainability is here to stay.
These issues and forums that raise them are up and about, affecting how we think and shop and how things are marketed to us. More and more brands prioritize sustainable production methods, letting go of the products that harm the environment. They are now more than ever reaching the consumer on a very personal level. With an abundance of choices and easy availability, no matter where they might be situated on the planet, retention of the customers is what is driving the brands to the level of personalization that we see today.
According to her request, Billie Eilish wore an Oscar de la Renta dress to the Met Gala; the fashion house is now going ultimately fur-free. She has 96million followers on Instagram. Such a step not only helps raise the brand awareness it also boosts the sales, for the people's perception of the brand has now moved to a far positive state. It is now a brand that responds, that has reached 96million people by really listening to one.

Conclusion

So what does it boil down to? Are you buying a product or consuming a service because it is helping shape a better future, or is the company marketing it to make you feel like a part of the sustainability movement. A shoe made out of recyclable material made it to your feet after a whole team of marketers went over a whole plan to make you feel better about the perception of sustainable growth and caring for the planet, and you most probably do. So the next time you come across a teenage rom-com and a darcy-like figure loomed in the backdrop, maybe think about the team of very talented marketing people who put the narrative you adore into a setting you find home-like.

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GREEN IS THE NEW BLACK

Mansi Arya, MBA(BE) 1st Year

Abstract
This article is a review of the marketing application of sustainability initiatives. It analyses the current challenges marketing managers face in defining and carrying out effective sustainability practices, citing example cases. The article identifies the sustainability considerations and finds that the formation of stakeholders and enigma of both advantages and implementation add complexity to the traditional marketing strategy.
Keywords: sustainable business, marketing strategy, competitive advantage, corporate social responsibility.

Introduction. The shape of marketing sustainability

Lately, "Sustainability" has become a hot topic in boardrooms and business schools. A recent survey of European corporations identified climate change as the challenge most likely to dominate their agendas within the next five years (ClimateBiz, 2007). After reflecting upon the public's growing concern with upcoming disasters facing our natural world, brands are brushing up on their green credentials to win the popular vote - and perhaps make a change. Many cultural factors have contributed to the sudden surge in interest in the environment. The top 50 MBA programs have increased their required course offerings in Sustainable Business since 2005. All of the top ten business schools have chapters of Net Impact, the global organization of graduate business students and professionals interested in "using the power of business to make a positive net social, environmental, and economic impact" (Christiansen, 2006).

Let us talk about three significant challenges practitioners face while understanding and promoting more environmentally responsible behavior. First, attention needs to shift beyond the home as a site of environmental practice to consider how individuals respond to persuasions towards greener lifestyles in other high-consumption and carbon-intensive settings. Second, in broadening the scope of ecological practice, policymakers need to revisit their reliance on segmentation models and related social marketing approaches. This is in light of data suggesting that those with firm environmental commitments in the home are often reluctant to engage in similar responsibilities in other practice sites. Third, researchers and policymakers, therefore, need to move beyond the traditional 'siting' of environmental course towards a spatially sophisticated conceptualization that accounts for the multiple settings of consumption through mapping the relationships that exist between sites of practice.

Increasingly, firms refer to sustainability in their communications, strategic plans, and annual reports. It is, however, unclear whether corporate responses are genuinely significant or mere "window dressing." Should firms attempt to operate sustainably? No one would disagree that most of the objectives of sustainable business – reductions in pollution, waste, energy use are desirable outcomes for society. The question then is how to motivate these efforts. Should the government require sustainable business practices? Is sustainability part of the quid pro quo in which businesses give back to society to offset their operation privilege? Is it, essentially, corporate charity – a donation that is in no way required? Or, can sustainability be a basis for competitive advantage?

The answer to all the previous questions, I believe, is yes. In some cases, it is necessary to regulate sustainable practices. Toxic waste and air or water pollution sometimes threaten the health of consumers and community members. Unsustainability, in those cases, is intolerable. And, although we might argue about the efficiency or requirement for firms to engage in charity or the need for a quid pro quo, we can undoubtedly permit such motivations for sustainability efforts. On the other hand, we should not rely on altruism if sustainability can be a source of competitive advantage. I believe it can.

The paradox of strategy is that if a strategic direction is unambiguous, it is not a reasonable approach. If the marketplace desires an action, it will be more profitable, and all competitors will be highly motivated to move in that direction. As a result, the most desirable laws rarely provide much long-term advantage (difference and defensibility). Strategic advantage is associated with trends in which payoffs were ambiguous. Even when the optimal strategic direction is clear, there is value if the operationalization of the strategy is unclear. Some suggestions are desirable, but competitors do not know how to implement the plan. For some reason, sustainability-based strategic actions are incredibly ambiguous: Sustainability often affects multiple stakeholders, and what is suitable for one group is not good for another. Strategic positioning based on sustainability usually involves balancing costs and benefits among various stakeholders; for sustainability practices, there are differences and uncertainties even about the desired direction.

Not all consumers agree that carbon emissions can or should be reduced. No one seems to know whether bags should be paper or plastic. Cloth or disposable diapers? Options that we thought were bad, such as nuclear energy, are now being reconsidered; and some new alternatives that we thought were good, such as bio-diesel from corn, are already being doubted. With the tide of enthusiasm prompted by Gore's Sustainability gains, even global warming often comes at the expense of other dimensions. Recycled content in products, for example, may reduce strength or durability.

Conclusion

In conclusion, two important points: (1) Sustainable business is not charity, though charity may be an essential aspect of a sustainable business marketing strategy; (2) sustainable business practices that improve operating efficiency may not be an effective marketing strategy.

In general, sustainable business can provide an excellent basis for marketing strategy. But, as for any successful design, the results must be desirable, differentiating, and defensible. A sustainable marketing strategy will not result from simple, replicable tactics, besides technology developments or product designs that might be difficult to copy. More generally, it will involve systematic and interrelated changes throughout the firm's value chain.

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THE FUTURE SHOPPER

Purvasha Kashyap, MBA(BE) 1st Year

Today, despite all of humanity's contemporary technologies, the planet could confront a natural resource deficit in years; it was a threat two decades ago, and it is substantially more so now. In the world wherein resources must be conserved, sustainability has become a pervasive concern, as indicated by the increased engagement in sustainable problems (Gordon et al., 2011).

According to Hawken (1993) who states: "because the corporations are the dominant institution on the planet, they must squarely address the social and environmental problems that afflict humankind."

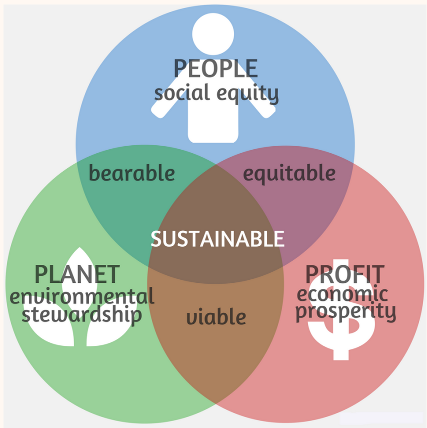
Executives presently are confronted with a complicated and peculiar set of social, environmental, technological, and industry tendencies (Whelan and Fink, 2016). Businesses are indeed reluctant to make sustainability a priority, assuming that the costs surpass the advantages. This erroneous perception is at odds with bottom-line advantages and scholarly research on long-term marketing strategies.

Sustainability is the buzzword nowadays, and it has been showing up in a growing array of businesses.

Marketing is an essential tool for promoting global progression and enhancing living standards, i.e., say; marketing is a resource for promoting and supporting sustainable thinking (Fisk, 2001). According to Gordon et al. (2011), sustainable marketing can be achieved through green marketing, social marketing, and critical marketing who explicitly states that: "Green Marketing develops and markets more sustainable products and services while introducing sustainability efforts at the core of the marketing and business process." Businesses spend plenty of funds to save energy, produce green products, and retain their workforce to ensure protracted growth and create value. According to Heck and Yidan (2013), embracing sustainability initiatives offers a win-win scenario where nature and the business benefit.

According to Lavuri & Susandy (2020), attributes like media attention, environmental consciousness, ecological awareness, and perceived behavioural autonomy had a considerable bearing on green shopping intentions, which, in response, had a significant influence on green shopping practice. When buyers sense value across the purchase preference phase, the company's sustainability initiatives are fruitful. Businesses serve as a beacon for invention and value creation to help society transition to more environmentally friendly consumerism.

The Triple Bottom Line is also referred to as "People, Planet, Profit" or the "Three E's," which stands for "Equity, Economic, and Environment" as can be united with Philip Kotler's (1972) theory of societal marketing.



The companies like Exxon, Enron, McDonald's, and Nike had collapsed since customers perceived them as unsustainable. On the other hand, the awareness of Toyota's synergetic Drive, Volvo's security, and Body Shop's organic aesthetic has increased sales for the companies. The world is evolving, and businesses must evolve their tactics to keep up with the trends. It is crucial to establish marketing approaches and campaigns to be competitive in the dynamic environment. The goal of marketing strategy is to give a company an edge in a competing marketplace (Martin and Schouten, 2011).

Buyers are slowly starting to appreciate the importance of not merely clean water and food but, likewise, the environmental and social structures that support them (Martin and Schouten, 2014). Consumer consciousness urges consumers to take responsibility for reducing environmental degradation by purchasing environmentally friendly items (Paladino and Baggiere, 2008). Shoppers use accessible information to select goods and products that align with their requirements. As a corollary, several businesses proactively warn such shoppers about the long-term viability of their goods (Martin and Schouten, 2012). Although affordability, durability, and accessibility remain the most critical factors in customers' buying decisions, environment compatibility (a good's greenness) is increasingly becoming a critical element. Numerous people are inclined to shell a higher price for "green" goods.

Marketers need to be able to influence shopper behaviour at all times. In an attempt to be viable, typical attitudes and behaviours must change. Sustainable marketing has a clear duty to perform in raising brand awareness among consumers.

Since brand awareness and image represent brand knowledge convoluted in brand equity, sustainable marketing can boost brand equity (Alhaddad, 2015). Shoppers' buying decisions are influenced by a positive brand image and a better degree of familiarity.

As per the UN Global Compact-Accenture study (2014), "the millennial consumer, coming of age economically and empowered by new technologies and social media, is driving new expectations of all institutions in society, especially business". Modern consumers not solely seek tangible utility from goods and services but also seek to enhance their lives and the well-being of their communities.

Adopting sustainable marketing tactics necessitates a holistic organizational structure transition since it requires numerous stakeholders' involvement without jeopardizing buyer expectations (Grubor and Milovanov, 2017).

Businesses that enhance their social and environmental efficiency are given a competitive advantage over their competitors. When implemented effectively, sustainability plans culminate in cost savings, increased efficiency, and superior organizational productivity (Reutlinger, 2012). According to Nidomolu (2009) study, there is a positive connection between customer motives for buying brands and organizations' efforts to raise sustainability consciousness. Uninterrupted communication amongst diverse stakeholders and the firm fosters transparency, which aids in developing brand favourability. Peattie and Belz (2010) emphasized the importance of two-way consumer communication channels.

When businesses construct their promotional 4P's to feel empowered whilst utilizing the products or services, they can generate income. Businesses must demonstrate a coherent goal and establish trust. Sustainable marketing methods that generate corporate value are seen as more credible by external and internal stakeholders.

