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Social Media ‘Echo Chambers’

Amit Ashok Bansod

Clara’s College of Commerce, Mumbai

amit_bansod@rediffmail.com

Abstract: Social Media has become our window to the world, it used extensively by us to share our life moments, showcase our interest and share our opinions on various issues from entertainment, sports, politics to religion and philosophy. It has also become our source of news as to what is happening around and is slowly replacing the traditional sources of news i.e. newspaper, news portals or Television news channels. Such news, opinions which we read or see on social media molds our opinions on issues. This has further increased with availability of cheap internet and social isolation caused by COVID 19. The question then arises that are we being feed with news, opinions which are balanced and neutral showcasing both sides of an issue or is the online feed we see is only showcasing opinions that we subscribe too. As the revenue model of these platforms based on ‘how long the user stays on the platform keeps scrolling’, the longer he scrolls and stays on the platform the more revenue it will earn. So if this the revenue model, then what will the social media will show you – diverse opinions or what you wish to see and hear?

1. Objective

1. To understand the linkage between the revenue model, the algorithms used by social media giants to generate user feeds and its effect on user.
2. To understand the concept of Confirmation Bias, Echo Chambers

2. Methodology

The method of study used in this paper is secondary sources of data. The secondary data is collected from research papers, project reports and online information.

3. Review of Literature

A lot of research has been done on social media and its effects. Study has shown the growth of social media. Studies have also shown the changed role of social media from being a source of entertainment to a source of news & information which influence opinion formation. This information from social media leads to formation of political

opinion and also forms bases for public debate especially on polarizing topics. Research have shown Social Media companies are using algorithms for promoting content which adheres to user’s opinion leading to confirmation bias. Research have also shown formation of homophily groups (group formed based on similar views) for social media interaction. Such homophily groups share biased information within their groups which leads to formation of biased narratives. Further studies are required specifically from Indian Context on people’s reliance on social media for news and opinion and also the level of trust they have on information available on it.

Understanding Revenue models used by Social Media Platforms with the example of Facebook

Key Facebooks Group Figures

Year	2018	2019	2020
Revenue (\$)	\$55.8 billion	\$70.6 billion	\$85.9 billion
Operating Profit (\$)	\$24.9 billion	\$23.9 billion	\$32.6 billion
Revenue per User			
Monthly Active Users (MAUs)	2.23 billion users	2.41 billion users	2.7 billion users
Average Facebook earning per user	\$ 25	\$ 29	\$ 32

Advertising is the main source of revenue for Facebook. In FY 2020 earned a total revenue of 86 Billion Dollars of which 98% were from Advertisement revenues. Facebook overall contributes 60% of the revenue followed by Instagram 30% revenue.

Year	2018	2019	2020
Number of monthly active advertisers	10 million	7 million	6 million
Revenue from Advertisement	99%	99%	98%

The advertisers on Facebook are very granular in nature as it can cater to local small businesses to target specific audience. Thus Facebook is not affected by large corporation boycotting or reducing their advertisement spend on Facebook

Facebook collects and predicts a lot of data about its users, User profile is created by Facebook based upon the information voluntarily shared by the users and the behaviour shown by the users in ways of page visits, likes, dislikes, Facebook groups followed, geographical location. This data helps Facebook to make a predictable user profile which includes age, gender, religion, ethnicity, interest, political opinions, relationship status. Though such profile are not hundred percent accurate but are accurate enough to be used as advertising targets.

For Facebook the users are not its primary customers. The advertisers are the primary customers. Users and their personal information can be considered as assets which Facebook uses to attract advertisers to its platform.

Facebook helps advertisers to target its advertisement for specific audience, for example a pre-cut frozen chicken seller's advertisement will not be shown to people who are vegetarians / vegans or MBA course advertisements would be targeted at fresh graduates. This laser point accuracy helps reduce advertising wastage and works as a win-win situation for both Facebook and the advertiser.

Facebook also provides its advertisers with detailed performance tracking on how different campaigns or different visuals worked. This helps the advertisers to modify the advertising campaign to get more hits and thus more revenue for themselves.

Facebook's business model is to collect as much data as possible so as without antagonizing the user and then use its data to generate advertisement revenue.

4. Use of Algorithm by Social Media platform

As most social media sites work on advertisement revenue, their aim is to ensure that the users stay on their platform. All social media companies use algorithms to understand the type of pages, visuals & videos which will keep the user hooked to the platform.

Algorithms to put it simply is a set of instructions which allows a computer program to use the information collected from different sources of users (likes, dislikes, pages viewed, age geographical location, gender, political option, etc. to generate results like user profile of user and the likely social media feed which the user will like to see.

So algorithms use the large amount of data to decide what feed comes on top of the list and what comes at the bottom of the list. Algorithms have become more advanced over a period of time and one algorithm can learn from other algorithms and create a new set of instructions for themselves. Now machines decide what humans will see.

Social media platforms have used algorithms in a strategic manner

- In the initial stage when the platform has low user base, the algorithms works in promoting social media influencers (people producing regular content) so that user finds the platform engaging, so as to create loyal and steady set of users.
- In the second phase, the platform focuses on revenue generation, its only aim is to keep the users on the platform and show more and more advertisements.

Algorithms are beneficial in the following way

- Speeding up decision making

- Making whole process more efficient
- Spotting things which misses the human eye

5. What is Echo Chambers?

As the revenue model is based on advertising, social media companies are using algorithms to keep the user on the platforms. The algorithms keep showing feed (pages, visuals, videos) which will get the user hooked. These social media apps send the user down a rabbit hole, where he keeps scrolling and thus we find ourselves spending hours on the particular social media platform without any intention. Retention is the key mantra for the platform.

Retention can only happen if the user sees / reads what he likes and thus the application keeps feeding him that. This thus leads to a concept of 'Echo Chambers'.

Echo Chambers can be explained as an environment in which opinions, political leaning or beliefs of the user about a topic gets reinforced due to repeated interaction with sources showing similar tendencies and viewpoint.

Example

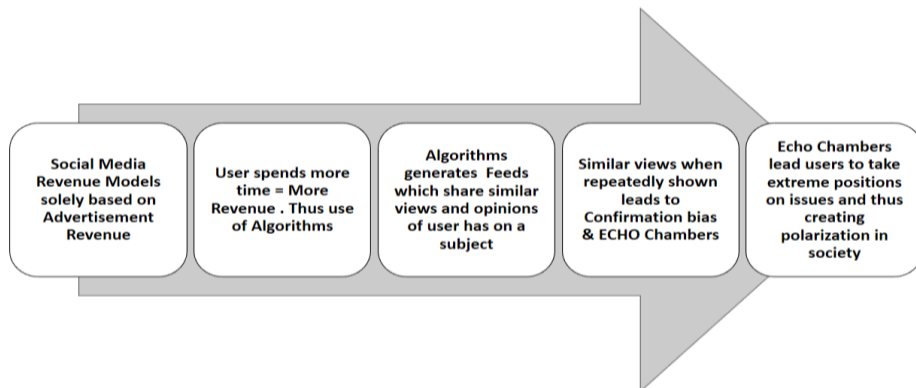
A user likes a post showing a video / write-up on the benefits of the new farm laws and how it will benefit the farmers in long term. Such likes, comments and shares of post become data for the platform which is inputted with the algorithm which takes note of the same and shows similar posts/ videos which speak in favour of the laws. For example - It will show videos / post of the Government Ministers explaining the benefits of the laws, post showing farmer groups supporting the law. Thus further enforcing the user's opinion that farm laws are beneficial for the nation and will increase farmer's income once implemented.

On the other hand, if the user likes, comments or shares a post, which favours repeal of the laws, then the algorithm will use this data information which shows posts where farmers' leaders, opposition party leaders criticizing the laws and show other posts which are highlighting points against the laws. Thus further enforcing the user's opinion that farm laws will have a negative impact on farm income and will lead to corporates dictating terms to the farmers.

Social media thus become echo chambers where individual's thoughts, opinions echoed back to the user and rival / opposite opinions are never seen or heard. Echo Chambers reinforces an existing opinion and move people to extreme positions on an issue which is also called as '**Confirmation Bias**'.

6. Conclusion

So in a nutshell the linkage is as under where Social Media are using Algorithms to keep users online which in turn leads to Echo Chambers and leads to further polarization. Also COVID 19 has increased the usage of social media for stay in touch with relatives, which has accelerated it further



What can be done to break this chain between the revenue models, algorithms & Echo Chambers?

- Social Media platforms should have some self-imposed regulations.
- They should be more transparent in disclosing the way algorithms are set by social media platforms
- Social Media platforms should push content which is having alternate view from reputed sources.
- Some countries in European Union want to change the revenue model of social media giants from advertisement based to subscription based (monthly /quarterly / yearly fees). This fees would force the social media platforms from using algorithms in a less intrusive manner

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(<https://www.youtube.com/watch?v=UKyFL389qe8>)

CNBC News - How social media algorithms shape the way we get information and news
(<https://www.youtube.com/watch?v=gdG4vorlWOU>)

AN ANALYTICAL STUDY ON BRAND COMMUNICATION DURING COVID 19 PANDEMIC

Dr. Mamta Rajani¹ and Ms. Simran Rajani²

¹Assistant Professor, Clara's college of commerce, University of Mumbai, Mumbai

²Research Scholar, ASMSOC, NMIMS University, Mumbai

ABSTRACT

The entire world had come to a standstill due to coronavirus pandemic. Widespread stress and slowdown of the economy has taken over the minds of individuals, government as well as the big companies. Individuals are concerned about their health and are thus trying to stay safe and protected. The government is trying its best to be as resourceful as it can by providing top notch healthcare facilities, announcing relief packages. However, brands are struggling to keep up with the new market place changes and are finding it hard to survive. We can see many companies going out of business and many taking advantage of the situation. Brands are clueless as how to proceed and what role to play in this situation, and we can see brand communication playing a vital role in the brand's survival. Brands are undergoing a total shift from their usual communication strategies and networks to a completely digital platform. Companies are trying to incorporate positive, educative and transparent information in their communications to gather the trust and loyalty of their customers. They are trying to engage with consumers majorly through social media and are running several covid 19 specific campaigns.

