

MARKETING PERSPECTIVES ON PHYGITALIZATION

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Abstract

Interest in this application word of Phygitalization is growing in recent years. This finding from consumer psychology and neuroscience, Phygitalization related to digital purchasing technologies, and product attachment generated the potential power of phygital marketing experience, unique values of products, provide a platform for new research, consumers relations management, contact to people to people policy in a market. This idea launched the novelty of emerging digital technologies for example contactless payment systems, interactive touch screens, digital payment systems, and the reality of customer experience. Ultimately, this strategy needs across banking, tourism, education, export, and import industries. In this paper, we review relevant findings from the literature on customer behavior, a better understanding of technological innovations, digital sensing technologies, digital purchasing environment, Phygital marketing means physical experience to digital experience, and consumer 's decision-making at the point of purchasing.

Keywords: Phygital, Digital, Consumer experience, Marketing, Sales- Purchasing, New -Innovation payment System

INTRODUCTION

"Phygitalization" means represents by itself, where the world has shown a physical world with a digital environment, this word has been popular in today's time, and a mixture of this process the benefit of a physical presence with digital application or features".

This research about Phygitalization started from articles, book chapters, and trade publications, using google scholar and hult international business, the school library database, compiling additional references through bibliographic analysis and identification of relevant materials, academic, from dispute disciplinary areas, including business consumer psychology and consumer neuroscience.

As per concerned as the wording of "Phygital" consumption experiences is relatively new and reflects the novelty of emerging digital technologies, Phygital marketing involves a consumer journey that integrates physical and digital experiences. As phygital approaches involve contactless payment systems, touch screens, and digital payment systems.

Phygital marketing is that physical experience provides unique value above and beyond what can be offered via

digital means this source of marketing potential remains under theorized, in this research Clearfield talked about consumer psychology and consumer neuroscience, by this research we trying to explain the potential power of phygital marketing experience, we have goals reach the dimensions to the value of such approaches when integrated part of a company's retail marketing strategies. In Phygital marketing develop two types of elements are the pre-purchase product experience and the payment experience.

The way engages, interact and consume information or buy products through the internet not only consumers got choose even compare between a lot of mere options but even sellers have to adopt online routes as means to reach customers beyond their geographical limits.

That means physical stores are no longer profitable but today's future is now phygital or a physical and digital hybrid model.

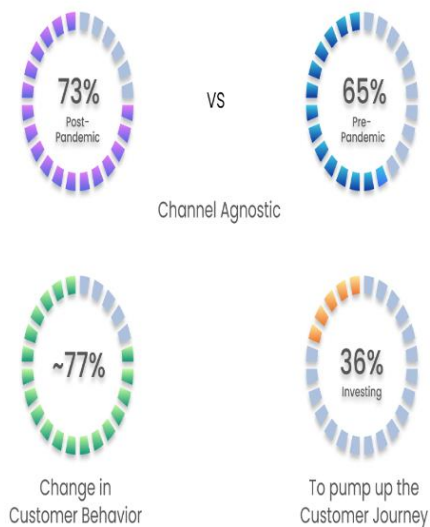
This hybrid model allows sellers and retailers to enjoy the benefits of the physical and digital marketplace and reach out to customers and generate more sales, boosting their profit margins, brand, business.

“Johnson and Barlow describe Phygital marketing as an integrated approach which help to sellers and retailers both in way of digital and the physical world. Digital transactions and using a platform that integrates inventory, sales, customer profits’ which are helping emerging economy this is the ease of speed, convenience and support”.

This strategy gained prominence during the Covid-19 pandemic lockdown when people were forced to stay at home and use digital platforms for purchasing products. Not only that Phygital Marketing give rewards such as membership cards, special events, but loyalty also paints, and festival discount.

Figure 1: Online Source

This picture showing importance of “Phygital Marketing has increased during Pandemic Covid-19.



Sources: Think with Google, Forbes, E&Y

TYPES OF PHYGITALIZATION

There are two types of Phygital Marketing from among multitudes types of possibilities which are typified ‘Phygital Marketing’ strategies using automated sensing technologies and simulated in-person experience.

“Johnson and Barlow argue that phygital marketing sensing technology of digital marketing has shown primarily sources of consumer dissatisfaction this kind of innovation is exemplified in Amazon Go stores, where payment for goods is immediately extracted from the consumer’s digital wallet once they leave the store, without the need for traditional cashiers or even “self-checkout”.