Conclusion

Employees, consumers, vendors, community, and financiers would be more enthusiastic and dedicated to organizations that make sustainability a priority in their business model. Companies must recognize that they and society are inextricably linked. This perspective enables sustainable businesses to fulfil the demands of today's shoppers without sacrificing the requirements of subsequent generations, allowing them to create long-term value.

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INNOVATIVE MARKETING: KEY TO LONGEVITY

Markibiz, The Marketing Club

Time has witnessed the various phases of promoting strategy. Out of which, sustainability is one of the critical issues which have emerged in marketing strategy over time. In the earlier phase of the 1970s, ecological issues have emerged as a brand-new paradigm in marketing strategy.

Then in the following decade, social issues came into the spotlight and emerged together with ecology. Sustainability within the field of marketing is studied through different perspectives. Therefore, a marketing strategy should be designed keeping in mind the problems associated with environmental, social, and economic goals and objectives in an integrated manner. But it's very complex to form an effective marketing strategy because each business objective requires a different marketing strategy comprising a unique set of selections. Therefore, analysis and evaluation of promoting strategy in terms of sustainability require special attention.

Marketing strategy is an essential component of the strategy that can't be overlooked. "Marketing strategy is a long-term activity and deals with achieving specific objectives through a broad plan of actions." (Greenly). As per Walker, "Marketing strategy is defined as the effective allocation and coordination of marketing resources to accomplish the organization's objectives within a specific product-market. Further, firms seek competitive advantage and synergy, planning a well-integrated program of marketing elements (the 4P's) tailored to the needs and wants of customers in the target segments". The evolution of marketing has been continuous.

Marketing comprises five concepts: the production concept, product concept, selling concept, marketing concept, and societal marketing concept. Production concept means meeting unsatisfied demands by producing more at a lesser cost. The selling concept holds that the consumers prefer quality products with sound performance and innovative features. The selling concept relies on aggressive selling and promotion. But within the mid of twentieth century, the marketing concept came with attention to the consumer-centric approach. The marketing activities should be supported by creating communication and delivering superior value to targeted customers.

Finally, the societal marketing concept came, predicated on bringing social and ethical consideration into marketing activities. But now, it's time to incorporate sustainability criteria into marketing, which is the need of the hour. Sustainable marketing aims to improve the quality of life by promoting products, services, and ideas to protect the environment. Consumers these days are more aware and better informed of environmental issues. Thus sustainable marketing is the way to go for businesses for better credibility and brand image.

Sustainability has become a requirement; the time had gone when it was an option, now it's becoming an obligation for the businesses to achieve a competitive edge. It's essentially a requirement within the business because the concept of marketing isn't remained limited to intra-personal and inter-personal needs; it's getting extended towards the needs of future generations. The company should balance its marketing strategy in an optimal manner such that customer needs must be fulfilled after maintaining profitability, public interests, and ecology. Gripping the trend, companies are turning to a marketing strategy that helps hook such consumers in, addressing their social responsibility and influencing their purchasing decisions. In the tradition of In sustainable marketing, brands launch eco-friendly products or create the corresponding environment around them by using eco-friendly packaging or refusing from it, making products recyclable and reusable, using green energy for product production, designing products from recycled materials to reduce waste, choosing local selling to reduce transportation energy, and more. A new marketing paradigm has emerged, with the concept where consumers have an active role in brands; green initiatives – obtaining sustainable benefits from them. Innovative sustainable marketing practices from brands like: -

- Starbucks has been certified by LEED since 2005, but it has moved beyond that by planning to eliminate all plastic straws by 2020 and open 10,000 environmentally friendly stores by 2025. The brand designs disposable coffee cups are involved in recycling, and the green building supports farmers and the environmentally sustainable community and has been hard at work on communicating this message to its target audience.
- With its PlantBottle campaign, Coca-Cola aims to empower female entrepreneurs, encourage a healthy lifestyle, and help to conserve water worldwide.
- Another example we can take is of the Indian Brand Mama Earth. The brand started a 'Plant Goodness' initiative to plant a tree for every order received. To augment that, they also started a 'Plastic Positivity' initiative which aims to recycle plastic. These campaigns helped Mamaearth gain the customers' interest by making them realize that while buying a product from Mamaearth, they are also contributing to the well-being of the environment.

According to Kotler, when a company produces products and services that are good for society, instead of fulfilling the needs and requirements of the customers, then it would create conflict between the customers and the company. We all know alcohol and cigarettes aren't good for our health. Even the cigarettes companies print the phrase 'cigarettes are injurious to the health' on the packets, and we know Smoking cigarettes causes lung cancer and other diseases, but people still buy it, and the company continues to sell because they are fulfilling the needs of customers. They are providing what people want instead of what's good for them and society.

Conclusion

Unfortunately, when a company adopts a sustainable marketing concept, it has to maintain its profitability at all costs. But sometimes profit and social responsibility can't go along. Many companies consider this to be nothing more than a PR campaign designed to instantly hit trends and get as many customers as possible concerned about the planet's fate. The primary goal is to improve the company's image, and sustainability remains just another marketing gimmick, which can be either launched or finished at will at any convenient moment. Luckily, many international organisations and businesses have begun taking aggressive action to combat the deterioration of natural conditions, including changes within their operations. As a result, change in marketing strategies can reflect these changes to become a full-fledged herald of the brand's sustainable mission and convey this to as many potential customers as possible.

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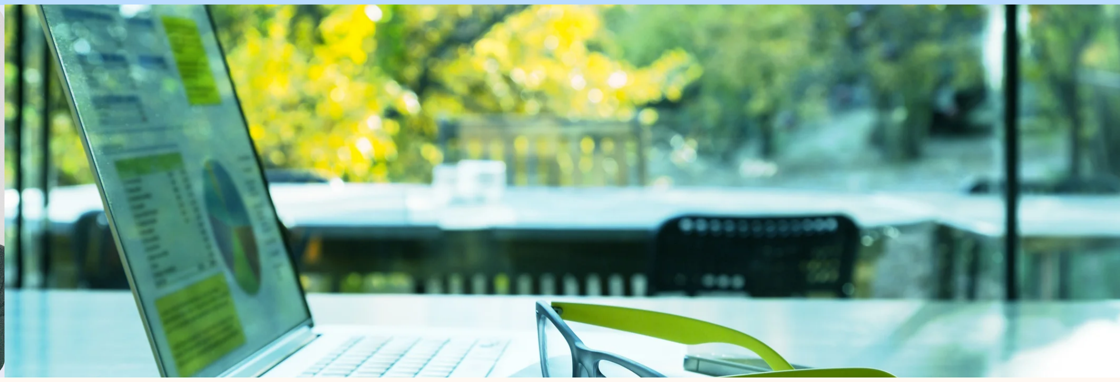
A GUIDE TO SUSTAINABLE MARKETING

Smriti Rijhwani, MBA(BE) 1st Year



Consumers' sentiments regarding marketing methods are often mixed and sometimes even hostile. Unsustainable marketing creates distrust, whether it's promising more value than providing, persuading customers to buy something they don't need, or offering risky, poor items. Marketing has been accused of jeopardizing customers through deceptive promises and tactics and high-pressure sales.
Unsustainable marketing has fostered the desire for materialism over the quality of life. This ever-increasing need for more and more has had negative implications on the environment.
Today, consumers demand a higher quality of life and play a more significant role in making the world a better place. They tend to encourage businesses of all sizes that demonstrate great ethics and environmental sustainability.
According to Mintel's 2015 Ethical Consumer US research, over 63 percent of customers believe that ethical issues are growing increasingly. Consumers are also enthusiastic about companies that incorporate important values into their basic operations. This desire to create a positive impact is reflected in a crucial business concept: sustainability.
Managers, executives, and business owners are highly interested in sustainability as a business strategy. Enterprises and organizations are using sustainable business goals to drive change and achieve success.

Sustainability as a business strategy

In business, sustainability refers to an organization’s ability to flourish over time while protecting and replenishing resources.

While it may appear to be an innovative idea, T sustainability has been around for decades.
The United Nations World Commission on Environment and Development, founded in 1983, developed the concept of sustainability. The Commission concluded that both government and industry need to be more environmentally and socially conscious. The phrase "sustainable development" was invented and defined as "development that meets current demands without jeopardizing future generations' ability to meet their own needs."
Since then, value has been driven by corporate sustainability.

Triple bottom line business model

The triple bottom line is an important sustainability strategy. Entrepreneur John Elkington created this strategy. It focuses on identifying possibilities to gain a competitive advantage in three areas of an organization:

• Financial consequences
• Environmental consequences
• Social consequences

One of the most critical aspects of this strategy is to include all stakeholders interested in and are impacted by the company.

Sustainable business at work

Bringing employees from all aspects of a company's operations together can help achieve the level of systematic thinking that sustainable business plans require. For a whole-system perspective on sustainability outcomes, cross-functional teams can provide alternative perspectives on an organization's possibilities, strengths, and weaknesses.

Several companies have successfully implemented sustainable business best practices. Sustainable: A system's ability to maintain or regenerate itself indefinitely is known as sustainability.

The term "sustainable" has expanded to include "sustainable development" and "sustainable business," paving the way for sustainability to become a fundamental metric of an organization's success.

Marketing: Marketing is the process of creating, conveying, delivering, and exchanging value-added offerings for customers, clients, partners, and society as a whole.

Business leaders frequently lose focus of the three essential functions that are required to create value in our quickly advancing digital age:

• Finance, which tracks the flow and demand of funds

• Marketing, which builds demand for an organization's product or service

To create value, all of these functions are essential. An organization is likely to fail if it lacks any of them.

Sustainable Marketing: "Sustainable marketing" is defined as "the process of creating, conveying, and providing value to customers while protecting both natural and human resources."

Five principles of Sustainable Marketing:

1. Customer-centric marketing: Consumer-oriented marketing refers to a company's or organization's marketing approach seen from the customer's eyes.

2. Marketing based on customer value: Customer value marketing includes devoting the majority of time and resources to improving the value added to the product. The customer creates value for the firm as the company creates value for the customer.

3. Innovative marketing: The concept of innovative marketing assures that a company is always looking out for new and better ways to develop products, services and advertise them. Others who neglect innovation risk losing clients.

4. Sense-of-mission marketing: The principle is to develop a broad mission that communicates to society rather than just the product. Adopting a broad mission provides a firm with a clear, long-term direction while also serving the interests of consumers and the brand in the long run.

5. Societal marketing: The company balances decisions based on customer needs, company requirements, and society's long-term interests using the societal marketing principle. Method home products, for example, are designed to 'hurt dirt without harming people, animals, or the environment.' Forward-thinking companies see potential societal concerns as possibilities.

Sustainable marketing is concerned with the well-being of all stakeholders and the broader planet, rather than just the demands and wants of today's society.

Conclusion

As a result, this corporate mega-trend is rewarded with a competitive edge as it gains consumer trust and loyalty.

The strong technique of sustainable marketing can strengthen connections with conscientious consumers and create success across the triple bottom line for business owners who care about creating a sustainable future.

Consumers are educated and empowered by sustainable marketing about supporting businesses and non-profits that share their goal of improving the world.

When done correctly, sustainable marketing pulls consumers and businesses together to pursue common goals and success, both now and in the future.

And that's what sustainability is all about.

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BUSINESS ETHICS: NEED OF THE HOUR

Arun Kumar & Simran, MBA(BE) 1st Year

'A good company offers excellent products and services. A great company also offers excellent products and services and strives to make the world a better place.' This is a famous quote given by the father of marketing, Philip Kotler.