To understand and explore the same the following study has been conducted using primary and secondary sources of data which shows the different communication strategies being employed by the brands and also identifies the ones which actually worked and helped the brand to survive. We see how the brands' creative strategies helped them develop their digital presence and how it added economic and social value to the brands reputation. The study also highlights the consumers' reaction towards this change in the brand communications and how was it received. The study proves beneficial to the upcoming brands, marketing and advertising enthusiasts, small scale business as well as the well established brands.

Keywords: *Creative strategies, Brand, Communication, Digital presence, Economy*

INTRODUCTION

The world has entered into some different space where everything has been divided into pre corona and post corona time. The widespread pandemic has created ruckus not only in terms of healthcare safety but has also turned the economy upside down. The government is trying its best to spread as much awareness about the pandemic. With such a varied response from the government, we see private enterprises rising up to the occasion and helping the community at large. Brands are communicating broadly as to how they will work with different communities for the betterment of consumers in these difficult times. When we particularly speak about communication in this scenario we see brands internally communicating with the employees through group meetings over video conferencing apps, then we see brands communicating with their business partners through detailed weekly reports and lastly and most importantly we see brands trying to engage with the consumers at the maximum level through many mediums.

LITERATURE REVIEW

(Sheridan, Debia, Tia, Franke, & Rodgers, 2020)

In a report published by Ipsos, the authors talk about how the brands are finding different ways to help the people to survive which in turn is helping them to revive their brand. The report then poses the question as to what private companies and brands do during these times. The authors conducted a poll and interviewed 999 adults aged between 18-65 in USA to know about the consumers point of view about the changing brand communication strategies and had the following findings:

- People trust big corporations more than the government, thus highlighting the great expectations people have from the brands
- Majority of the people felt that brands had a social responsibility to offer aid

(Avery & Edelman, 2020)

In an article published by the Harvard business school, the authors argue that now is the best time for brands to communicate with the consumers. The report mentions some quick reactions from brands (eg. Walmart and Nike) to the changing scenario. The analysis resulted in a major finding that consumers are looking forward to hearing from brands but only if the communication is comforting and positive.

Rationale Of The Study

This study helps to identify and understand the different communication strategies brands are using and how consumers are reacting to it. The study proves to be of importance to various marketing and advertising enthusiasts, small scale businesses, different brands looking for new techniques , as well as the government as to how they can make use of brand communication strategies to communicate things of law and order to the citizens.

Objectives Of The Study

- To understand the basic communication strategy of brands during Covid 19
- To understand the consumer's expectations from the brands.

Challenges And Limitations Of The Study

- The study's sample size is limited to a small number of 184 respondents and thus the results cannot be generalized to a whole population
- The respondents majorly belong to the city of Mumbai and thus the results cannot be matched with the global sentiments.

RESEARCH METHODOLOGY

Primary Data Collection- Questionnaire survey was conducted to collect data from consumers about brand communications and their expectations from the brands during the pandemic times.

Sample size(n)= 184

184 consumers participated in the survey which was circulated through Google forms and specific data was collected upon which analysis was done to link consumer trust to brand communications.

The research study conducted was descriptive and qualitative in nature.

Secondary Data Collection - Secondary sources of datlike blog posts, newspaper articles , websites , published articles, Internet Surveys and reports were used to study the brand communication pre and during corona world .

Findings And Interpretations

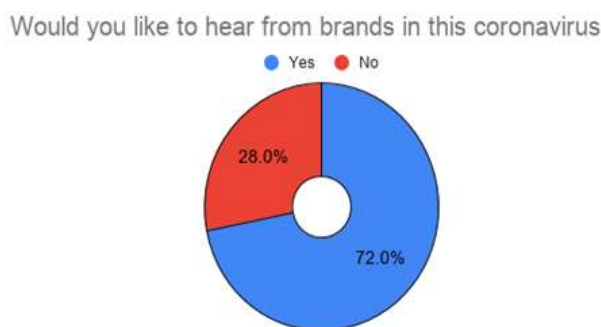


Figure -1 The survey revealed that 72% of consumers do want to hear from brands about their practices and their preparedness to the crisis. They are willing to hear but only when such communications are positive.

Fig-2 The participants were hearing from the brands mostly through the digital routes such as emails, text messages and hugely from social media channels. Thus it highlights how essential it has now become for brands to have a social media presence.

A small percent of people heard from brands through sources of outdoor media like hoardings, this might be because brands are not putting in huge amounts to advertise on hoardings put across roads which are now mostly empty.

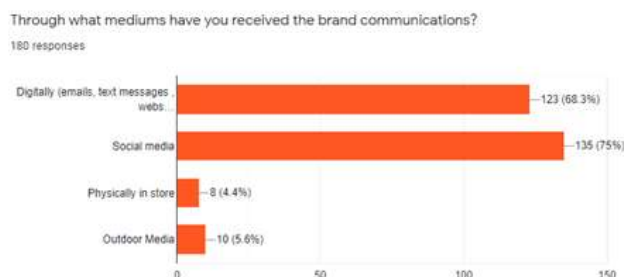


Figure 2

Fig-3 Consumers were mostly interested in hearing about brands safety practices . People are also interested in regular coronavirus updates as they want to receive pandemic related information too from the brands apart from their usual offerings related information.

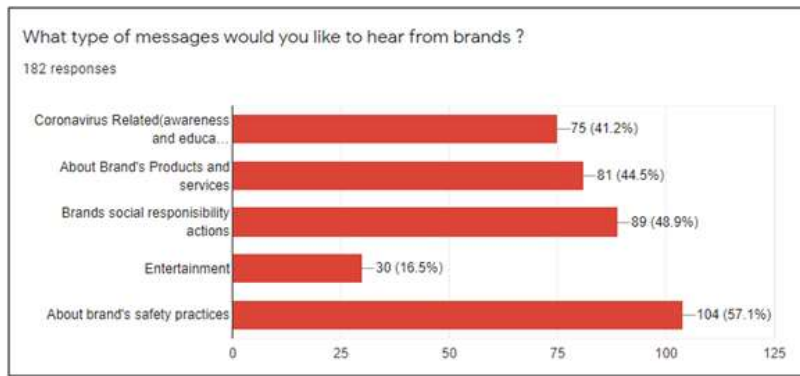


Figure 3 .

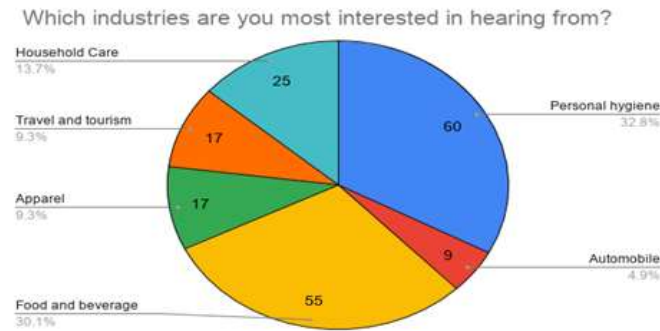


Fig-4 The survey shows that almost 30% of the people are interested in knowing about the food and beverage industry and how it is operating. 32% of the people want to hear from the personal hygiene industry followed by 13.7% of them who want to know about the household care industry.

Fig-5 In a healthcare scare like Coronavirus , consumers' trust in doctors and healthcare authorities has increased many folds and thus they want to receive direct communication from them. 40.3% of the people wanted to receive communications from doctors and healthcare authorities due to their belief in them. 18.2% of the participants were interested in hearing directly from the brand's technical experts. Very few of the consumers were interested in hearing from celebrities or social influencers or peers. This highlights that consumers are looking forward to human communications in the market

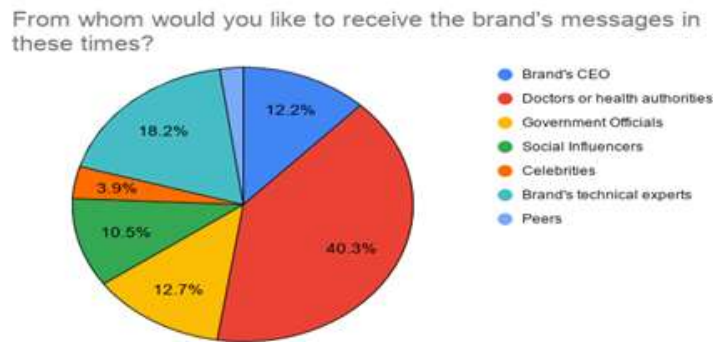


Figure 5

Fig 6 When asked if participants made a purchase from these new brands solely based on their brand communication during covid 19, 68.9% said no and that they stuck with the usual brands whereas just a small 18.6% said that they had made such purchases from new upcoming brands. The reason behind this might be the brand loyalty factor and the concern for security and safety that these new brands are yet to address and establish.

Figure 6

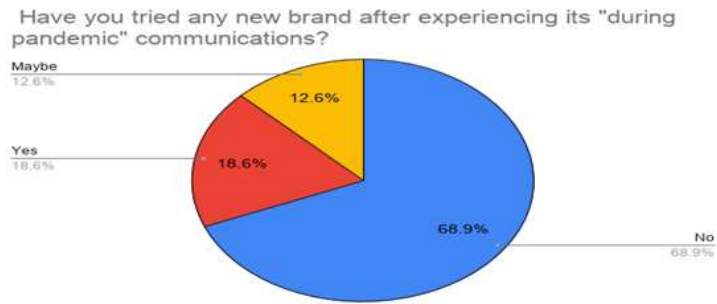


Fig-7 In order to understand how customers wanted to feel by looking at the advertising, we saw that majority of them wanted to associate with the feeling of positivity through advertisements. Next people want to have a sense of security and they need reassurance that things will get back to normal sooner or later. This was followed by the desire to know about products and services of the brand through advertisements.

