



## **IMPACT OF DEMONETIZATION ON RETAIL OUTLETS – AN ANALYTICAL STUDY**

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### **Abstract:**

Demonetization is known as an act of stripping currency unit of its status as legal tender. It is also known as withdrawing of a particular form of currency from circulation. Government pulled the old Rs 500 and Rs 1,000 notes out of circulation. While the unprecedented action taken by the Prime Minister Narendra Modi has impacted e-commerce and at the same times it has an impact on the consumers and their shopping behavior through online shopping. Thus it becomes necessary to study the impact of demonetization on e-commerce industry. The main aim of the study is to understand and analyze the effect of demonetization on consumer's frequency of buying product and consumer's mode of payment mode through online shopping post demonetization

**Key Words:** Demonitization, Retail Outlets and Consumer Buying Behavior

### **1. Introduction:**

Demonetization is the current buzzword in the market. Though it is new idea for most of the millennia's, it has been tried and tested before in India and other countries with mixed reactions and outcomes. The first instance of demonetization was in 1946 to phase out notes with denominations of 1000, 5000, and 10,000 from the market while in 1978 the High Denomination Bank Notes (Demonetisation) Act declared 1000, 5000, and 10,000 notes illegal. Apart from India, several other countries such as Soviet Union, Britain, Myanmar, Nigeria, and Ghana have tried demonetization. On November 8, the government announced the demonetization of 500 and 1000 notes as legal tender in India starting November 9, 2016, which is the biggest move in the history of India. As a result, almost 86 percent of India's currency was nullified. Demonetization is considered to be a brave step and is being lauded both by global and Indian leaders as a fight against black money. It is a major way to counter different issues affecting Indian economy such as a parallel economy due to unaccounted black money, counterfeit currency in the market, and terror financing. Though the move has disrupted the socio-economic ecosystem of the world's second-largest emerging market, in the long run it is expected to boost the country's GDP and substantially increase tax collection. The after-effects of demonetization witnessed huge deposits in the banks including Jan Dhan accounts, substantial rise in digital transactions, long queues for getting paper cash outside banks/ATMs, dip in retail activity, etc.

The government's recent demonetization move has definitely impacted the retail Industry in the short term due to lack of liquidity in the economy. As the Indian retail segment generates a lot of cash transactions, there might be reduction in the sales over the next 1-2 quarters. However, the impact is felt more by the small traders and the unorganized retailing segment, rather than the organized retailers. Some sectors like jewelry and the luxury segment have been impacted more than others and will doubtlessly take much longer to revive. However, the use of plastic money and transactions through online payments will continue to release the money into the retail market. In the medium-to-long run, domestic consumption will be stable owing to India's strong economic base and favorable demographics. Also, as more retailers encourage alternative/digital payment solutions, the market ecosystem will become more transparent and structured going forward. Demonetization has resulted in visibly reduced low footfalls in shopping malls, but this effect is temporarily and will turn around in few weeks as more currency circulates in the system and improves the purchasing power and appetite of the consumers. The long-term growth story of the Indian retail sector continues to be one of resilience and growth.

### **Demonetization of Currency:**

Demonetization of currency means discontinuity of the particular currency from circulation and replacing it with a new currency. In the current context it is the banning of the 500 and 1000 denomination currency notes as a legal tender. The government's stated objective behind the demonetization policy are as follows; first, it is an attempt to make India corruption free. Second it is done to curb black money, third to control escalating price rise, fourth to stop funds flow to illegal activity, fifth to make people accountable for every rupee they possess and pay income tax return. Finally, it is an attempt to make a cashless society and create a Digital India. There is a background to the current decision of demonetization of 500 and 1000 rupee notes. The government has taken few steps in this direction much before its November 8, 2016 announcement.

As a first step the government had urged people to create bank accounts under Jan Dhan Yojana. They were asked to deposit all the money in their Jan Dhan accounts and do their future transaction through banking methods only. The second step that the government initiated was a tax declaration of the income and had given October 30, 2016 deadline for this purpose. Through this method, the government was able to mop up a huge amount of undeclared income. However, there were many who still hoarded the black money, and in order to tackle them; the government announced the demonetization of 500 and 1000 currency notes. The demonetization policy is being seen as a financial reform in the country but this decision is fraught with its own merits and demerits.