Marketing has shifted its approach from traditional marketing to modern marketing, where they are consumer-centric rather than product-centric. But now, a new approach is the need of society where a company should shift from consumer-centric to human-centric. We all use society's resources free of cost. Now it's time to conserve those resources for us, as well as for our future generations.
The consumers of today's era are well educated and more conscious about the environment. They prefer eco-friendly products as we can see this trend at our festivals also. For example, During Diwali, people spend less on crackers and more on eco-friendly decoration. As well as on Ganesh Chaturthi people make their Ganesha at home. So these changes are becoming the new normal of society. Now the consumer is more aware and responsible, and organizations are targeting this and making their products according to the preferences of their modern customers. As per the research, these changes or innovations build the competition among them.

For example, Patanjali could only get a significant market share in the FMCG market based on sustainable marketing. They promote their product as natural and eco-friendly and got popularity. Many big organizations like HUL and Dabur have to make changes in their existing products to remain in the market as a market leader. Many big organizations are spending so much on their R&D to find out how to make their products more green and sustainable to satisfy their consumer needs or wants with minimal detrimental impact on the natural environment. The government is also promoting these types of initiatives by providing them with tax rebates and incentives. The government has many standards and rules already set to export your product in the global market, especially in developed countries. Your product will only get a nod when it fulfils all the mentioned recycling, packaging, and reusability criteria. There are more chances to get success in the global market if your product is environmentally-friendly. Nowadays, there are many changes in different industries, for example, hospitality, restaurants, motor vehicles, building and construction, and many others. The menu of the restaurant uses paper straws, recyclable napkins and paper bag packings. In many states, you have to follow several rules when constructing your house, factory or building set by the government.

For example, In the construction of the new Parliament in New Delhi, the CPWD invites bids to different concerned agencies to transplant existing trees into new areas with the cost of around 1.86 crores. So these mandates and rules can bring real change to society. We all know that in the recent covid-19 pandemic, the families of kin and the covid patients know the importance of oxygen. Many people died due to shortage or unavailability of oxygen at that time, so we should respect and conserve those things we are getting free of cost from nature.

The automobile industry uses the Design for Environment (DIE) model to follow eco-efficient principles in its product development process. Ultimately, it reduces the degrading environmental effect over the entire product life cycle from manufacturing to disposal. So these innovations are bringing change to our society.

Conclusion

Now it's high time that we should understand our responsibility towards the environment. People should be more aware of the usage of green products, and the government should also strengthen the policy measures to facilitate the move towards environmentally friendly products and practices. In our country, green products are still not the first choice of customers. They want cost-effective products only.

A lot of research and awareness among them about green products is yet to be done. If we, the consumers, demand more green products, then Industries will automatically provide us, which further creates a massive impact on society. We are all aware of environmental issues like global warming, water shortage, climate change, etc. but are not willing to do anything on our own. We only expect that the government, organizations and committees should mitigate it. But we as an individual should change our habits and daily activities to bring the change. If we will not bring the change, then who will?

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DATA & THE WORLD

Ayaan Ashraf Hossain & Sanah Gulati, MBA(BE) 1st Year

Data is an essential aspect of business, decisions that were data-driven have always played a pivotal role in creating value for the business. Data is everywhere, and sorting is required to find out the valuable elements essential to the business. Analytics is used in everything from sorting customer orders to marketing campaigns, from forecasting the election polls to revenue research—understanding how analytics can help an organization achieve their goal by assisting their short and long-term performance. Not just time but resources too are essential to workers; businesses need to formulate plans and conduct analytical research to have a meaningful effect on all aspects of the market. Analytics is not only for large corporations with deep pockets but also for small-scale enterprises. As analytics is now ubiquitous, businesses are capitalizing in many ways on data innovation. For the past few decades, our planet has been transformed by 'data.' Data analysis is transforming the way an organization works and updating the way they make their business decisions. It has a productive effect on the organization's activities and can be a true game-changer in sustaining the business. In minutes rather than hours, days, weeks, or months, one can generate data insights.

Data Science can do wonders for a business. Companies are now adapting to the current data-driven world. They understand that data is imperative in maximizing the return on investment. Big data and data analytics techniques are used to record data and drive productive campaigns.

The transition from gut-decision making to a scientific approach is peremptory for equity professionals. Driving decisions based on data is a fruitful approach that uncovers opportunities otherwise lost in the existing internal data of the company.

Big Data is a collection of large amounts of data in a given period and grows exponentially over time. For example, social media data or data from the stock market. It has three parts;

1. Structured Data: Data stored, processed, and accessed in a structured manner. For example, customer orders in a fast-food chain.
2. Unstructured Data: when it is not possible to store, access, and process data, it is known as unstructured data. For example, google search results.
3. Semi-Structured Data: has hints of both data mentioned above.

Benefits of Big Data

Big Data can help an organization create pioneering breakthroughs, given that they know how to use it correctly. Big Data Solutions and Analytics foster data-driven decision-making and empower the workforce of an organization that in turn adds value to the business.

1. It can help influence business decisions by identifying crucial points submerged within large data sets.
2. Helps in unlocking the true potential of data-driven marketing.
3. It helps create tailor-made products, services, offers, and discounts by digging inside customer data.

4. Enhances the delivery system, which results in better client satisfaction.
5. Mitigates risks by optimizing the process of making complex decisions for future events and unforeseen circumstances.
6. Monitoring and forecasting of business and market can be done in real-time.

Data Analytics- The process of cleaning, sorting, and molding in a way that facilitates quick decision-making. It is a process of examining large amounts of data to conclude the information they contain. It is vital in analyzing polls, surveys, and public opinion—for example, exit polls during elections.

Benefits of Data Analytics

1. Improvement in service level performance: Analytics helps a business predict its ability to meet the demand of its customers. This helps the business understand the domain they operate in and take appropriate steps to improve their overall service performance.
2. Better decision-making: Data analytics improves the decision-making process; rather than relying on intuitions alone, companies analyze data before making a decision.
3. Predictive modeling allows an organization to understand the root cause behind problems and predict future outcomes.
4. Automation: Automation creates real opportunities for workers to use technology to help them solve problems, eliminate mundane tasks, and boost productivity.
5. More accessible Analytics: AI is helping to increase the reach of data analytics and deliver it in the hands of more employees by democratizing the process of generating reports and making sense of the finding.

Impact of Data Analytics on Investment Cycle

In every stage of the investment cycle, data plays a pivotal role in maximizing the return on investment of a company.

1. Pre-acquisition: The forecast is based on existing revenue and pipeline data and how much revenue they may generate post-acquisition. Suppose the revenue runway is short, the firm risks having a negative trend in the cash flow post-acquisition.
Assessing the expected revenue post-acquisition is an element of data analysis.
2. Revenue and cost structure go side by side. Examining the cost structure is an essential aspect of pre-acquisition analytics.
3. Compilation of all data for a clear, holistic view is how firms discover the most significant opportunities, ensuring a company maximum return on their investment.

Conclusion

To conclude, data analytics has emerged as a vital tool for businesses, irrespective of the size of the organization and the sector they operate in. The most significant advantage is that it provides an array of opportunities and possibilities for an organization, improvement in customer feedback, increased operational efficiency, room for innovation and development as well as it helps in maximizing profits. Despite the evident benefits of data analytics, it still holds numerous untapped possibilities waiting to be explored.

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ANALYTICS IN BUSINESS

Nitheesh Menon, MBA(BE) 1st Year

Data is no longer merely an asset, but it is also the lifeblood of the modern digital economy. Data helps an organization understand and improve business processes to minimize the wastage of time and money.
As digital technologies enabled more excellent data collection, so did the need to collect and organize this data. Today, smart devices such as mobile phones and computers collect thousands of data points per user daily and 365 days a year. When connected to the internet, these devices result in billions and billions of data points generated each day across the internet. With over 2.5 quintillion bytes of data created each day, data-driven insights are the main drivers of every significant business decision. They are essential to discovering more efficient processes, reduction in risk, or new sources of revenue.

For example:

• San Diego recently installed the world's biggest smart city platform, along with an API that allows the independent developers the ability to collect read-only data insights on traffic patterns, pedestrian movement, environmental pollution, and many more.
• Amazon is another organization that used data-driven decision making to justify launching Amazon Fresh, and the purchase of Whole Foods was a game-changing move by amazon, as it immediately gave Amazon retail and distribution space in different neighborhoods, not to mention data on shoppers that share significant overlap with Prime subscribers.
• Netflix edged over HBO and AMC for House of Cards rights and brought it to the peoples' living room. It was a giant leap: Production costs of House of Cards is around $4 to $6 million per episode approximately. With it being a two-season deal and each season having 13 episodes, the price tag was over $100 million.
In a survey conducted by Bloomberg Business Week Research Services, nearly 97% of respondents reported their companies had adopted data analytics. The three most sought-after goals were increasing the business's profitability, reducing costs or cost minimization, and improving risk management. An analysis by McKinsey & Company states that by using data analytics, an organization can make better marketing decisions and increase marketing productivity by at least 15-20%. An excellent example of this is retail giant Target's "pregnancy prediction score." Target assigns a score based on a customer's purchases that indicate the possibility of a pregnancy; the retailer uses purchase data to determine the types of coupons and special discounts Target would send to a customer's email address.

Use of Data Analytics to Drive Business Growth
Following are a few steps that can be adapted to be on a fast track to becoming a data-driven company:

1. **You have created a data-driven culture**. Your culture is built on the idea that people should make better decisions by pooling their collective intelligence. This idea is called data-driven culture.

2. **Your company makes use of data to drive decision-making**. Use data to make better decisions. By analyzing your customers' interactions with your product, you can identify potential value and friction areas.

3. **You use self-service analytics tools to make data more accessible.** Your organization needs tools that enable its employees to get the information they need without waiting for another person to provide it. This access to tools will allow them to do their jobs without relying on you for the information they require to operate efficiently.

4. **You use data analytics to get essential and profound insights that increase productivity.** Data analytics is a process that uses data to gather deeper insights. It combines machine learning and data mining to find patterns and correlations that can be used to uncover growth opportunities.

5. **Your company uses data to solve the most critical problems.** With data, you can now focus on providing solutions for your customers, not just trying to find customers for what you've already made. Data can help solve the most critical problems, which is beneficial as it means less work and lower costs.

Conclusion

Considering the trends in the current landscape, it is evident that data analytics will play a pivotal role in the business landscape and will be the future of the decision-making process. It will transfer the day-to-day operations of businesses and allow for more flexibility, speed, accuracy, effectiveness, and efficiency.

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LIFE OF A DATA SCIENTIST

Deeksha Kapoor, MBA(BE) 1st Year

Data around us

Every day, every second of our lives, we are generating data or dealing with one. All the businesses and organizations run in a particular manner, behave in a certain way, and how big companies influence their behavior for their excellent use. We cannot ignore human instincts here, but when it comes to logical talk, the core of all this understanding lies in understanding the data at hand and using it to understand the scenarios around us better.

Basic Understanding of Data Science

We do not know what the data is going to give us, what results will it show, what impact will it make; before we give it our time and analysis, and obviously, the results will not be in our favor always as every data has its own story, its problems. Here is where the job of a data scientist starts.

A data scientist is someone who can take a set of data, develop a use case for that data, create a hypothesis on how to make use of it, perform experiments using the developed hypothesis, analyze the results and come up with a solution.
Machine Learning has accelerated the analysis-hypothesis-experiment loop, and before ML, data scientists used to come up with these tactics manually.
An ML algorithm can develop thousands of hypotheses, run through billions of experiments, and analyze thousands of conclusive results to determine the best solution. This may take hundreds of hours, depending on the computing power of the host machine.