Figure 7

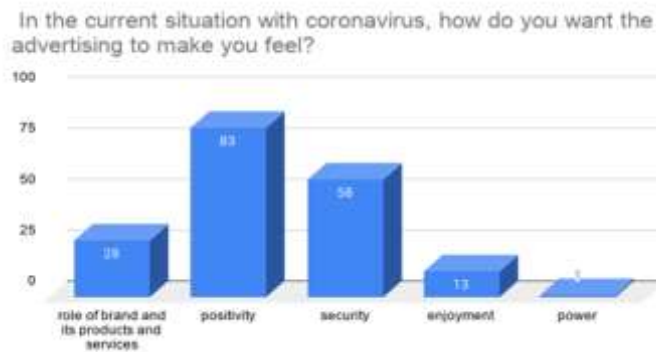


Fig-8 Most Participants chose television as the medium through which they wanted communication to take place. As television caters to audiences of all age groups, it would be the appropriate platform for the brands to communicate their messages through. This was then followed by instagram, an app which is highly used by the young generation , followed by Whatsapp , a text messaging app , and other social media channels.

Figure 8

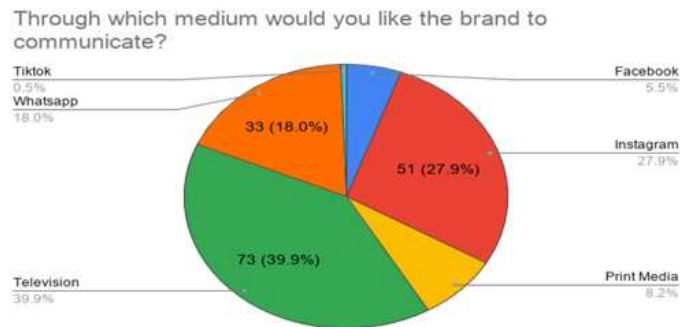


Fig-9 When participants were asked what behaviors of the brands increased their trust during the crisis, it was revealed that taking care of customers was the top ranked attribute (31.3%), followed by not taking care of employees(29.1%) , and donating to the needy (19.2%).

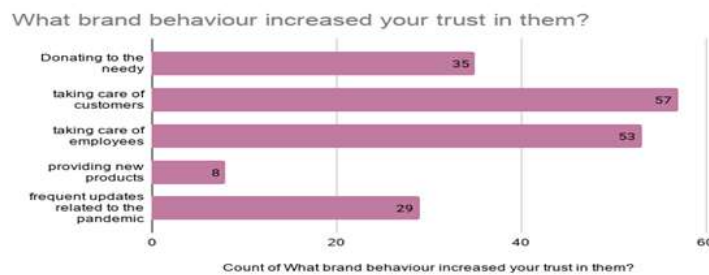


Figure 9

Fig-10 Lastly respondents were asked if the brand communications done during pandemics would have an effect on their post corona world purchases, a majority of them(48.4%) said yes and some were not yet sure and responded with a maybe(34.1%). As discussed before, these brand communications would have a long lasting effect as these create trust in the minds of customers and help in building relationships.

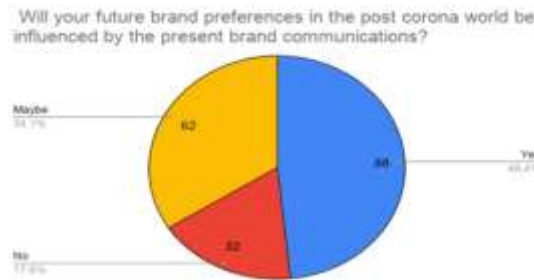


Figure 10

Conclusion & Recommendations

We can see that brands play a crucial role in the economy and are very essential for its recovery. In these times of Coronavirus, brands have a new opportunity to tap and turn this challenge into an advantage. Brands have the potential to connect with customers virtually and have time to understand the new rituals. This understanding will further help brands to build durable, relevant, repeatable and associated communications that will have a positive effect on consumers purchase decisions. Consumers now know about the pandemic and are already scared about it , and thus instead of giving consumers coronavirus related content, brands should focus all efforts on solving a problem rather than selling it. They should find practical solutions and develop products that ease out people’s lives during this pandemic. And lastly brands need to communicate. The most important part is that communications need to be empathetic, filled with compassion and should consist of relevant facts and up to date information.

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A Study On Adoption Of Ott Platforms And Its Growth In The Post Covid Era

Dr. Mamta Rajani¹ and Ms. Simran Rajani²

¹Assistant Professor, Clara's college of commerce, University of Mumbai, Mumbai

²Research Scholar, ASMSOC, NMIMS University, Mumbai

ABSTRACT

Over the Top service (OTT) is an online multimedia service delivered directly to viewers over the Internet. Since OTT is a relatively new emerging platform, the potential for growth is huge. As more and more people switch to online media consumption, the reach of these consumers will increasingly be through OTT services. OTT platforms can be watched throughout the world. Due to the COVID-19 epidemic in the country, many filmmakers are now releasing their movies on major OTT platforms, instead of waiting for theaters to reopen. It is clear that since their launch, OTT platforms have only had an upward curve in popularity and usage, but due to the pandemic, its popularity has increased exponentially. There are changes in the way people consume entertainment through different media platforms.

This report is based on primary data collected through a survey to analyze the factors influencing consumer adoption of online distribution channels and consumption during the pandemic. The study also focuses on analyzing the factors influencing consumer's acceptance of streaming channels. The study tries to help different OTT platforms prepare different strategies for acquiring customers.

Keywords: New emerging platform, Growth potential, COVID-19 outbreak, Online Streaming Channels, Entertainment

INTRODUCTION

(OTT) platforms are video and audio streaming and viewing websites that started out as a content distribution channel, but quickly expanded into the creation and distribution of short films, feature films, documentaries, and series. These apps feature a variety of content and use artificial intelligence to recommend content to consumers based on their previous browsing history on the app. Most OTT sites offer free content and require a monthly membership fee for paid content not available elsewhere. Brands have begun to focus on providing a personalized experience for their users by connecting them on a personal level and engaging them through their content.

The main OTT platforms in India are:

Netflix in India, Disney Hotstar India, Amazon Prime Video, Sony Live, Zee5, Voot, MX Player, ALT Balaji.

Significance of the study: The COVID-19 epidemic has seen a dramatic increase in the audience of over-the-Top (OTT) platforms. This study highlights the impact of COVID-19 on growth of OTT platforms, and their role in reshaping consumer content preferences.

Objectives of the Study

1. To analyse the impact of consumption of OTT platforms during pandemic.
2. To understand the factors influencing consumer's adoption of online streaming channels.

RESEARCH METHODOLOGY

Collection & Processing of data: This report is based on primary data that was collected through a survey in order to analyze the factors influencing consumer's adoption of Online Streaming Channels and consumption during pandemic. The respondents belong to the age group of 16-60+. Total sample size that was taken into consideration for the study was 146 responses. The structured questionnaire form was designed on Google form and links were sent to different people to collect data from the respondents regarding the preference of OTT services. The factors chosen are: 1. Cost Factor, 2. Content Quality Factor 3. Covid Factor 4. Easy Availability Factor 5. Watching Convenience 6. User Friendliness Factor 7. Free Trials Factor 8. Ease of Use Feature 9. Personalisation Feature 10. Compatibility Feature 11. Multiple Screens Feature 12. Content Variety Feature 13. Subscription Costs Feature

LITERATURE REVIEW

Saha, Sumitra et al. (2021) noted that entertainment is the main driver on digital platforms that captures attention and generates broad audience interest in urban and rural areas. Online video platforms promise even more opportunities for business expansion and net income growth. A deeper connection to the brand and stronger interest has resulted in successful consumer engagement with relevant content.

Sujata et al. (2015) The main factors highlighted in their findings were convenience and availability of content. Cost, personalization, service quality, ease of use, practicality, customer service, content are parameters considered to study customer satisfaction when using services OTT. Among the content, the web series attracts the majority of customers with its uniqueness.

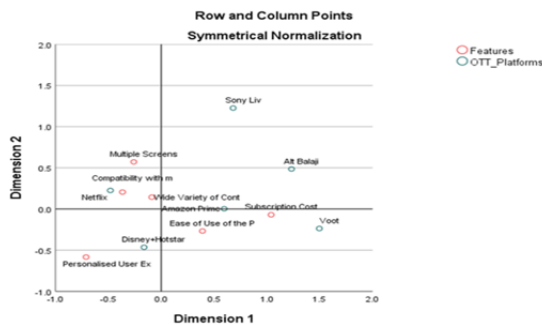
Kumari, Tripti. (2020) In their research, they mentioned that the emergence of OTT services has an impact on their TV and movie viewing habits. Maximum users use it daily as a means of entertainment during the night.

Madnani, Divya, Semila Fernandes and Nidhi Madnani (2020) In their research, they mentioned that lockdown in Pandemic has played an important role in increasing viewership of OTT platforms, as people working from home have increased using these platforms. Viewers has increased time spending from 0 to 2 to 2 to 5 hours and users are willing to make monthly expenditure of Rs 100-300 on OTT platforms .

Findings & Interpretation

Data is analysed through using Normalisation, Bar chart & Cluster Analysis

The symmetrical normalization map displays how various OTT platforms compare between various features and how strong their relationship is with those features, and which ones are most preferred in terms of those features.