Digital sensing technologies and artificial intelligence helps tracks the items that person who are billed to their account without any need to add action to their part.

Amazon alone intends to open up to 3,000 Amazon Go stores within several years even though they have a companion in the online market., Alibaba, J.D Com. And 7-Eleven like many retailers deploys similar stores over a similar time frame. Amazon’s 150 companies focused on different technologies areas working on automated, cashier-less

These systems offer opportunities to reduce overhead costs, improve the efficiency of inventory management, gather shopper data, and improve customer satisfaction due to reduced waste time.

In today online marketing where 89% reported enjoying the experience digital sensing technologies can increase more efficient in-store experience.

In the time of Covid-19 make-up retailers Sephora and Ulta provide customers with physical testing products on their skin and trial millions of shades and brands.

Customers using AR/VR technologies to enhance their shopping experience both online and in person, these are top technology, they are seeking to assist, amplify, and augment their lives these types of technologies have proven to be much more effective sales tools.

Like an e-commerce company, Shopify reports that interaction with products through AR technology resulted in 94% higher conversion rates, of another study, marketing campaigns using AR were found to have an average taken time of 75s while traditional radio and Tv ads have taken a time of 2.5s.

As a result, it will become the sector spending AR and VR by early 2020).

THE PSYCHOLOGY AND NEUROSCIENCE OF PURCHASING BEHAVIOR

All finding about marketing well-established consumer neuroscience finding fMRI and EEG can be used to track brain-based indicators of perceived gains and cost both are focal points during the purchasing experience this is the best example for considerable accuracy.

Phygitalization mainly concepts for consumer purchasing experience which lead to change in consumer behavior may be situated within such a framing phygital commerce has a large impact in particular consumer markets. For example, “Lawry” investigate that phygital communication in the luxury segment other research found that phygital consumption makes it unique to enhance happiness and

consumer decision, one is product experience other purchase experience itself.

Many researchers exemplified whether consumer decisions have been completed or not can only be predicted with considerable accuracy which depends on our knowledge base.

Particularly these work neuroimaging tools such as FMRI and EEG found in consumer attitudes towards products and payment. Many studies about consumer psychology and neuroscience literature suggest how the from a person to a digital exchange. it can be an anticipatory pleasure and product attachment.

The power of decision-making a person to person is categorically different in the modern world because the cognitive tools we use to make everyday consumption decisions involve very different purposes.

In the psychology and neuroscience of consumer behavior, this framework helps to explain how and why phygital experiences for the purpose of saving.

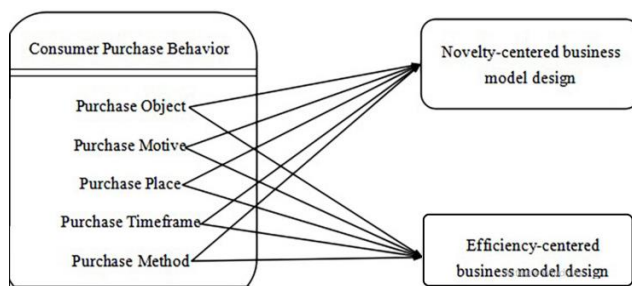


Figure 2: Online Source (Purchasing Behavior of Consumer)

PRODUCT EXPERIENCE

Product experience itself to any consumer's sense of attachment to the product, interaction with it in anticipation of purchase, by its features, and mode of presentation, promote a more powerful sense of connection.

PHYGITAL CUSTOMER EXPERIENCE

This technique helps companies in India to reach out and interact with more customers, for example, Bausch + Lomb a leading eye care brand on its online shopping platform to promote a virtual shopping experience. BPCL a Leading oil and gas producer and seller is running a consumer-oriented digital marketing campaign under project 'Anubhav' to boost customer experience.

Tata Service is a leading telecom service provider with data analytics and automation to improve marketing strategies and boost customer engagement.

Like bank HDFC, federal Bank also enhances technology-based customer interaction digitization.

CREATE AN INTERACTIVE MOBILE APP EXPERIENCE

Many examples of mobiles app are better to engage customers and connect with them to promote products, and mobile apps make the shopping experience.

SEAMLESS CHECKOUT PROCESS

Boosting the virtual shopping experience and making a fluid and seamless, self-checkout device, create an efficient interactive customer journey and countless shopping experiences.