The Job Composition

A data scientist must understand the business problem first, i.e., the problems to tackle and objectives to achieve. An important trait to be a good data scientist is to be a curious soul who asks a lot of 'why?'
The next step is **Data Acquisition.** It involves gathering data from multiple sources like web servers, logs, databases, APIs, and online depositories. Yes, finding the correct data requires time and effort.

After data acquisition comes **Data Preparation.** It contains two parts:
a. **Data Cleaning** is the most time-consuming process as it involves handling many complex scenarios. Here, one has to deal with varying data types, misspelled attributes, missing and duplicate values.
b. **Data Transformation** consists of modifying the data based on the defined mapping route. Some tools are used to handle complex transformations to help the team to understand the data structure better.
Understanding what one can do with the data is very important. This need raises the demand for the next step, i.e., **Exploratory Data Analysis**. With the help of EDA, one can define and refine the selection of feature variables that will be used in the model development.

Next comes the core activity of a data scientist, i.e., Data Modeling. A data scientist repetitively applies diverse machine learning techniques such as KNN, Decision Tree, Naive Bayes to the data to identify the model that best fits the business requirement. Then they have to train the models on the training dataset and test them to select the best performing model.

Pythons, R and SAS, can be used for modeling data. After reading the data, analyzing it, and coming up with the best model, it becomes crucial to communicate this model to other concerned teams of the organization or directly to customers, as the case may be. Before communicating the results to other people, a data scientist should be very clear that the listeners may not know the technicalities.

Thus the presentation to be made must be in simple and understandable language. This covers another step in the job of a data scientist, i.e., **Visualization and Communication**. Some tools like Tableau, Power bi, Qlikview, etc., help make powerful reports and dashboards.

Conclusion

A data scientist has to Deploy and Maintain the model. It involves testing the selected model in a pre-production environment before deploying it in the production environment. After successfully deployed, they will use reports and dashboards to get real-time analytics. Further, a data scientist has to monitor and maintain the project's performance.

And that is how it is done!

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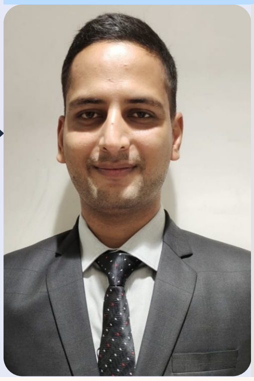
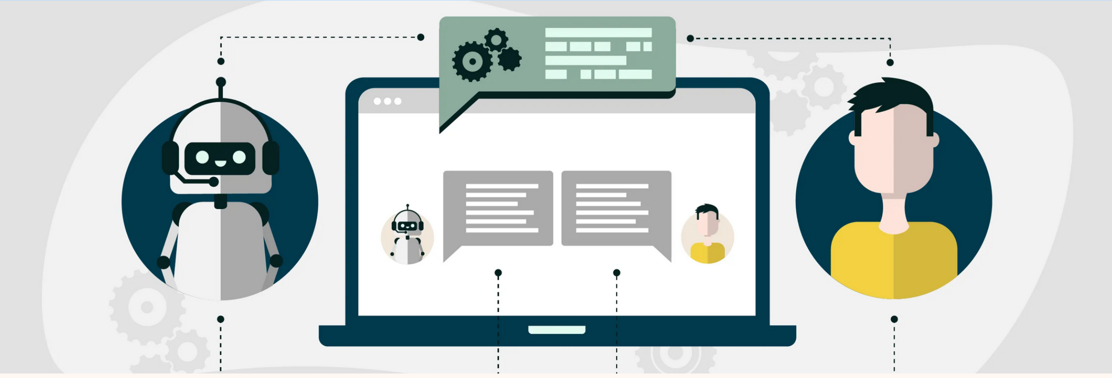
ALEXA, WHAT IS NLP?

Praveen Singh, MBA(BE) 1st Year





The golden life-sized hospitality robot C3PO is something all Star Wars fans must be familiar with, while the movie was set in a galaxy far away from us, but machines talking in a human-like manner is no more a science fiction, and with each passing day, that is getting more and more realistic. None of the intelligent assistants on your phone or the queries you ask on the website are humans. All of this, my friend, is made possible only by the magic of Natural Language Processing.
Natural Language Processing or NLP refers to the branch of artificial intelligence that gives the machine the ability to read, understand and derive meaning from human languages. It does that by combining computer science and linguistics to decipher language structure and create models that can break down and separate important details from text and speech.

Need for NLP

Every day we humans transfer large amounts of freely available data as we interact with each other through social media. This data is instrumental in understanding customer behavior and habits. Data analysts and experts in the field of data science use this data to give machines the ability to mimic the linguistic behavior of humans. This helps save millions in terms of time and human resources as there is no need for a person to be always present at the other end of the phone.
Although companies are drowning in an overwhelming amount of data, it would be useless if they could not generate valuable insights.

A large portion of data collected is unstructured in text, image, audio, and video. NLP can help businesses take advantage of these data assets (mainly text). It can help businesses improve their products and services by analyzing the feedbacks from different data assets.

Use Cases of NLP
Let's look at some of the standard but essential ways in which businesses put NLP to use

Addressing Customer Problem-Sentiment Ananlysis

Savvy consumers voice their appreciation and complaints online, which makes monitoring the brand reputation important. An easy way to understand the voice of your customer is knowing what is being said about your company or your product on social media and elsewhere.
Yet, with the quantum of data available nowadays, manual analysis is not an option, and that's where NLP comes. With sentiment analysis, companies deploy algorithms that perform text analysis to understand the meaning or emotion behind a word. Whether it's identifying social mention of your brand, diving into public opinion, or just uncovering negative reviews, knowing what people are saying about your business and why makes it possible to drive strategy and build campaigns that better address tier needs.
For example, A system integrated Natural Language Processing would understand the sentiments of customers' feedback by analyzing the text data and replying automatically.

This can help companies process and provide 24/7 support, increasing efficiency, thus saving cost and time.

Gathering Market Intelligence

To develop an effective business strategy, knowing what your competitors do and what your industry does on a larger scale can be helpful. Therefore, insights about how competitors, customers, and the market interact are often buried in text and images in news articles, company websites, and SEC filings. NLP helps businesses make sense of this information. For example, news of a big merger can impact business decisions and integrate into trading algorithms, resulting in millions of dollars in profit.

Enhance Experience With Hybrid Bots

Virtual assistance is dramatically improving the customer experience. With the help of self-serving digital solutions, customers can avoid long wait times and get answers to their most pressing issues. As NLP technology improves, traditional bots, who sometimes don't answer inquiries completely, are replaced by "hybrid" bots.

NLP-powered assistants that combine human and virtual support offer even better customer experiences, quickly transferring machine-led conversation to a human when they have difficulty understanding the customer's problem. Handing the conversation to a live customer service representative before frustration sets in is the key to improving customer experience and ensuring meaningful interaction.

Conclusion

NLP is way more efficient in analyzing language-based data than humans. It comes with no human bias. It does not get tiring and doesn't need a vacation. With the vast amount of data being generated every day, the ability to analyze text from all the sources available will be a differentiator.

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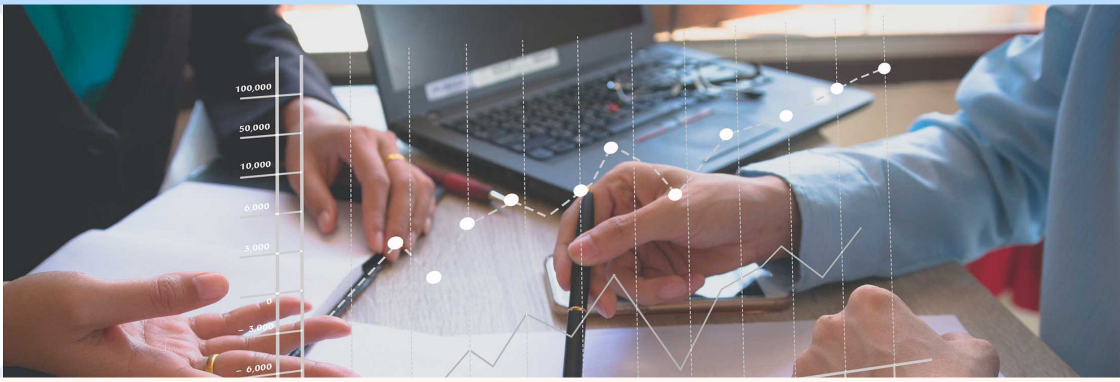
MAKING SENSE OF THE UNSTRUCTURED

Sahil Khandelwal, MBA(BE) 1st Year



"The ability to take data – to be able to understand it, to process it, to extract value from it, to visualise it, to communicate it – is going to be a hugely important skill in the next decades."
Hal Varian, Chief Economist, Google

Data analytics is a broad word that refers to several different data analysis methods. Any data may be subjected to data analytics techniques to extract information that can improve things. Trends and metrics that would otherwise be lost in a torrent of data can be discovered using data analytics techniques. This data may be used to improve a company's or system's overall efficiency by optimising activities. Manufacturing organisations, for example, regularly measure machine runtime, downtime, and work queues, then analyse the data to organise workloads better so that machines function at near-peak capacity.

Data powers everything that we do." – Jeff Weiner, Ex CEO LinkedIn
Data analytics may be used for a lot more than merely identifying bottlenecks in production. Gaming companies employ data analytics to design incentive programs for players that keep them interested throughout the game. Content providers utilise many data analytics to keep a person clicking, seeing, or reorganising things to get another look or click.

Data analytics is essential since it helps a firm enhance its performance. Companies may help cut expenses by building more effective business processes and storing large amounts of data as part of their overall business plan. Data analytics may also help a company make better business decisions and measure consumer trends and satisfaction, leading to new—and better—products and services.

"Where there is data smoke, there is business fire." -Thomas Redman
There is no doubt about the use of Data to run businesses efficiently, as proved by its exponential growth in recent times. Furthermore, this growth is not slowing down; as stated in a report, Data-driven organisations are now 23x more likely to acquire customers, 6x as likely to retain customers, and 19x more likely to be profitable.

Data Analytics holds the key to connecting to the data and driving valuable insights to advance strategies operations, develop new products and services, and help improve customer experience. Data insights are used to understand customers better, identify business opportunities, and reduce costs, thus driving customer retention strategy.
Data Analytics is proving its power through the significant impact it plays on customer loyalty and retention. Several studies suggest that customer loyalty has to be a key priority. According to Accenture, 57% of customers spend more on brands to which they are loyal. In a KPMG report, it was mentioned that 75% of customers would favour a brand if there is a loyalty program. Nevertheless, customer expectations increase with changing times, making customer loyalty and retention hard to maintain. Moreover, poor customer loyalty is

unacceptable, as it is way harder to sell to a new customer than an existing one.

"Information is the oil of the 21st century, and analytics is the combustion engine."- Peter Sondergaard, Senior Vice President and Global Head of Research at Gartner, Inc. In an era of the digital world, keeping a customer happy and loyal is easier said than done. Businesses can agree that they benefit from customer loyalty and retention initiatives by understanding customer values and measuring customer loyalty. For example- according to Accenture, many individuals became unemployed in 2020. The rise in unemployment was one of the reasons why consumers were more cost-conscious with their purchases. As a result, 42% of those buying premium brands reduced their investments, while 29% of consumers shifted to budget brands. This negatively impacted customer retention stats, but brand companies certainly understood it was beyond everyone's control.