- We can see that Sony Live & Alt Balaji don't have an extremely close relationship with any features, and are thus the least preferred OTT brands.
- Disney Hotstar has a strong relation to a personalized user experience, as most users will agree. Netflix has a very convenient multiple screen feature and devices, with a truly wide variety of content.
- Amazon's OTT Amazon Prime offers relatively cheaper subscription cost with a good offering in terms of content.
- Voot is closely related to a cheaper subscription cost and ease of Use, which makes it a good upcoming channel.

Figure:2 Important Factors influencing OTT Adoption

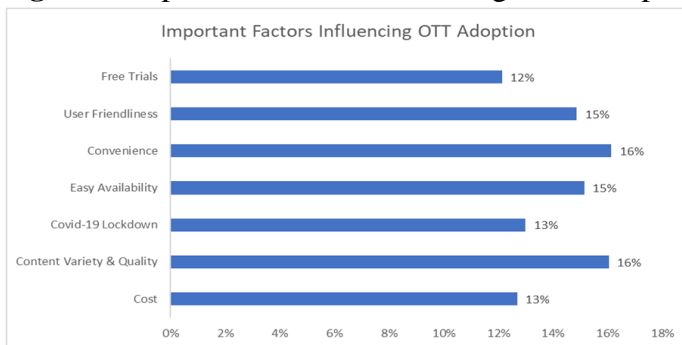
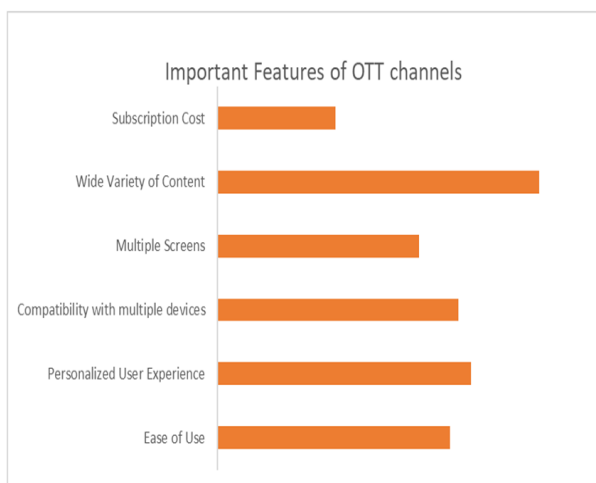


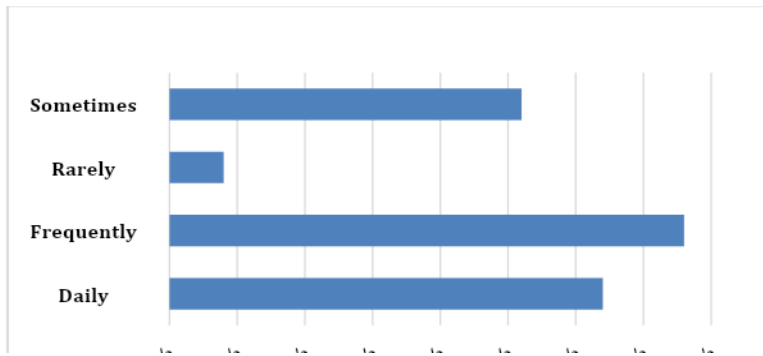
Figure-3 Important Features of OTT channels



Various parameters to understand the factors contributing to growth of OTT services were measured on 5 point Likert scale where 5 stood for Most Important and 1 for Least Important. In the Figure-2 that represents important factors that play a huge role in influencing a customer's decision regarding adoption of an OTT platform, the data we have gathered shows that most of the factors have similar influence and no two factors have a significant difference in the power it has to influence these decision patterns. For instance, you can see convenience and content variety both stand top with 16% and acts as the most important criteria for adoption followed by user friendliness and ease of availability with only a minute difference of 1% and stands at 15% > finally, we have cost that according to our survey would influence about 13% of the respondent's decisions along with covid19 lockdown which was another unforeseen circumstance that led to a huge rise in subscriptions for these platforms while the whole world was suffering sales wise. The least important factor i.e. free trials stood last with 12% and only influenced the least no. of consumers who tend to only adopt after trying an OTT platform out as they are delicate buyers.

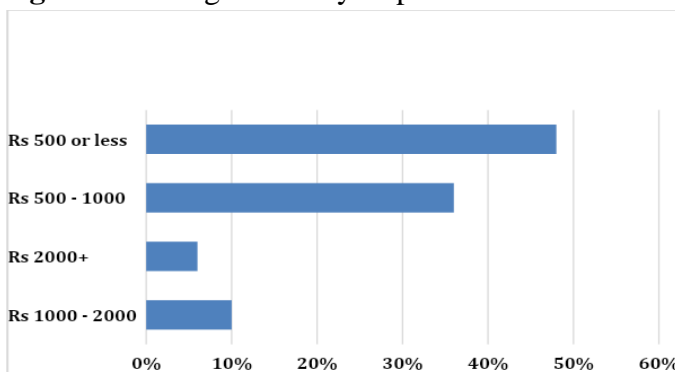
The diagrams were divided into important segments that resemble the importance of features of an OTT platform and the other one that resembles relationship or commonality in features between the OTT platforms. As far as importance of features is concerned in Figure-3, the wide variety of content was the most important feature as this is what attracts any consumer towards a specific platform and as you can see both Netflix and Hotstar have the highest rating (84%) as both also provide the best and the most variety of content. Compatibility with other devices and a personalized user experience are also important features. But these features are mostly present in all OTT platforms and thus does not make any significant difference. Finally, ease of use and multiple screens are features that can also lead to increase in popularity for OTT platforms. As far as commonality and popularity is concerned, AMAZON PRIME, DISNEY + HOTSTAR AND NETFLIX have dominated this industry as all 3 provide the best features and content and also have commonality as per their features and prices are concerned. Sonly liv, VOOT and Alt Balaji have significantly lower popularity and less available features and thus stand very low in the OTT industry

Figure:4 Frequency of OTT Usage



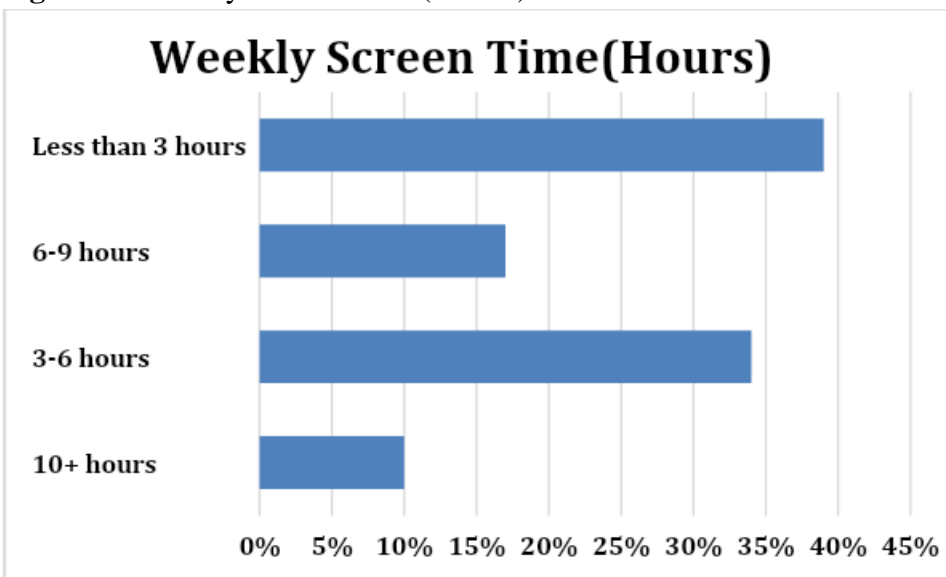
It is observed that 32 percent of the users consume OTT services daily and 38 percent of the users use it frequently. This shows that viewers are adapting to OTT mode of entertainment.

Figure:5 Average Monthly Expenditure on OTT Platforms



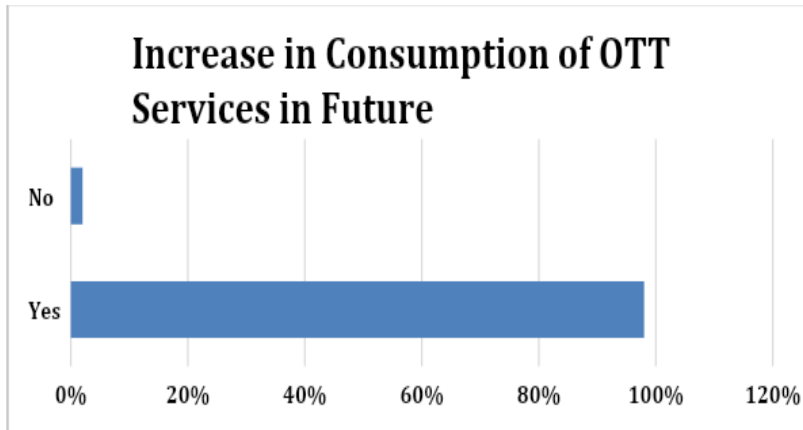
Data depicts that 36 percent of the users spend Rs 500-1000 monthly, whereas 48 percent of the users spend Rs 500 or less than Rs500 monthly on OTT platforms.

Figure-6 Weekly Screen Time (Hours)



The study shows that weekly screen time of the users of OTT platforms is increasing. 34% of the users watch OTT platforms for around 3-6 hours & 17% of the users watch OTT around 6-9 hours weekly.