PHYSICAL INTERACTION AND PRODUCT ATTACHMENT

Physically interaction with a product leads to deeper emotional connections, attention to positive features of the goods increasing their perceived value, making people more reluctant to exchange such goods for money " **Balk and others have defined that consumer goods and human needs have an emotional attachment from the psychological transference to the consumer self -image**".

Payment Experience

Phygital strategies influenced to consumer's product purchasing experience in the payment process paying for goods is generally associated with psychological pain and discomfort, captured by brain-based studies.

THE ADVANTAGE OF PHYGITAL TECHNOLOGIES

- The power of Phygital marketing set up a relationship between the product attachment through direct product experience and reduced the pain of payment due to digital amount.
- Its technology in digital payment have tangibility and personability of physical product experience
- Increase monolithic categories in the market to evaluate the question of consumer experience purchase likelihood and brand perception.
- Phygital marketing creates an environment that will often increase the probability of purchase of consumer products.
- Increase power decision-making of consumers in the field of phygital marketing.

- “Gains and pains” where pain for purchasing and the general phenomenon of consumer products.
- Phygital marketing provides a future research platform.
- The opportunity cost of purchasing by it has increased shopping motivations, cashless payment
- Increased physical effort purchasing.
- Phygital Marketing is useful for sellers and users, sellers reach out to a border audience, and it allows customers to make purchases from the comfort of their own homes.
- Introduce buy online, pick-up in-store online shoppers to make a purchase online without waiting in line. A social distance mode helps businesses.
- Launch pop-up stores, Business set up pop-up stores online produce to potential customers and receives real-time feedback from shoppers.

WAY FORWARD

By ‘Gelify’ as a digital transformation leader gives an idea of a ‘Phygital Factory’ facing challenges such as rethinking, internal processes, speed-up, production, more demanding consumers, and a rapidly changing competitive environment in the market.

This framework made these pillars for getting solutions of these problems

1. Smart manufacturing
2. Human-machine collaboration
3. New digital-driven business model

Companies need to be aware of that digital transformation is not a short trip from one place to another, digital transformation, it’s a journey and a never-ending one.

MAKE AUTOMATION SMART

Automation of dull and repetitive processes, investment in automation should be smart that is automation should be used only where it makes sense to do so.

DO NOT FORGET HUMAN FACTOR

In today’s time workers can feel threatened by technologies that might disrupt their traditional way of working and fear always in worker technology will eventually replace their work so it will be critical for companies not to substitute humans but empower people.

Digital Transformation or revolution without involving a bit quantity of data, data is the fuel of the industrial internet of things.

This technology called- evolutionary, computation, or memetic computing, can be used to support decision-making in several different areas spanning from logistics and computation of best routes, to production scheduling workforce management, and design of comments.

CONCLUSION

There has the evolution of ‘phygital’ technologies deeply impact on living standards of pupils, work travel and doing business. Today increasingly connected to consumers, strategic locations, and tourist-information centers, welcome visitors and provide useful information, these physical centers used to be the only touch point, and now virtual information consumer journey at every point.

The study of Phygital refer has three ‘I’ Immediacy, Immersion, and Interaction.

The use of QR code scanning and a single-channel ecosystem for commerce and payments are enabling retailers from verifying their customers and enticing them to come back for more by enhancing the customer’s physical experience.

The phygital consumer experience provides marketers with a great deal and transforms the modern retail shopping environment focusing on product attachment, and decision-making direct investigation in a different context supporting large-scale observational studies of phygital techniques in the digital shopping experience.

Businesses must focus on enhancing their effort to meet customers’ needs, Business objectives must be kept in mind, to enhance the virtual shopping experience of customers, Maxicus is leading information services to customers that help them grow their business by boosting their interaction with customers,

According to research, 63% of support begins online with the rise of digital shopping consumers have experienced personalized shopping without being physically present at the store.

Its customers can easily convey what they want and where they want to the brand they are dealing with.

The need can be served with the help of AI technology and easily with the consumer service authorized by the brand. The brand updates its social media from time to time, required to prepare a friendly website so that it can serve their customer easily.

With the industrial revolution with digital operations the brand today needs to explore new paths and ways to optimize innovation.

Technology will help businesses strengthen their presence among their customers.

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