With more use of AI & ML, it is evident that low quality of data, lack of appropriate systems, and lack of skills are the most considerable barriers to the use of AI. As organisations attempt more sophisticated data analytics, the skills required mean that some struggle to use advanced analytic methods for their desired analyses and activities or lack access to external and more detailed customer data.

Still, there are many examples when it comes to companies thriving by the use of data. Companies have reduced the time crunch data across large datasets that span several sources to help with customer insights and detect errors. Since implementation, the databases are also improving decision-making processes, with the improved query time. Moreover, it is not only the data scientists that are benefiting from the data. The data roots the KPIs for every team; thus, everyone across the business can better grasp company goals and data trends and act upon them.

Conclusion

Businesses can benefit from data analytics by cultivating disciplined thinking, keeping key decision-makers focused, reducing procedures, and improving communication between business leaders and data experts. With the demand for quick information stronger than ever, businesses must develop a progressive data strategy that successfully collects, integrates, and manages data to be acted upon and is the best way for businesses to stay ahead in the race.

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LEVERAGING THE POWER OF DATA

Datamatics, The Analytics Club

Data analytics is the science of pre-processing and analyzing raw data. After being processed and analyzed, data helps discover hidden patterns, correlations, causation and plays a pivotal role in gaining insights, which helps an organization make better business decisions. Regardless of its size, almost every organization harnesses the power of data to drive business towards sustainability and maximize its profits.

Decades before discovering the term "Big Data," businesses used data analytics to gain insights and uncover trends from the data they collected, indicating that using data to drive business decisions is not a new thing. With the boom of technology and advancement in IT, especially in Artificial Intelligence, Machine Learning, and Deep Learning, Advanced software systems are used for data analytics. This enables businesses to reduce the time required for analytics to make faster and efficient decisions.

Essentially, modern data analytics systems enable quick and efficient analytical procedures. Businesses benefit from the ability to work more quickly and with greater agility and accuracy. Meanwhile, businesses also benefit from lower costs when using data analytics software.

Companies have made considerable investments in data analytics. They utilize the power of data to make quick and agile decisions to stay competitive in the market.

In this article, we will look at real-world examples of how large corporations are utilizing data analytics.

1. Application of Data in Supply Chain Management

With the help of data, suppliers have much better control over the supply chain. They can have greater accuracy, transparency, efficiency, and better management. Traditional supply chain systems could not leverage the power of data and were prone to making errors. Because of data analytics, modern supply chains can operate on much larger scales and have more complex networks than legacy supply chain systems.

PepsiCo is a prime example of the application of data in the supply chain business. The company is committed to replenishing the shelves of retailers with appropriate quantities and types of products. Clients provide reports to the company that includes their warehouse inventory and POS inventory, and this data is used to reconcile and forecast production and shipment needs. As a result, the company ensures that retailers have the right products in the right quantities at the right time.

2. Increasing Customer Acquisition and Retention Through Data Analytics

As everyone knows, there is no business without customers, and it is not wrong to say that a business can only thrive when it can retain customers and have a solid customer base. By using data, companies can identify the trends in customer behaviour and adapt to better customer-orientated products and services. A company will obtain important behavioural insights that it will need to act on to keep its client base if it has a proper customer data analytics framework in place.

Coca-Cola is a real-world example of a company that uses data analytics to drive customer retention. Coca-Cola was able to strengthen its data strategy in 2015 by launching a digital-led loyalty program. ADMA's managing editor interviewed Coca-Cola's strategy director. As per the interview, data analytics is a significant driver of customer retention at Coca-Cola.

3. Utilization of Data Analytics to Solve Advertiser Problems and Provide Marketing Insights.

It is a well-known fact that businesses incur huge losses when their advertising campaigns fail. Well, with the help of data analytics, they can find reasons for their failure. Businesses can identify and segregate customers and target them with personalized ads by processing, summarising, and analyzing the data. Data analytics is beneficial to advertisers because it allows them to understand their customers' purchasing habits better. We cannot afford to ignore the massive ad fraud problem. Organizations can define their target clients using predictive analytics. As a result, businesses can have an appropriate and effective reach while sidestepping the massive losses caused by ad fraud.

Netflix is an excellent example of a brand that employs data analytics to deliver targeted advertising. The company collects massive amounts of data, which is critical to achieving industry status. If a person is a subscriber, they are probably aware of sending them recommendations for the next movie they should watch. Essentially, this is accomplished by utilizing his previous search and watch data. This information is used to provide insights into the subscriber's interests.

Conclusion

Organizations can use the information to target individuals in existing online communities and then use the data to analyze better and detect user behaviour trends. Advertising companies can collect data on customer motives in the following ways: Are the latest technological trends motivating customers? Is there a segment of our client base that is more conservative with their money?

Data analytics is a critical investment for a growing company. By implementing big data analytics, businesses can gain a competitive advantage, lower operating costs, and increase customer retention. Businesses can obtain customer data from a variety of sources. As technology advances, data becomes more readily available to all organizations. Technically, it is correct to state that organizations already have access to data. It is up to individual organizations to ensure that appropriate data analysis systems capable of handling massive amounts of data are implemented.

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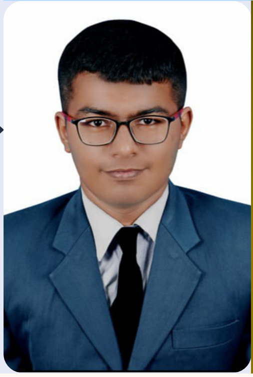
IPO: THE NAME YOU KNOW, THE REALITY YOU DON'T

Nitish Sou, MBA(BE) 1st Year



The primary market has been bombarded with new IPOs (Initial Public Offers). Over 60 companies were listed on the National Stock Exchange alone between November 9, 2020, and October 25, 2021. The public issues have seen massive subscriptions, especially that of retail investors, in the last year. The surge can be credited to the enormous influx CDSL, and NSDL saw in their user base during the lockdown period. The IPO frenzy has caught everyone. However, is it okay to be swayed by this wave as plenty of more IPOs will hit the market by the end of this year?

The latest IPOs of NYKAA, PAYTM, Zomato have gotten a lot of investor interest. They were oversubscribed because the businesses in question are popular among the masses. But just because these flashy new start-ups have shown tremendous growth in the past does not mean they will offer a similar increase in the future. Here are some reasons why retail investors should avoid IPOs

Hype is an emotional trap that can lure us: - Most people who indulge in stock trading tend to get swept away by their emotions, drawn to the possibility of transforming their lifestyle. However, looking at past data and the performance of IPOs, one can clearly say IPOs are more of a puff and has little to do with the value they offer in reality. For instance, millions of investors pinned their hopes on the Reliance Power IPO, launched in January 2008, as the power sector was booming back then. As it was a Reliance company, many considered it a 'reliable' investment (a common perception).

No wonder that the IPO, priced at Rs 450 per share, was oversubscribed 73 times and gathered a whopping $190 billion. Little did they know that within four minutes of the initial hype in the stock exchange, the share price would drop to Rs 332.50, wiping out billions of rupees of investors' wealth in the process?

Underwriters and investment bankers associated with an IPO are no less than sales associates in the process. They have a huge role to play in creating a vivid narrative to lure investors. As IPOs happen only once for any company, promoters and significant shareholders are offered the perfect opportunity to cash out their stake at a high valuation. Hence, they are leaned more towards the promoters' interests than that of the investors.

1. Exorbitant pricing: - The common opinion among the investors is that IPOs are an opportunity to make their way into the company's management at lower prices. However, even before the public investment, the company undergoes several rounds of private investment. The cost of shares goes up with every round of investment. In the secondary market, the demand of a stock and its supply determines its price. An IPO is more of a one-sided game where the company decides the issue price of the IPO, which is at a premium.
2. IPOs are generally launched in bullish markets: - As the Sensex and Nifty touch new heights 60K and 18K mark respectively,

a surge in demand in a bull market could lead to shares getting oversubscribed and their prices inflated, thus leading to good returns at the time of listing. However, the stock prices crash once the market turns bearish, leaving the investors in a rough spot. HDIL and DLF are examples that left investors in the doldrums.
3. Most IPOs underperform in the long run: - Most investors only hop onto the IPO bandwagon for making listing gains or short-term gains. Sticking around for a long time is not a feasible idea since most IPOs tend to lag in the market simply because they start with a high valuation and then underperform and fail to live up to that hype. IPO companies have historically underperformed established public companies of similar size by 3.3% on average between 1980 and 2015.

Statistics reflect that out of the 207 IPOs in the last ten years, only 21.26% were multi-baggers, yielding over 100% returns. Only 7.73% lost over 50% returns. On the contrary, a whopping 45.89% capitulated negative returns. It is precisely for this reason that investors usually avoid investing in IPOs, as they are no less than a gamble.

Lack of sustainable business model: - Many new-age tech start-ups getting listed don't have a proven business model to sustain the business. They see IPOs purely as a way to raise funds to help the business meet its next target, and therefore, they don't make for a wise investment. "You're probably going to do better if you buy more established companies that have a track record" than investing in IPOs.

Newly listed companies come with many questions and few easy answers for investors. It is no surprise that even IPOs of supposedly well-known tech-driven start-ups failed to make a mark in recent times. Globally, established start-ups like Uber and Lyft ended up a damp squib, with Uber registering the worst ever Day 1 loss in the US IPO industry.

Conclusion

As much as investors wait for the subsequent IPO in anticipation of multiplying their wealth, the fact remains that only a tiny percentage of these IPOs yield lucrative returns. On the contrary, the odds of losing money are much higher. Retail investors must be cautious and do thorough due diligence from their end.
The focus should be on building a quality portfolio consisting of simple, predictable, and dominant businesses with profitable balance sheets, good cash flow, and efficient management. The key to generating secure, inflation-adjusted, risk-adjusted, and tax-efficient returns is understanding the objective of the company's IPO, financials, reviewing the quality of promoters and management. When it comes to long-term investing, an investor must focus on the fundamentals of the business rather than eye listing gains driven by market euphoria.

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YOUR HANDBOOK TO INVESTING

Swar Jain, MBA(BE) 1st Year

Risks of Investing in the Stock Market: A Quick & Complete Guide

In today's world, there are a plethora of investment opportunities available. Whether you prefer to invest in a company or a market, there are various options for large and small investors. To help you navigate the available choices, we have compiled a list of tips that can help you pick an investment that will work best for your goals and risk appetite.

Are you a beginner?

If you're getting started investing in the stock market, this comprehensive guide for first-time investors should help decipher investment jargon and define terms that might otherwise be confusing. You will also learn about generating reliable income and how to protect your investments.