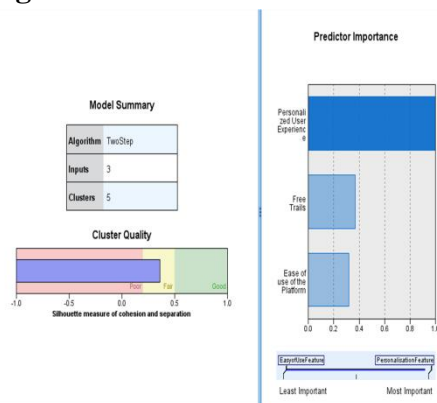
Figure-7 Increase in Consumption of OTT Services in Future



The study reveals that the future of OTT services are bright in India. 98 percent of respondents agree to the fact that the consumption of OTT services will increase in India

CLUSTER ANALYSIS

Figure:8



In the 2 step Cluster Analysis performed in SPSS, we can see that Personalized user experience is much more important than Ease of use or the Free trials.

Cluster 1- is the least cost and feature conscious. They give relatively more importance to content variety and quality but seem to not pay much attention to features offered by OTT platforms. These could be the people who just watch the OTT platforms but are not loyal to any brand.

Cluster 2- ranks the highest on COVID factor which indicates that this segment adopted the OTT platforms due to the pandemic but are now adopting the platform slowly because of the content quality and personalization factor. All the features seem important to them therefore companies must aim to provide competitive products to this segment.

Cluster 3- These customers pay more importance to the quality of content than cost, therefore it can be a lucrative segment for the OTT platforms. They also give more importance to convenience and variety which indicates that they will not be switching to other modes of entertainment anytime soon. Companies should aim at attracting more such customers.

Conclusion& Recommendations

The year post covid, 2020, turned out to be a game changer for OTT platforms. With the cinemas and theatres being shut, the entire population shifted to OTT platforms for their entertainment needs.

Many new OTT platforms came up in the market catering the different age groups of the Indian households and strategically followed a freemium model to increase their reach. The success of OTT platform can be majorly accredited to word of mouth as satisfied customers passed on the word. India became the worlds fastest growing market for streaming platforms. OTT platforms brought out content in regional languages, similar genres as well as shifted popular television programs onto its base. The audience for these streaming platforms expanded beyond millennials and metros and households and senior citizens too became OTT viewers.

With extended lockdowns and the current state of the world, it seems like OTT is the next normal. With content available easily on your fingertips and as per your convenience, OTT's viewership is bound to rise.

The streaming platforms however should continue to add more variety and keep the prices lucrative to attract more viewers. OTT platforms should focus more on quality of the content, convenience and variety of the content to increase and retain their customers.

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STUDY THE IMPACT OF COVID-19 ON THE AVIATION SECTOR IN INDIA

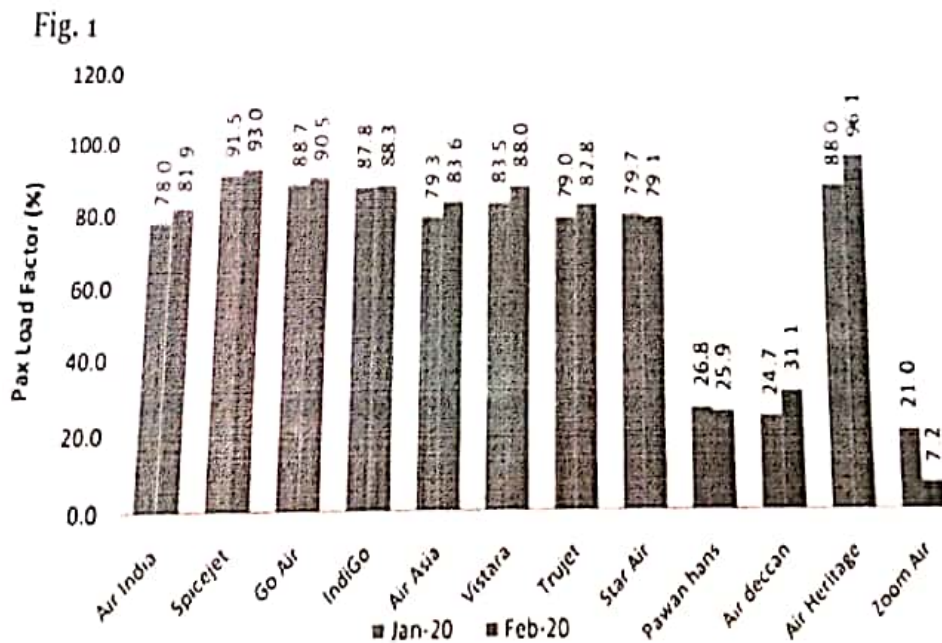
DR. BABITA KANOJIA, MR. VIJAYKUMAR MAKWANA AND YASHRAJ KHANNAH

ABSTRACT

The world is currently combatting with Coronavirus (COVID-19) pandemic which had its soils in Wuhan, China in December of 2019. Within a few months this virus had its hands on 215 countries across the globe. With more than 580 cases on the 22nd of January, 2020, infected cases increased to 10.62 million as of 1st July globally. India being no different with just 3 cases reported on the 22nd February, 2020 it quickly surpassed 5, 87,092 on the 26th of June, 2020. It has affected almost all the industries. The preventive actions taken by the government of India drastically dented the airline sector with tremendous losses. With losses ranging from 240 billion to a staggering 270 billion USD only in the April- July quarter. This meant that around 2.67 billion USD loss was incurred by the industry daily. The aim of this study is to study the impact of covid on aviation sector and the roadmap for revival.

Keywords: Aviation industries, Operating cost, Revival

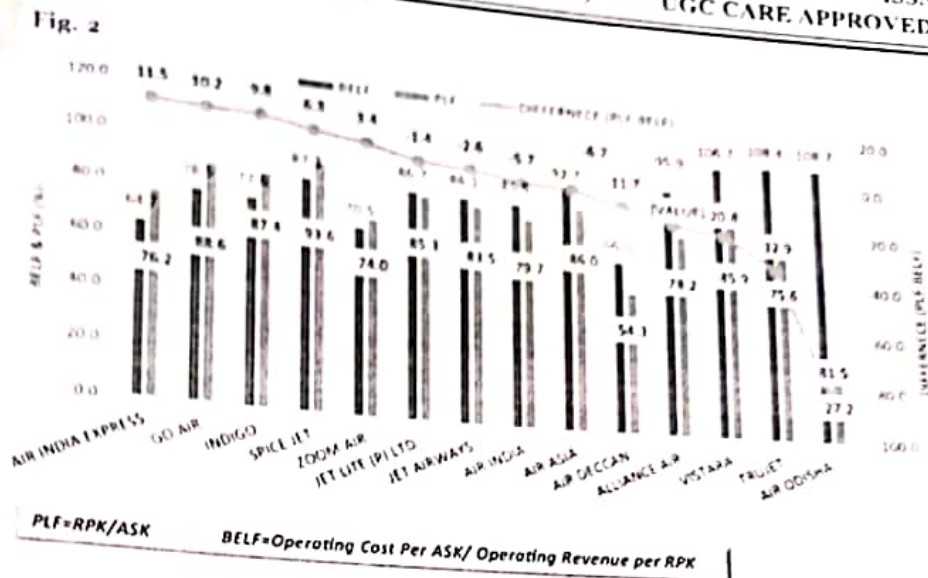
The industry is exposed to high operating leverage. According to DGCA, the airlines operating cost structure consists of nearly 30 to 40% of fuel cost, 15% lease rental, nearly 25% for other operating expenses (including general administrative, operating expenses such as flight equipment, maintenance, overhaul, user charges including landing, airport charges and air navigation charges. In this backdrop, improving PLF by offering lucrative offers is prevalent trend in the industry. As provided, the airlines in India performed at decent capacity of nearly 85% in the month of January, 2020. In the month of February, irrespective of low demand, the SpiceJet, Go Air, Indigo, Air Asia, Vistara have managed high PLF by providing attractive offers to the consumers.



Source: DGCA

PLF of airlines in India during January and February 2020.

Higher PLF, however, does not imply profitability. It only represents the successful selling of available seats. Operating viability requires the PLF to exceed BELF. The irony is that despite of heavy demand, the airlines strive hard for making break-even due to tough competition.



PLF and BELF of Airlines in India during FY 2018-2019.

Source: DGCA

OBJECTIVES OF STUDY

1. To study the previous trends of the aviation industry.
2. To study why the aviation industry is so competitive.
3. The challenges faced by the aviation industry due to COVID-19 pandemic.
4. To study the post-lockdown challenges faced by these companies.
5. To study the roadway ahead for this industry.

RESEARCH METHODOLOGY

The study is based on secondary data of various Indian airline companies working in India publishing their financials publicly and previous study.

Now having seen the past difficulties already existing pre COVID era we can therefore put a calculated assumption that during and post COVID era the revenue streams of airline companies in India will face more difficulties. With the dwelling of demand, the revenue of many companies has impacted severely. The extent of this impact is so great that many airlines had reported that they don't expect a breakeven anytime soon.

The fundings of many companies are now exhausting. As of January, 2022 Air India formally a government company now belonging to the TATA group has reported that the company will have to ensure the safety of passengers first and that of the crew serving within and therefore their costs have significantly increased. However, it's not just Air India just a few months back the government of India stated that all airline companies are required to operate only if PPE kits are worn by not only the crew but also the passengers to ensure the safety of all.

REVIEW OF LITERATURE

The Indian aviation industry is one of the fastest growing industries in the world in terms of not only demand but also capacity. The aviation industry globally contributes about 2.7 trillion USD (as per 2018 data) to the Global GDP.

The Indian airline markets despite being the fastest growing market is also the world's toughest market to operate in. Though there have been many reforms in this sector, the sector is still unhappy due to rising fuel and other direct costs and diminishing returns.