A Step-by-Step Guide for Beginners

1. ARE YOU A TRADER OR AN INVESTMENT PROFESSIONAL?
To begin, distinguish between a trader and an investor. A trader buys and sells stocks in a matter of minutes, hours, or days. On the other hand, an investor is a long-term market participant who can keep purchases for months or even years.
2. COMPREHEND THE ESSENTIALS OF THE STOCK MARKET
Most newcomers sometimes neglect to study the fundamentals to generate quick money. However, if you are unfamiliar with the fundamentals, you will not develop your trading/investing techniques. Spend at least a few days learning the fundamentals so that you know what to do once you get a trading account.
3. CHOOSING A STOCKBROKER
Choosing a stockbroker is one of the most crucial decisions you'll have to make at the outset of your trading career. There are many stockbrokers to pick, which might be difficult for newbies. To make a selection, consider aspects such as the broker's reputation, trading portal or software, and brokerage.
4. APPLY STOP-LOSS TO EVERY TRADE
Check the order screen on your stockbroker's trading portal for the stop-loss option. A stop-loss allows you to set a price at which your position will be automatically squared off, which helps you minimize your losses. For example, if you buy 100 shares of ITC at Rs. 230 and believe the price will climb, you can set a stop loss at Rs. 210.
5. USE THE MARGIN FACILITY IN EXTREME CIRCUMSTANCES.
One of the most typical issues for stock market traders is a lack of funds. To assist traders with this problem, stockbrokers now provide the margin option. A broker, for example, can offer you a 5x margin on your capital.
6. BE AWARE OF DIFFERENT TYPES OF ORDERS
Most stockbrokers now provide a variety of trade orders to assist traders who cannot spend extended periods in front of a computer screen while the market is open. Regular, Stoploss (SL), Margin Intraday Square up (MIS), Bracket

Order (BO), Limit Order, and Cover Order are some of the most prevalent types of trades (CO).

7. DON'T SHORT-SELL IN THE FIRST FEW DAYS

Even when a stock's price is declining, you may still make money in the stock market. It is the inverse of placing a buy order and is known as short-selling. With a buy order, you first buy the shares at a specific price and then sell them at a higher price.

8. STAY OUT OF THE DERIVATIVES MARKET

Another good stock market investing advice for novices is to avoid trading stock derivatives. The derivatives market is comprised chiefly of futures and options. These are contract-based purchases with a set expiration date.

9. THE STOCK MARKET IS NOT SUITABLE FOR EVERYONE

While the stock market may be highly lucrative, and many individuals have made a fortune just from it, it is not for everyone. Successful stock trading and investing involve information, skills, experience, and discipline, which not everyone possesses or can develop.

Using ETFs For Small Periodic Investments

Using ETFs for small periodic investments has become very popular in the recent past. It is considered a safer option than buying stocks and shares directly from the stock exchange, as it offers greater flexibility and ease of investing money. An ETF (exchange-traded fund) or an ETF is a security that tracks an index such as S&P 500 or Nasdaq 100 etc., which holds all the securities listed on those indices like stocks, bonds, currency pairs, etc.

NSE & BSE ETFs

NSE is the Indian stock exchange and has an annual trading volume of over 1 billion shares. NSE offers a treasure trove of 743 ETFs to its investors, including fund houses such as Reliance Securities, HSBC, UTI Mutual Fund, etc., and many foreign exchanges like Deutsche Boerse and ShareNet in Europe. These ETFs tend to fund investments in many sectors like Energy, Financial services-Equity and equity derivatives.

Investment Apps

One of the innovative ways to invest money has been investing in apps for taxes on your mobile or smartphone. Many online trading companies provide this service through their website, recharging it with a flat monthly subscription fee irrespective of how active you want to be via these trading tools—Examples Zerodha, Upstox, Paytm money, etc.

Individual Stocks

No matter how small the investment is, it must be recorded in writing for your records. Make sure any significant decisions are made with due deliberation. Start with an investment of Rs 2K-3K when you start investing etc., Should not exceed 10% of your net worth per annum when everything else is considered in terms of risk vs. profit ratios & worries about taxes etc. Please keep a record or account of your activities on the stock, constantly maintaining it. My recommendations would be IRCTC, ITC, IDFCFIRSTB, TATA POWER, DELTCORP (For long-term investment).

Conclusion

Investing in stocks can be a good idea for most people. However, the right kind of stocks and their associated risk needs to be evaluated before investing. An investor must analyze the stock in financial terms as well as operating profits before investing in it. The best way to invest is through mutual funds, which are diversified and will help you grow your wealth over time.

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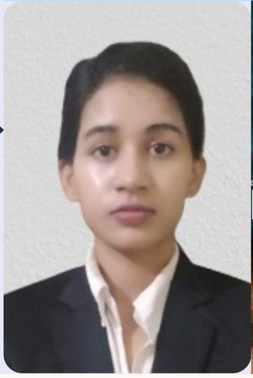
FINTECH: THE NEW BIG BULL

Varsha Guriyan, MBA(BE) 1st Year



As Arvind Sankharan put it
We're witnessing the creative destruction of financial services, Rearranging itself around the consumer. Who does this in the most relevant, existing way using data and digital will win.

Fintech is a buzzword we hear a lot in the news these days. Short for financial technology, it is simply coming together of finance and technology to create new and innovative solutions for businesses and customers. The term includes platforms that let you transfer money, make payments like Paytm, platforms that let you trade stocks like Zerodha or anything digital you use to apply for a loan. The label also includes cryptocurrency and crypto-trading platforms. Crowdfunding is also considered fintech; it includes the likes of Ketto, Patreon. Investors are buying it big time; look at Paytm. Big giants like google, amazon and many others are going big on it too.
It wouldn't be an exaggeration to call the fintech phenomenon a fintech disruption. In 2020, Global fintech investment was $121.5 Billion despite pandemic. Experts still argue that $121.5 Billion is a conservative estimate, and the actual number is significantly high. And all of this is happening in different parts of the world. Asia is the biggest consumer of fintech. According to the global fintech adoption index, India and China have the highest fintech adoption rate at 87% of people regularly using fintech. Report The Indian Fintech market is currently valued at $31 Bn and is expected to grow to $84 Bn by 2025. For India, this extremely high adoption rate can be attributed to the rise in digital payments.

Back in 2016, when the Indian government decided to demonetize the 500 and 1000 rupee notes, fintech businesses came forward as a messiah for the public in the face of chaos.
In 2021, India saw the addition of 30 new unicorns, out of which 40% are from the fintech sector. Each fintech tends to specialize in just one area. So they do it in a way that's efficient, streamlined, and as user-friendly as possible on a digital interface.

It is transforming the world as we know it. Things from peer-to-peer lending, big data, blockchain, crowdfunding, digital payments, and Robo-advisors, to name a few. It is also revolutionizing the loan market. For SMEs, platforms like capital float and individuals, Pay Later, now offered by many leading platforms, provides an alternative to credit cards that were previously available mainly at banks. Robo-advisory platforms offer consumers asset management solutions that are more transparent in what they charge you and substantially cheaper.
The fintech revolution is also bringing much positive development. One of the most important ones is **financial inclusion**. It is estimated that nearly 2 billion people are without bank accounts in the world. The pace of innovation in this space has filled a void for these people who don't have access to traditional banking services.
Fintech companies are bedding banking in our day-to-day life. Thousands of new and dynamic startups offer services that used to be offered by traditional banks, and banks are worried about that.

And with a good reason, the newcomers can pick and choose the part of banking they want to get involved in. Large companies who were leading their market lost everything because they failed to innovate and evolve. If there is one thing that 2020 has taught us, then that is resilience. Banks have realized that the landscape is changing as they have become more consumer-friendly. To survive, they need to adapt to this new reality and embed this culture of innovation across the organization.

All technological innovation can lead to over-excitement, and with financial innovation, that danger increases as there is a hope of wealth. This is what we need to be cautious of as, like everywhere else, a level of over-excitement is also prevalent in this sector. During the dot-com bubble, adding .com as a suffix to a company's name resulted in 75% higher valuation with companies doing no fundamental change. The exaggerated market reaction can be an indication of the hype in the market. And underlying excitement and psychological emotion that form this kind of speculation are always similar, AND this can cast a shadow on actual progress.

Conclusion

The financial landscape is changing every moment; we have big events every day, from nuclear weapon concerns to the price movement of commodities to natural disasters to regular economic data release. Every event can have an impact on an individual or firm investment. Humans might take hours to do the analysis, But with AI, with fintech, we only need a few seconds to know the impact of these events. It will get you an entirely understandable quantitative report in just seconds. It has completely changed how we are running our business, and new business models are emerging. Consumers are some of the biggest beneficiaries from a user experience and convenience perspective and access and cost-saving. It has already made consumers' lives so much easier in just a decade, and the sector is just starting to grow.

Image Source

- https://innotech-vn.com/wp-content/uploads/2020/02/what-is-fintech.jpeg

MILLENIAL'S CURRENCY

Ayaan Ashraf Hossain, MBA(BE) 1st Year

Crypto-currency is now a household name. A decade ago, it was something only a few knew of and even less believed in. Cryptocurrency (or 'crypto') is a digital currency that can be used to purchase goods or services or both and uses an online ledger with strong cryptography for secure transactions. They work using a technology called 'Blockchain.' Blockchain is a mechanism that records information to make it extremely difficult to change, hack, or cheat the system. The technology creates a permanent, public, and transparent ledger system, compiles data on sales and payments, and tracks digital usage of the currency. Many companies issue their coins, often called 'tokens,' which can be used to purchase goods or services provided by that particular company or can be traded for profit. It is a substitute for real currency and can be exchanged for it.

Cryptocurrencies are highly volatile, and in recent times, these decentralized currencies are traded in various digital wallets for profit. More than 13000 different cryptocurrencies are traded publicly, according to CoinMarketCap.com. These currencies continue to proliferate, raising money through Initial Coin Offering or ICO. The total value of all the cryptocurrencies in Oct 2021 was approximately $2.6 trillion. The most prominent coin in the crypto world would be 'Bitcoin,' priced at nearly $65000, and its total market capitalization is around $1.2 trillion. Bitcoin can only be created by being mined and has a limited supply of 21 million, and currently, 18,856,793.75 BTC has been mined. The world's second-largest coin 'Ethereum' has a slightly different setup to bitcoin.

The most prominent coin in the crypto world would be 'Bitcoin,' priced at nearly $65000, and its total market capitalization is around $1.2 trillion. Bitcoin can only be created by being mined and has a limited supply of 21 million, and currently, 18,856,793.75 BTC has been mined. The world's second-largest coin 'Ethereum' has a slightly different setup to bitcoin. Compared to the capped amount of 21 million, Ethereum has an unlimited supply, and its circulating supply stands at 118,145,319 ETH and is traded at $4361.17 and has a market capitalization of $413 billion. Other major digital currencies are Binance coin (BNB), Cardano (ADA), Solana (SOL), Polkadot (DOT), Ripple (XRP), Tether (USDT), and Dogecoin (DOGE), with a combined market capitalization of $370 billion.

Jackson Palmer and Billy Marcus created the meme-based token Dogecoin in 2013 as a joke with no intention of making it one of the top cryptocurrencies. Jackson Palmer sold his share in 2015 to buy a Honda Civic. The industry is easily influenced by a few and is heavily dependent on social media trends. In May, the crypto market crashed after China decided to ban financial and payment institutions from providing cryptocurrency services. Prices of all the significant tokens, including bitcoin, Ethereum, BNB, and others, crashed as much as 40% amid concerns over the climate implications and actions of the Chinese government. Further comments from Elon Musk and his series of tweets on Cryptocurrencies acted as wildfire. The Crypto market boomed back in January 2021,

when Elon Musk announced that his company Tesla would be accepting cryptocurrencies as a medium of payment for its cars.
The market witnessed its all-time high after such an announcement from the CEO of Tesla. Elon himself bought and held different cryptocurrencies such as Bitcoin, Ethereum, and Dogecoin, his favorite being the meme coin DOGE. Halting the sales of Tesla cars using cryptocurrencies over environmental concern and dumping his coins in the market created an environment of panic which further acted as fuel in crashing the market.
Shiba INU, another meme-based coin promoted as the "Dogecoin Killer," saw a steep rise in its price and soared to a record high over the last week to become the 11th biggest cryptocurrency in the world in terms of market capitalization. An unconfirmed rumor was floating in the market that the coin would soon be listed on the popular American stock trading app, Robinhood, which led to a steep rise in its price. The other reason was again the tech giant Elon Musk who tweeted a photograph of SHIB token going to the moon. The coin has seen a rise of over 700% in October. The token price declined when a user asked Elon how many Shiba Inu coins did he own, to which he replied, "None."