The COVID-19 pandemic has brought yet another pile of challenges to the to the already growing pile. Nevertheless, the industry adapted quickly and now is on the recovery path.

It is important to understand the challenges also faced by the companies in this business. Listed below are the known challenges.

1. Capital shortages
2. Less profit margins
3. Increased/ inflated costs
4. Decreased passenger travel
5. Increased competition
6. Less profitable flights
7. Highly capital-intensive business

Impact of Suspended Operation Amid Lockdown

The Indian aviation industry is characterized by high fixed costs of nearly 35 to 40%. These costs include lease rental, employees cost, interest charges. Per day of suspended operations has hit the industry at the rate of ₹ 75-90 crore loss per day. Table 1 exhibits fixed-cost information pertaining of four key airlines of India for last three years (FY 2017 to 2019). The costs mentioned signify the charges that are to be met irrespective of the business operations. The increasing pattern of expenses over years, prima-facie, signify the expanded operations' size over years. Ceteris paribus, no significant change in the operations size and cost for the FY 2019-2020, per day loss of suspended operations for Interglobal Aviation accounts for ₹ 24 crores, followed ₹ 9.2 crores for SpiceJet, ₹ 5.83 crores for Go Airlines and ₹ 3.1 crores for Air Asia (based on the 2018-2019 estimates).

Company	Years	Employee Cost	Aircraft Lease Cost	Rent	Interest	Total Fixed Cost	Cash Per Day For Fixed Cost
Air Asia Ltd	Mar-19	346.86	739.54	10.69	34.06	1131.15	3.10
	Mar-18	264.02	441.00	7.52	13.06	725.60	1.99
	Mar-17	162.74	248.79	2.83	6.45	420.82	1.15
Go Airlines (India) Ltd	Mar-19	594.86	1304.38	8.90	221.42	2129.56	5.85
	Mar-18	420.88	750.86	6.60	202.03	1380.37	3.78
	Mar-17	335.10	Unknown	4.34	217.23	556.67	1.53
Interglobal Aviation Ltd	Mar-19	3137.79	4999.45	116.30	563.40	8816.95	24.16
	Mar-18	2455.02	3610.20	100.96	413.09	6579.27	18.03
	Mar-17	2048.19	3125.37	89.70	406.15	5669.42	15.53
Spice Jet LTD	Mar-19	1057.01	2080.21	56.72	163.59	3357.53	9.20
	Mar-18	862.57	1665.24	44.71	121.84	2694.36	7.38
	Mar-17	673.54	1451.36	37.62	95.14	2257.66	6.19

Dying Cash Reserves

Aviation industry is a highly capital-intensive business where having a strong cash reserve makes immense impact on the profitability of the airline. During the beginning of the pandemic however, many companies in India like Jet Airways, Spice Jet and Air India had reported a fall in cash reserves to a severe extent.

While Jet Airways being bankrupt the financial statements were released to the public, Air India on the other hand was also bankrupt but because it was a public company it was still functioning at full capacity, having no shortages to the cash reserves.

While Jet and Air India were in fact struggling, Spice Jet, Vistara and some other airlines like Air Asia (India), were having adequate cash reserves but with quite a few creditors.

When the pandemic struck and the economy and the world shut, this left all airline companies with very little room to manoeuvre. Air India though continuing its operations to get back stranded Indians from abroad free of cost or charging a very minimal amount further exhausted its cash reserves.

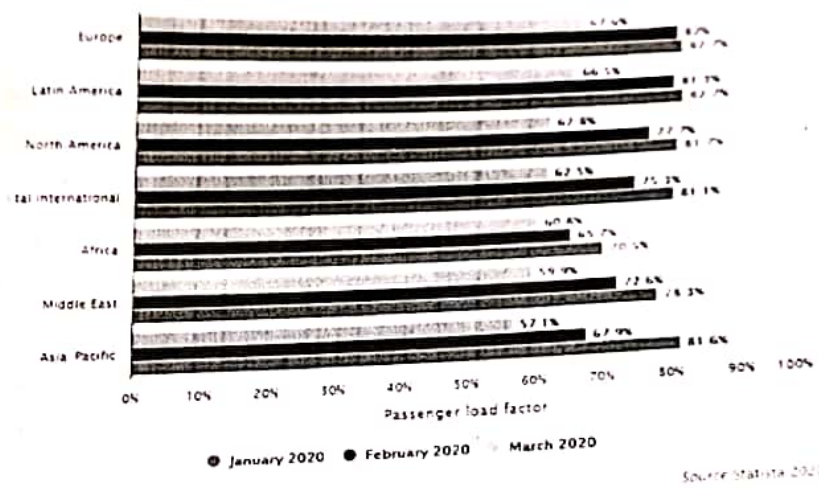
Some cash rich companies negotiated with suppliers to get their raw materials at cheap rates. This however was not the case with the other set of industries when the economy started to open up.

Operational Solvency
 The backdrop of tight liquidity, thin margins and high burn rate, the airlines have always been fragile to withstand the normal demand shocks, oil price fluctuation, depreciating currency, etc. Industry has vouched the devastating impact of these events ranging deep losses to airlines bankruptcy.

The profit margins of the airlines are highly thin and unsatisfactory to insulate the firms from sudden shocks. Median net profit margin - 0.73, prima-face, corroborate those net profits of all the airlines in India are occasionally positive. There appear only three airlines, Interglobal, Go Air, and Blue Dart (Cargo airline) with positive net profit margin in all the five years. In terms of magnitude, the net profit margin 0.5 to 9% and EBIT margin of 1 to 15% does not seem satisfactory to justify the corpus invested and the risk involved there in.

Oil price hike of 2018 has plunged the sector into deep losses. Interglobal Aviation that appears to be best performer of the industry has experienced deep shrinkage in its net profit margin of 2019 from 9 to 0.5%.

Unable to take the hit, loss running Jet Airways blown out of the race with its operations meeting grinding halt in April 2019. Previously also, Industry has a history of several starts and may failures; East West Airlines and Damania Airways in 90 s, Kingfisher Airlines in 2012 are classic instances of airlines financial failure.



PLF of Airlines across world during January to March 2020.

CONCLUSION

The COVID-19 pandemic has caused disruptions in all parts of the world. Pandemic has extensive impact on the global airline business. Three crucial announcements are selected to be studied, which are (1) the first case reported outside China (Event 1: January 13, 2020), (2) Italy outbreak (Event 2: February 21, 2020), and (3) the declaration by WHO on the global pandemic outbreak and the announcement of President Trump to ban travellers from 26 European countries (Event 3: March 11, 2020). We find the underreaction and overreaction to the announcements in Event 1 and Event 3, respectively. Airlines stocks in Australia, Canada, the U.K., and the U.S., are the worst performers in the post-event period in Event 3. We offer several potential explanations for the findings in this paper. As the COVID-19 pandemic has been ongoing, our results call for the policy implications below.

It was found that the government in each country is at an intersection—whether to provide financial support or guarantee existing debt, or to believe in market mechanisms and let the airline firms file for bankruptcy. In order to back up the airline industry, several alleviation policies may deal with mergers and acquisitions, tax policy, and government subsidies. These policies, of course, will increase the national debt. Otherwise, firm liquidation in the airlines is, perhaps, inevitable and subsequently will disrupt the global supply chain and related businesses.

FINDINGS

Present paper attempts to analyse the vulnerability of airlines in India to withstand Covid-19 aftereffects. Lockdown has been drastic for the fragile airlines business distressed with thin margins, liquidity crisis, over mounting fixed cost and debt.

Zero revenue, though spiralling fixed expenses has been a drain on the cash reserves of airlines dragging them towards insolvency. Above all, the sector is viewing grim recession ahead.

In this backdrop, the operation viability of airlines seems conditional on the recovery of variable expenses. Sustainability of airlines warrants of turnaround changes in their revenue strategies and operating models. Focus on minimizing losses rather than profit maximization possibly can help the airlines to combat current situation.

As the demand recovery will be delayed for FY2022, and reverting to pre-Covid status is likely only in FY2024, the industry need more funds to support operational costs. Consequently, debt levels, expected to be at around Rs 1,200 billion (including lease liabilities) for FY2022, is likely to remain high, with industry likely to resort for an additional funding support of Rs 450-470 billion over FY2022 to FY2024. While some airlines with strong parents will be able to tide over the liquidity crunch and sustain over the challenging period, others are likely to face significant stress. Almost all key airlines have announced fund-infusion plans either from the parent or through the QIP/IPO route. Most airlines have also undertaken several costs.

Coming to earnings, the industry will be adversely impacted in FY2022 due to lower revenues and higher ATF costs, more so demand recovery is likely to be delayed. The bearing on international travel will be more profound and long lasting, compared to domestic travel. The recovery in international travel is also contingent on the opening up of scheduled international operations by the Government of India, the macroeconomic shock to the global economy and the government-mandated travel restrictions and quarantine norms of various countries. Also, the recent threat of the new variant, which has pushed the resumption of scheduled international operations (earlier announced from December 15, 2021 onwards), has the potential to derail the domestic recovery too, if it becomes a source of fresh round of lockdowns/restrictions in the near term. The Indian aviation industry is estimated to report a net loss of ~Rs 250-260 billion in FY2022, due to elevated ATF prices and inability of the airlines to completely pass on the same to the passengers, thereby resulting in reduced RASK-CASK spreads.