Apart from the obvious drawbacks such as unpredictability and high volatility, unlimited supply of the majority of cryptocurrencies in general, non-regulated in nature, and positive correlation of major cryptocurrencies with equity and gold and its dependency on it, cryptocurrencies have several positives as well, such as;
1. Potential for higher return: In the last five years, Bitcoin has seen a growth of over 130%, whereas Shiba INU has witnessed a growth of over 700% in the previous month. The price of Doge has also increased tenfold over the last five years.
2. Potential Diversification: Cryptocurrencies have the potential to be an alternative hedging instrument to gold in a portfolio context.
3. Limited supply: Tokens having limited supply are highly profitable and act as a good investment. Bitcoin can be an example of it, with it being priced over $60000.
4. Cryptocurrencies also offer protection from debased currencies and the threat of rising inflation.
5. Growing acceptance and usage: cryptocurrencies are being widely accepted. Coindesk.com claimed that Coinbase had seen $135 billion in cryptocurrency merchant transactions in 2019, a 600% increase over 2018.

Conclusion

Distinct from the discussion on cryptocurrencies, there are several potential advantages in utilizing blockchain technology more broadly within the financial system. Perhaps paradoxically, given cryptos' current lack of regulation, Blockchain could be a powerful regulatory tool. Blockchain could also be used as a means of cost reduction to make the financial system more efficient. Significant returns offset the downside risk, and the risk can be managed by appropriately sizing a cryptocurrency position within the portfolio of other investments. Cryptocurrencies have untapped potential and the rising rate of acceptance act as a breakthrough in normalising the usage of cryptocurrencies in the future.

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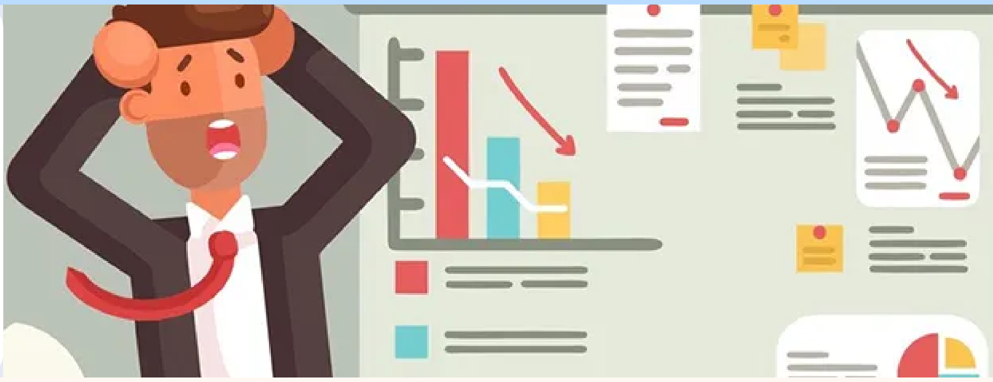
REGULATIONS 101 : HOW NOT TO CREATE A CRISIS!

Bluechips, The Finance Club



Introduction

History has taught us that every invention leads to speculations, which may lead to affluence or crisis. Several instances in the global market proved to be a boon but, over speculation irrefutably led to disaster. Much of the financial disasters are artificial because of overly optimistic speculation, for example, the Dot Com Bubble, or the dependence on one source like the one which caused the Asian financial crisis or the desperate attempts to save a plummeting sector like the 2008's Global Financial Crisis often leads to disaster. Now let's take a look at the major financial crises that occurred due to the lack of proper regulation by the authorities and how they crippled the global financial system.

Asian financial crisis

The Asian financial crisis, which began in July 1997, was a period of a financial crisis that gripped much of Southeast Asia and raised fears of a worldwide economic meltdown. During the late 1980s and early 1990s, Southeast Asian countries like Thailand, Singapore, Malaysia, Indonesia, and South Korea, achieved massive economic growth, which was boosted by export growth and foreign investments, high-interest rates, and fixed currency exchange rates, known as the "Asian economic miracle." In the mid-1990s, interest rates rose, which attracted hot money to flow into the U.S. market, causing currencies pegged to U.S. markets to appreciate. With a shock in export and foreign investment, asset prices, leveraged by large amounts of credits, collapsed, and foreign investors began to withdraw, causing depreciation in the Asian currencies. Thus, governments ran out of foreign currency to support their exchange rate, forcing them to float their currencies and other assets to plunge. The Indonesian rupiah lost 80% of its value, and its GDP fell by 43.2%, while the Malaysian Ringgit lost 45%, and its GDP fell by 19%. Due to the crisis, international investors became less willing to invest in and lend to developing countries. developing countries.

Dot Com Bubble

The Dotcom Bubble was a bubble that impacted the stock prices of the technology sector during the late 90s and early 2000s in the U.S. The NASDAQ composite score, below 1000 before 1996, kept on skyrocketing and peaked at 5000 points around 2000. The bubble burst between 2001-02, leading the equity segments to enter a bearish market.

The new invention – the Internet, created the Dot com bubble. Interest rates were low, and it increased the availability of capital with the citizens. Investors saw these companies as multi-bagger, and they excited them up and overvalued them. The Taxpayer Relief Act of 1997 effectively reduced tax on capital gains, encouraging investors to become more vulnerable to speculate in the stock market. Alan Greenspan fueled investments in the stock market by putting a positive spur on stock valuations. People speculated that the Telecommunications Act of 1996 would result in many new profitable technologies. After the dot-com bubble crash event that resulted in massive sell-off of dot-com company stocks, the demand for the stocks plummeted, venture

financing was restricted, which increased the rate of fall in stock prices, by 2002 total investor losses were estimated to be around $5 trillion.
The fall continued from March 2000 until 2002. Several tech companies that had conducted an IPO declared bankruptcy or were sold to other companies, resulting in a layoff in the technological sector.

2008 Global Financial Crisis

The Global Financial Crisis of 2008–2009 refers to the global financial meltdown that occurred between 2008 and 2009. The whole world was affected by the financial crisis, including millions of Americans. Financial institutions began to fail, and many were acquired by giant corporations, forcing the U.S. government to issue bailouts to keep many of them afloat.
The housing market bubble, built-in 2007, laid the groundwork for the global financial catastrophe. Banks and lending organizations offered low-interest rates on mortgages, encouraging many homeowners to take out loans they couldn't afford.
Because of the influx of mortgages, lenders devised new financial products known as mortgage-backed securities (MBS). They were essentially mortgages bundled together that could be sold as securities with minimal risk because they were backed by credit default swaps (CDS). Lenders may then quickly transfer the mortgages — and all the risk – onto their borrowers.

Banks began lending recklessly to families and people who lacked the financial ability to repay their mortgages. Financial institutions suffered significant losses when they were unable to pay. The government, on the other hand, stepped in to save the banks. The crisis had a significant influence on the housing market. Within months, evictions and foreclosures began. The stock market began to collapse, large corporations began to fail, resulting in millions of dollars in losses and periods of unemployment. Investor trust in financial stability started eroding, resulting in fewer investments that put international trade ground to a halt.

Conclusion

By looking at the root causes of the above crises, it is evident that they resulted from a lack of adequate regulations or the deregulation policies followed by the monetary authorities and the governments. In the path of liberalizing financial markets and increasing credit growth, the regulatory authorities fail to draw a line or boundary for these financial institutions and investment giants dealing in complex financial and derivative products. Excessive and stringent regulation is not the answer or solution for preventing these crises. The regulators should take a dynamic and forward-looking approach; the first step towards these should be regulating the credit rating agencies. These agencies played a role in exaggerating ratings of risky securities like MBS (Mortgage-backed securities). This conduct fueled the brewing crisis in the background and ultimately led to the global meltdown. While many people believe that our current financial system is robust and the chances of another crisis of magnitudes like that of the Great Depression is more diminutive, each crisis is entirely different from the other. Before the concerned authorities can look for the signs, it may have already started forming and all set to take down the global financial system.

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BANKING IN THE TIMES OF COVID

Simran, MBA(BE) 1st Year

A paradigm shift has occurred in the Indian banking industry over the past two decades. We have come a long way in terms of the quality of assets, technologies and regulation. We have moved from physical banking, which includes customer visits and face-to-face communications, to digital anchors, including branchless banking based on new contactless technologies.

In digital banking, convenient and fast digital interactions become essential for young customers when choosing a bank. According to a survey by Internet market research and data analytics firm YouGov, people are now more willing to move from traditional banking to new technologies like Net or Mobile banking.

However, the Covid19 pandemic has caused a severe global economic crisis. As during a financial crisis in the past, banks have been a source of resilience. When the economy shows signs of trouble, the Central Bank instructs banks to maintain market liquidity. This is what has happened in India over the past few years. In particular, the Central Bank of India (RBI) lowered the repo rate after the COVID-19 outbreak and managed Cash Reserve Ratio(CRR), monetary printing, and more for cutting interest rates in the financial system. (For a better understanding, we further discuss the term Repo Rate, the RBI's rate for lending money to banks and financial institutions, CRR, which is the portion of deposits banks must keep with RBI. When CRR goes down, the total amount of money the bank can offer increases; this lowers the interest rates.) Of course, one of the rationales behind all these measures is that businesses are in the process of borrowing and expanding and creating new jobs. People with these jobs will also earn and spend money, which will help accelerate economic growth.

The alarming spread of COVID-19 resulted in a massive fall in significant records, showing its effect and potential to influence GDP development altogether. With the effect of COVID-19, credit card usage that helps develop an economy's banking system has proven to be negative across most areas. However, the degree and nature of the effect will probably differ depending on the length and degree of interruption.

Impact on banking

Prolonged crises can increase customer preferences for products such as digital channels and insurance, in addition to small business and corporate failures.

A full-fledged pandemic will likely result in a significant drop in demand from small and medium-sized businesses and corporations, structural modifications in customer behaviour, and changes in employee responsibilities and the entire operating model.

A momentary disturbance will probably prompt availability concerns and downsizing of Small and Medium Enterprises/corporate clients.

The Government and RBI are already taking action with targeted intervention, but sustained turmoil could lead to further initiatives to drive structural change in the industry.

The Government took the following initiatives to mitigate the Covid-19 effect:

According to the Union Budget 2021-22, the

Government plans to sell IDBI Bank and privatize two public sector banks. In keeping with Union Budget 2019-20, the Government proposed a completely computerized GST refund module and a digital bill device, an excellent way to remove the want for a separate e-manner bill.

The Government smoothly integrated and reduced the number of public banks by eight.

The Government of India deliberate to inject Rs. 42,000 crore (US$ 5.99 billion) in public area banks through March.

In August 2021, Prime Minister Narendra Modi released e-RUPI, a QR code or SMS string-primarily based e-voucher dispatched to the beneficiary's mobile phone. Users of this one-time price mechanism can redeem the voucher on the provider company without using a card, virtual bills app, or net banking access.