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AUTHOR DETAILS:

¹DR. BABITA KANOJIA, ²MR. VIJAYKUMAR MAKWANA AND ³YASHRAJ KHANNAH
^{1,2}Assistant Professors and ³Student (TYBAF), Clara's College of Commerce, Versova, Andheri West

A COMPARATIVE PROFITABILITY ANALYSIS OF SELECT RETAIL COMPANIES WITH REFERENCE TO PRE AND DURING COVID-19 PERIOD

Dr. Babita Kanojia¹, Chetan Devashish Bose²

¹Associate Professor-Research Guide

Head of the Department (Commerce) Clara's College of Commerce, Mumbai

²Assistant Professor KES Shroff College of Arts and Commerce, Mumbai

¹babitaakhi@gmail.com and ²chetandevashishbose2012@gmail.com

ABSTRACT

The objective of the article is to evaluate and compare profitability of select retail companies of India. The research includes top three Retail companies Future Retail Limited, Aditya Birla Fashion & Retail Limited and Avenue Super Mart Limited, which is also listed in National Stock Exchange. The research is Quantitative in nature and includes financial records as prescribed by SEBI for analysis. The result clearly indicates that, Covid-19 has impacted the Retail companies. All the three companies were financially impacted due to the world-wide pandemic known as Covid-19. The first financial quarter of Covid-19, from 1st April 2020 to 30th June 2020, has shown decline in Net Profit, Operating Income and Return on Equity of all the selected Retail companies. Avenue Super Mart Limited has topped in all the profitable parameters on the basis of comparative analysis of the three companies. However, Future Retail Limited needs to make changes in their strategy for maintaining or resorting their profit. This will help the Retail Managers to adopt the best practises followed by the leaders. Finally, the outcome will enhance the understanding of the impact of Covid-19 on the profitability of Retail companies, for policy makers, researcher and academicians.

Keywords: Covid-19, Retail Companies and Profitability

INTRODUCTION

Indian Economy is struggling with slow economic activity due to global pandemic situation. Covid-19 is not just a term but a threat for all economy. It has resulted in tremendous decrease in global and local trade. India has recorded the lowest and slowest growth rate of 5.3% in the last 11 years.¹

RETAIL

Retail sector which contributes 10 % of India's Gross Domestic Product witnessing a turbulence due to Covid-19. It is considered as an important pillar of its economy. It plays a vital role in positively contributing to GDP and giving employment to 8 % of working population.² Indian Retail Industry includes individuals and groups involve in marketing of ready products to

the consumers. It comprises of all shops, malls and stores that sells products to buyers.

The Retail sector composition consist of majorly Apparel & Footwear, followed by Consumer durables & IT, Jewellery & Accessories, Health & Entertainment, Home Décor & Furnishings, Beauty & Personal Care and other products. In fact, India is ranked 5th largest global destination in the retail space. Opening of economy and simplification of lock down check will help the Retail sector to unleash its potential.

Retail giants with huge potential to invest must take an appropriate step to overcome from unexpected pandemic circumstances. They must take a strategical move. They may also use various concepts of cost accounting in order to minimize their cost and maximize their output. They must analyse their financial statements and try to take small steps, which will have a greater

impact on their company. It will help them to recover and boost the economy.

PROFITABILITY

The ability to keep business surviving is profitability. There is no business which can survive for a long run without earning profit. These profits are distributed among entrepreneurs, employees and other stakeholders. However, it was a challenging task for most of the retail giants for maintaining their profits during Covid-19.

Every business must calculate or analyse profitability of their firm for keeping a track of its profit. There are various ways to measure a profitability of an organisation, which includes calculation related to Net Profit Margin, Operating Profit Margin, Gross Profits Margin, Earning Before Interest and Tax, Return on Investment and Return on Capital Employed. Profitability research helps a firm to increase their earning and thus resulting into optimising opportunities for business.

REVIEW OF LITERATURE

In order to proceed, the researchers have identified the following literatures for their study. The literatures are based on Profitability, Retail Industry and Covid-19 & Economy

PROFITABILITY

Amirthalingam, Nishanthini & Balasundaram, Nimalathan. (2013) have observed profitability helps to understand the financial ability of a firm. It can be used as a tool to differentiate among same class of companies and it help the company to make policy.

Tulsian, Monica. (2014) has pointed on an important fact that, Net Income along cannot be a good indicator of a profitability. So we need to also consider figures related to sales, cost of goods sold, capital employed, operating expenses, etc.⁴

RETAIL INDUSTRY

Zeller, Donna. (2017) has coined that, retail owners may find easier to establish themselves in domestic market but it becomes challenging when it comes to settle on a global markets. The study provided a better strategy to overcome from challenges.⁵

Sansone, Marcello & Colamatteo, Annarita. (2017) have studied that, the strength of a Retail business depends on the ability of the entrepreneur to direct the resources for favourable outcome.⁶

Covid-19 & Economy

Agarwal, Ms. S. & Singh, Archana. (2020) have correctly indicated that, Covid-19 will have an adverse effect on Indian economy. However, they highlighted a fact that the Covid-19 has sudden and sort term growth for few businesses.⁷

Roy, Shohini. (2020) has explained that, Covid-19 had global impact on the world economy. It also represented the loss in various sector of the economy due to Covid-19.⁸

Research Gap

Through the above review of literatures, it is assumed that, there is no such research article which performed “A Comparative Profitability Analysis of Select Retail Companies with Reference to Pre and During Covid-19”

OBJECTIVES OF THE ARTICLE

The following objectives has been drawn on the basis of the review of literatures and research gap,

1. To study the impact of Covid-19 on the Net Profit of select Retail Companies
2. To study the impact of Covid-19 on the Operating Income of select Retail Companies
3. To study the impact of Covid-19 on the Return on Equity of select Retail Companies

RESEARCH PROBLEMS OF THE ARTICLE

On the basis of the above objectives, the following research problem has been identified

To study, compare and analyse the impact of Covid-19 on the Profitability of select Retail Companies.

H₁: There is a significant relation between Covid-19 and the Return on Equity of select Retail Companies

HYPOTHESES OF THE ARTICLE

HYPOTHESIS 1

H₀: Covid-19 has no significant effect on the Net Profit of select Retail Companies

H₁: Covid-19 has significant effect on the Net Profit of select Retail Companies

HYPOTHESIS 2

H₀: Covid-19 has no effect on the Operating Income of select Retail Companies

H₁: Covid-19 has effect on the Operating Income of select Retail Companies

HYPOTHESIS 3

H₀: There is no significant relation between Covid-19 and the Return on Equity of

select Retail Companies

RESEARCH METHODOLOGY

TYPE OF RESEARCH

The current article is Quantitative in nature as it deals with the data related to financial statements. It can be simplified as Comparative research as the article will compare the Net Profit, Operating Income & Return on Equity of Per Covid-19 and During Covid-19

SOURCES OF DATA COLLECTION

The research is based on secondary data. Here, the researchers have made possible effort to collect an authenticated data from the government recognised websites like NSE, BSE, SEBI, etc.

SAMPLING

The researchers have chosen the top 3 list companies of Retail. Therefore, no sampling techniques has been used for the given article.

SR. NO.	NAMES OF COMPANIES
1	Future Retail Limited
2	Aditya Birla Fashion and Retail Limited
3	Avenue Supermarts Limited

REFERENCE PERIOD OF THE ARTICLE

As the research is to evaluate comparative profitability for pre and during Covid-19, therefore 3 Quarterly financial report from Pre Covid-19 period is taken to compare with the 3 Quarterly financial report of During Covid-19 period. So, in total 18 months are taken for the analyses due to constrain of data. Here, 9 months of Pre Covid-19 period includes financial data from July 2019 to March 2020 and 9 months of During Covid-19 period includes financial data from April 2020 to December 2020.

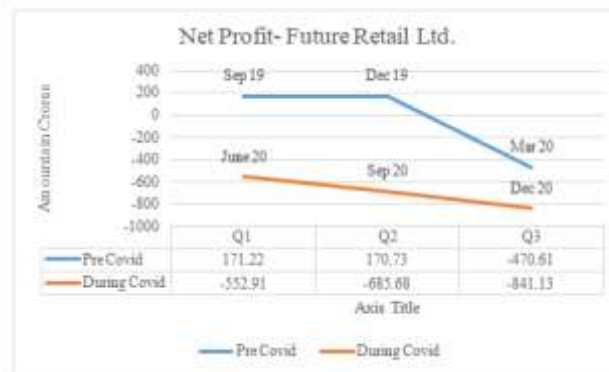
TOOL AND TECHNIQUES OF DATA ANALYSIS

In order to draw a strong conclusion, the researchers have calculated the mean, variance and t-Test for Net Profit, Operating Profit and Return on Equity of select Retail Companies.