A way forward

Improved spending on foundation, fast execution of tasks and continuation of changes are expected to give further stimulus to development in the financial area. This large number of variables propose that India's financial area is ready for vigorous development as developing organizations will go to banks for their credit needs. In addition, advances in technology have brought mobile and internet banking services to the fore. The banking sector emphasizes providing better services to its customers and upgrading its technological infrastructure to improve the overall customer experience and give banks a competitive advantage.

Conclusion

India's digital lending was US$ 75 billion in FY 2018 and is valued at US$ 1 trillion in FY 23 due to the five-fold increase in digital payouts.

The new rules and protocols support policymakers and industry experts to ensure an optimistic future for the Indian financial system. Notwithstanding, the focus is not set in stone to accomplish a steady financial union by diminishing the gross monetary shortfall to under 4.5 per cent of GDP by 2025-26. Monetary policy 2021-22 has also set the inflation target for the next five years at 4 per cent. In addition, RBI also launched the GSec Acquisition Program (GSAP) to expand retail investment in the GSec market, adding more liquidity to the market.

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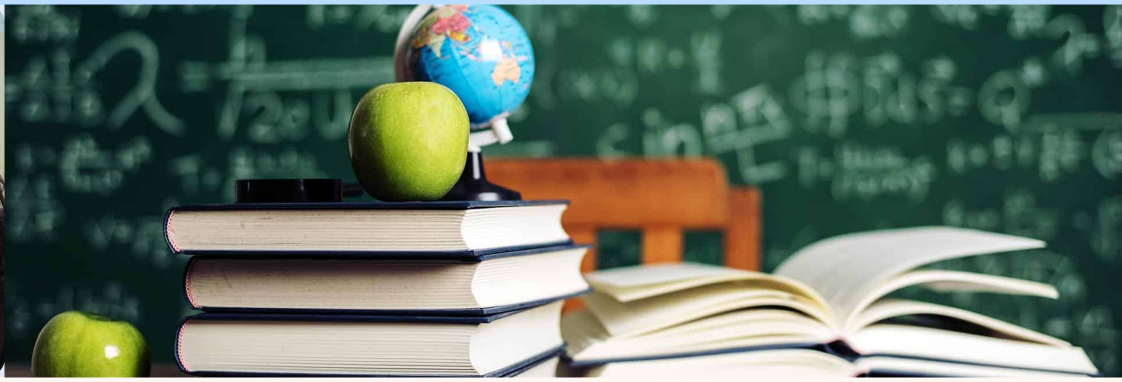
IS THE WORST OVER?

Nivedita Gupta, MBA(BE) 1st Year



Some of you are wondering - Worst of what? And the majority of you have already assumed that we are talking about the pandemic because that's what is trending nowadays. And the majority of you are right. Cheers!

A lot of parameters have worsened over the last year - GDP estimates, employment rates, inflation, and whatnot. Being the optimistic person I am, I am sure that the number will be up and going within the next two years. With India having met the timeline that it had set for administering over one billion covid-19 vaccines and institutions revising growth estimations upwards, we have already embarked upon the growth trajectory.

While the outbreak upended the lives of all parts of the society, in this article, I'm mainly focussing on the imminent national crisis - the impact of COVID-19 on student learning and well-being. Education is undeniably crucial in contributing to a country's welfare and an individual's growth. People who lack education have trouble getting ahead in life, have worse health and are poorer than the well-educated. One of the most immediate decisions taken by the government was to shut down traditional classrooms, and education was forced online. Though the pandemic is not only to blame, it indeed has worsened the current situation. The deep-rooted challenges in our school systems predate the pandemic and have resisted many reform efforts. In a country where attending school and gaining education is not less than a privilege, accessing online learning remains a far-fetched dream.

The magnitude of digital deprivation prevalent in India reflects the gravity of the platform. While ed-tech platforms' profits skyrocketed, poor and marginalized children feared never returning to school. With meagre resources and little to no internet access, these children were left behind, and a few realized. Lack of urgent action will lead this cohort into a vicious circle of low earning potential and unutilized capabilities. In the long run, it will impact the quality of our country's human capital. Drop-out rates increased massively, denting more than a decade of enrollment gains made through schemes such as the Sarva Shiksha Abhiyaan and the midday meal program.

Besides unequal access to the internet, alien technology has also hampered the learning of the poor. For a child who has not used a smartphone in his entire life, doing simple things like attending classes on zoom, submitting assignments online is a significant challenge. While the other side of the population is so used to tech, it's almost like a second language to them. This is where the factor of the digital divide hurts the poor again. These inequities threaten to exacerbate wide and persistent disparities in public education that surround students from low-income families, resulting in potentially lasting harm to a generation of children. Left unaddressed, these opportunity gaps will translate into broader achievement gaps.
Apart from schools being a source of learning, for many, they are also the hub for support, such as school meals, mental health counselling, and childcare.

In many homes, especially low-income families, students lack access to the internet, devices, and a dedicated, quiet place to study.

For students who have access to a stable internet, smartphones and laptops have the edge over their poor counterparts. But still, online learning does not come without its challenges.

Virtual learning - lecture-heavy, repetitive, and devoid of student conversation – makes learning and staying motivated extremely difficult. Studies show an alarming number of kids falling behind, failing classes, or not showing up at all.

The Way Forward?

A return to classrooms seems the most obvious way ahead with proper precautions in place. It would allow teachers to address the lapses in children's academic and social needs. For many students, that hasn't happened.

Conclusion

For the time being, online learning has to continue – some structural changes are required. Governments and institutions need to accept that, along with access to both technology and live teaching. Students need a daily schedule that builds informal opportunities for engagement, collaboration, and feedback. System leaders should also empower teachers with new ways to share practices and receive professional development in an online format.

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LESSONS FROM THE RECESSION

Ecosoc, The Economics Society

Introduction

Lehman Brothers Holding Inc. was a global financial services firm founded in 1847. Being one of the largest investment bank of that time along with Goldman Sachs, Morgan Stanley, and Merrill in the United States, it had about 25000 employees operating globally in 2008. A Bank with such big numbers and with that kind of hold in the market as that of Lehman Brothers when filed for Bankruptcy on September 15, 2008, affected the markets all around the globe. The Global markets plummeted immediately after. It had around $639 Billion in assets and around $613 Billion in liabilities during the time of Bankruptcy.

Lehman's was the largest corporate bankruptcy filing in the history of the United States and is also said to have played a major role in the unfolding of the financial crisis of 2007-2008. Once being the fourth largest bank in the US, Lehman Brothers vanished from the investment banking landscape by the end of 2008.

The prime culprit of Lehman's fall is its getting into Mortgage backed securities and Collateral debt obligations. In 2003 and 2004 with the US housing bubble underway, Lehman acquired five mortgage lenders which specialized in Alt-A loans. These loans were provided without full documentation.

At first, the numbers looked promising. The firm was able to securitize around $146 Billion in 2006 – a 10% increase from last year. Following this in February 2007, the price of one stock of the firm reached a record high value of $86. But as the cracks in the US house market were starting to show in the first quarter itself of 2007, list of defaulters related to subprime mortgages rose to a seven year high.

Reasons of Collapse

With the fall of two Bear Stearns hedge funds in 2007, the credit crisis began, causing Lehman's stock to plummet. The final straw came on September 15 when both Bank of America and Barclays attempted buyout rescue proposals fell through.

Lehman's bankruptcy had five underlying causes:

- **Repeal of the Glass-Steagall** Act allowed industrial banks to hold investment banking activities. In their quest to contend with industrial banks that had high leverage positions, Lehman incorporated and purchased several industrial and investment banks. The unethical merging activities by Lehman exposed them to many risks resulting in their bankruptcy.
- The bank had taken on too much risk without the ability to quickly raise cash. As already mentioned above, the bank had $639 billion in assets, which covered its $613 billion in debt. As a result, Lehman Brothers was unable to sell them in order to raise enough funds. This liquidity crisis led to the company's collapse.
- According to many financial experts, Lehman's failure can be attributed to its Unethical Management practices. The company's chief risk officer said that top management ignored several risk-management strategies. They believed the company was too smart to fall behind

competitors who employed high-risk strategies.

- The growth was presupposed to have contributed to the high degree of capital structure complexity. A hand-full of financial analysts knew this development as a potential issue that contributed to the failure of Lehman.
- The last nail in the coffin was the unsuccessful bail-out and takeover attempts aggravated the crisis. What made it worse was the US government's announcement that it would not assist any financial crises at Lehman. After these last-minute re-organization attempts failed, Lehman Brothers was liquidated on September 15, 2008, resulting in bankruptcy protection.

Lessons learned from Lehman Brothers Collapse

When Lehman brothers filed for bankruptcy in 2008, the short-term markets for non-government debt worldwide froze up, forcing banks to drastically reduce lending to businesses and households alike. The overall failure of Lehman in September 2008 was the result of a fatal combination of intricate accounting rules, complex derivatives, greed, excessive leverage, and rating agencies' complacency. It also set off a chain reaction in other financial institutions, which suffered from the ensuing panic and liquidity freeze.

In the aftermath investigation, strategies and suggestions were drawn from various sources, stating that if corporate governance, regulations, and risk management frameworks were better, similar tragedies would not have occurred. Even if it did occur, it would be dealt with more gracefully. As a result, enumerates and tabulates various dimensions, measures, strategies, and regulations related to corporate governance and corporate ethics that will aid in future control.

1. The corporate governance dimension: - Technical assumptions caused risk models to fail, but the corporate governance dimension of the problem was how their data was used within the organisation. Attention has focused on internal controls related to financial reporting, but not enough on the broader context of risk management. The financial crisis has exposed serious flaws in risk management procedures.

2. Warning signs and Stress testing: - Liquidity risk warning signs that were visible in the first quarter of 2007 should have been taken seriously. Stress testing and related scenario analysis have revealed numerous flaws at a number of banks.

3. Mortgages Available for All: - There had been a lot of political pressure to increase the number of mortgages available. There is a lot of money to be made in the midst of a bubble, and plain old greed means that high-earning employees are always hesitant to voice their concerns about excessive risk taking. The major hazard industries are in business to make money as well.

4. Risk policy is a clear duty of the board: Risk management flaws and distorted incentive systems point to a lack of board oversight. Financial firms are not alone in this regard, even though the macroeconomic consequences of poor risk management are arguably more severe.

5. Disclosure and accounting standards: According to research, risk disclosures are difficult to read, and there are no generally accepted risk management accounting principles (van Manen (2009)). The improper use of off-balance-sheet entities has caused issues. Accounting standards have been put to the test in terms of the fair value of assets that trade in thin markets or in none at all.

Lehman's failure gives us two important lessons. First, we want to deal with loopholes with inside the monetary regulatory framework that allow large, complicated interconnected organizations like Lehman to function without strong, incorporated oversight. As of

September 2008, no authorities enterprise had enough authority to pressure Lehman to function, a secure and sound commercial enterprise that did now no longer threaten the whole monetary system. For example in past Indian public banks provided big loans to big industry leaders like nirav modi and vijay malaya without investigating so much about the company operations or its liquidity.

Conclusion

There should be changes in existing law or government should acquire those banks who are on the verge of bankruptcy or atleast merge with those banks who are doing well in the economy. Such a regime would both protect our economy and improve market discipline by ensuring that the failing firm's shareholders and creditors take looses and it's management is replaced.

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