For Future Retail Limited (Net Profit)

t-Test: Paired Two Sample for Means

	<i>Variable 1</i>	<i>Variable 2</i>
Mean	-42.88666667	-693.24
Variance	137210.4974	20810.56
Observations	3	3
Pearson Correlation	0.888129615	
Hypothesized Mean Difference	0	
df	2	
t Stat	4.484146187	
P(T<=t) one-tail	0.02315274	
t Critical one-tail	2.91998558	
P(T<=t) two-tail	0.04630548	
t Critical two-tail	4.30265273	



For Future Retail Limited (Operating Income)

t-Test: Paired Two Sample for Means		
	<i>Variable 1</i>	<i>Variable 2</i>
Mean	4989.653	1419.587
Variance	239643.4	4302.104
Observations	3	3
Pearson Correlation	-0.97591	
Hypothesized Mean Difference	0	
df	2	
t Stat	11.16708	
P(T<=t) one-tail	0.003962	
t Critical one-tail	2.919986	

P(T<=t) two-tail	0.007924	
t Critical two-tail	4.302653	



For Future Retail Limited (Return on Equity)

t-Test: Paired Two Sample for Means		
	Variable 1	Variable 2
Mean	-0.35397	-6.39198
Variance	12.66754	1.767858
Observations	3	3
Pearson Correlation	0.888241	
Hypothesized Mean Difference	0	
df	2	
t Stat	4.259378	
P(T<=t) one-tail	0.025472	
t Critical one-tail	2.919986	
P(T<=t) two-tail	0.050944	
t Critical two-tail	4.302653	



For Aditya Birla Fashion & Retail Limited (Net Profit)

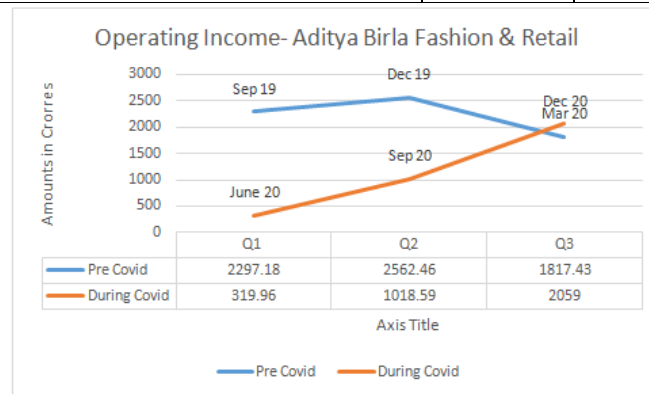
t-Test: Paired Two Sample for Means		
	Variable 1	Variable 2
Mean	-55.5833	-171.6
Variance	5786.631	54429.2
Observations	3	3
Pearson Correlation	-0.97593	
Hypothesized Mean Difference	0	
df	2	
t Stat	0.652453	
P(T<=t) one-tail	0.29054	
t Critical one-tail	2.919986	
P(T<=t) two-tail	0.58108	
t Critical two-tail	4.302653	



For Aditya Birla Fashion & Retail Limited (Operating Income)

t-Test: Paired Two Sample for Means		
	Variable 1	Variable 2
Mean	2225.69	1132.517
Variance	142600.5	765799.5
Observations	3	3
Pearson Correlation	-0.71825	
Hypothesized Mean Difference	0	

df	2	
t Stat	1.609987	
P(T<=t) one-tail	0.124345	
t Critical one-tail	2.919986	
P(T<=t) two-tail	0.248691	
t Critical two-tail	4.302653	



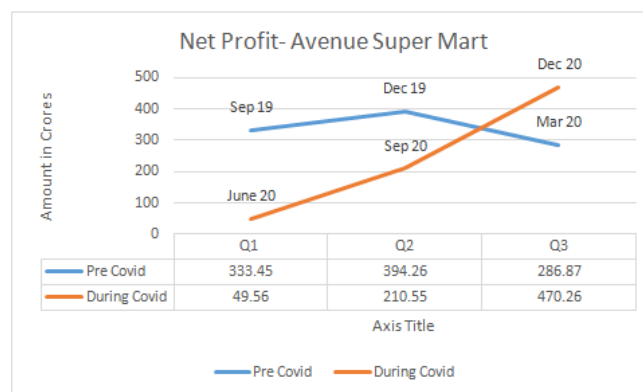
For Aditya Birla Fashion & Retail Limited (Return on Equity)

t-Test: Paired Two Sample for Means		
	Variable 1	Variable 2
Mean	-0.07182	-0.219
Variance	0.00966	0.089318
Observations	3	3
Pearson Correlation	-0.96917	
Hypothesized Mean Difference	0	
df	2	
t Stat	0.645609	
P(T<=t) one-tail	0.292357	
t Critical one-tail	2.919986	
P(T<=t) two-tail	0.584713	
t Critical two-tail	4.302653	



For Avenue Super Mart (Net Profit)

t-Test: Paired Two Sample for Means		
	Variable 1	Variable 2
Mean	338.1933	243.4567
Variance	2900.027	45059.26
Observations	3	3
Pearson Correlation	-0.54961	
Hypothesized Mean Difference	0	
df	2	
t Stat	0.666979	
P(T<=t) one-tail	0.286718	
t Critical one-tail	2.919986	
P(T<=t) two-tail	0.573435	
t Critical two-tail	4.302653	



For Avenue Super Mart (Operating Income)

t-Test: Paired Two Sample for Means		
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	<i>Variable 1</i>	<i>Variable 2</i>
Mean	6298.16	5494.69
Variance	169384.7	3296384
Observations	3	3
Pearson Correlation	0.168513	
Hypothesized Mean Difference	0	
df	2	
t Stat	0.776269	
P(T<=t) one-tail	0.259409	
t Critical one-tail	2.919986	
P(T<=t) two-tail	0.518819	
t Critical two-tail	4.302653	



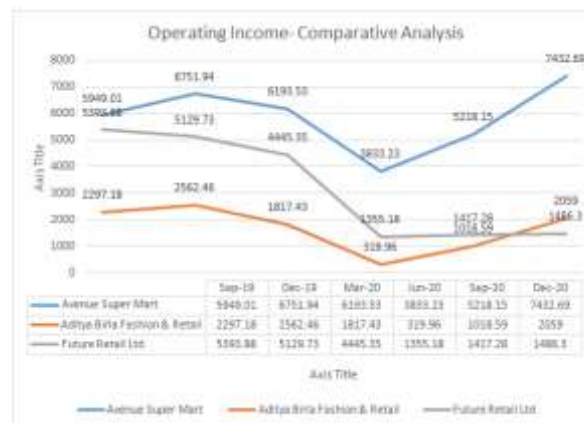
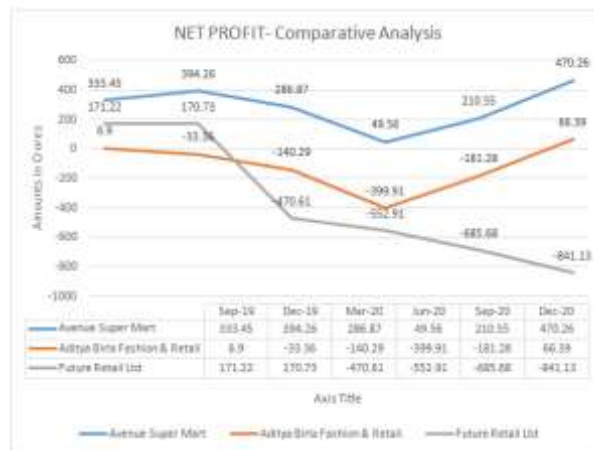
For Avenue Super Mart (Return on Equity)

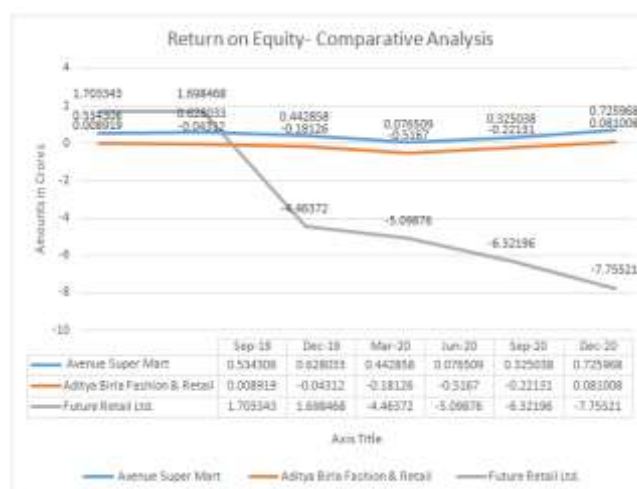
t-Test: Paired Two Sample for Means		
	<i>Variable 1</i>	<i>Variable 2</i>
Mean	0.535066	0.375838
Variance	0.008573	0.107385
Observations	3	3
Pearson Correlation	-0.6061	
Hypothesized Mean Difference	0	
df	2	
t Stat	0.705676	
P(T<=t) one-tail	0.276755	

t Critical one-tail	2.919986	
P(T<=t) two-tail	0.553511	
t Critical two-tail	4.302653	



Comparative Analysis





SIGNIFICANCE OF THE ARTICLE

The current article plays a significant role for Retail Entrepreneurs, Strategic Managers, Merchandise Managers, Investor and other stakeholders to adopt an appropriate cost structure during this pandemic situation, so as to survive and sustain for a long run. The survival of the Retail companies are largely depends on the Profitability.

SCOPE OF THE ARTICLE

The following scopes are listed after considering all the importance factors

1. The article covers only top three listed Retail Companies of NSE
2. The study is only based on 18 months data, which includes 9 months data of during Covid-19
3. It will rank the companies on the basis of Profitability

LIMITATIONS OF THE ARTICLE

The study has certain limitations which are listed below,

1. The article is based on secondary data
2. The study includes only top 3 Retail Companies listed in NSE
3. It only studies the profitability aspects

CONCLUSION

The researchers conclude the following based on the applied statistical tools and techniques,

1. There exists a significant effect of Covid-19 on the Net Profit of Future Retail Limited, Aditya Birla Fashion & Retail Limited and Avenue Super Mart Limited. Hence rejecting the null hypothesis no. 1.
2. There exists a significant effect of Covid-19 on the Operating Income of Future Retail Limited, Aditya Birla Fashion & Retail Limited and Avenue Super Mart Limited. Hence rejecting the null hypothesis no. 2.
3. There exists a significant effect of Covid-19 on the Return on Equity of Future Retail Limited, Aditya Birla Fashion & Retail Limited and Avenue Super Mart Limited. Hence rejecting the null hypothesis no. 3.
4. Net profit of the Avenue Super Mart Limited is highest followed by Aditya Birla Fashion & Retail Limited and Future Retail Limited.
5. Operating Income of the Avenue Super Mart Limited is highest followed by Aditya Birla Fashion & Retail Limited and Future Retail Limited.
6. Return on Equity of the Avenue Super Mart Limited is highest followed by Aditya Birla Fashion & Retail Limited and Future Retail Limited.

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