#### **Cashless Economy:**

The dream project of the Indian government toward a digital transformation of services in the country has been massively successful in the banking and financial sector recently. The high mobile penetration with 100 crore subscribers, rising Internet subscriber base of around 35 crore, and availability of various digital banking and payment systems provide a great opportunity to improve financial inclusion. There is a steep rise (400–1000 percent) in digital transactions as a result of the demonetization move. Transactions on e-wallets have increased from 17 lakh per day to 63 lakh per day and value of transactions has increased from 52 crore to 191 crore in one month from November 8. Similarly, POS machines have generated high volume of transactions, which have increased from 15.2 lakh per day to 98.1 crore and in value terms it is up from 112 crore to 1751 crore. The feature phone-based USSD transactions (which is SMS based) saw growing adoption from 97 transactions in a day to 1263 per day and total amount transacted through them has increased from 1 lakh to 14 lakh per day.

#### **Indian Currency Demonetization:**

The demonetization policy will help India to become corruption-free. Those indulging in taking bribe will refrain from corrupt practices as it will be hard for them to keep their unaccounted cash. This move will help the government to track the black money. Those individuals who have unaccounted cash are now required to show income and submit PAN for any valid financial transactions. The government can get income tax return for the income on which tax has not been paid. The move will stop funding to the unlawful activities that are thriving due to unaccounted cash flow. Banning high-value currency will rein in criminal activities like terrorism etc. The ban on high value currency will also curb the menace of money laundering. Now such activity can easily be tracked and income tax department can catch such people who are in the business of money laundering. This move will stop the circulation of fake currency. Most of the fake currency put in circulation is of the high value notes and the banning of 500 and 1000 notes will eliminate the circulation of fake currency. This move has generated interest among those people who had opened Jan Dhan accounts under the Prime Minister's Jan Dhan Yojana. They can now deposit their cash under this scheme and this money can be used for the developmental activity of the country.

The demonetization policy will force people to pay income tax returns. Most of the people who have been hiding their income are now forced to come forward to declare their income and pay tax on the same. Even though deposits up to Rs 2.5 lakh will not come under Income tax scrutiny, individuals are required to submit PAN for any deposit of above Rs 50,000 in cash. This will help the income tax department to track individuals with high denominations currency. The ultimate objective is to make India a cashless society. All the monetary transaction has to be through the banking methods and individuals have to be accountable for each penny they possess. It is a giant step towards the dream of making a digital India. If these are the merits, there are demerits of this policy as well. The government of India recently took a bold step to demonetize Rs 500 and Rs 1000 currency, which means that the legal tender of currency units is declared invalid from the specified date. Demonetization of currency means discontinuity of the said currency from circulation and replacing it with a new currency. Most of the people hailed the Modi's strong decision, while poor were shocked by the move. The overnight decision changed the life of many as black money holders were worried about the pile of cash they were sitting on. Many poor daily wage workers were left with no job and income as owners were unable to pay their daily wage. It is no doubt a bold step taken by the government which will definitely help India to become corruption-free. Here are some advantages and disadvantages of de-monetization:

#### **Virtues of Demonetization**

- ✓ **Black Money Tracking:** This move will help the government to track unaccounted black money or cash on which income tax has not been paid. Individuals who are sitting on a pile of cash usually do not deposit the amount in the bank or invest anywhere as they would be required to show income or submit PAN for any valid financial transactions. They would hide it somewhere and use it as and when necessary. Banning high-value currency will impact people who will have no option, but, to declare income and pay tax on the same or destroy the cash somehow.
- ✓ **Reduction in Illegal Activity:** Banning high-value currency will halt illegal activity as the cash provided for such activities has no value now. Black money is usually used to fund the illegal activity, terrorism, and money laundering. Fake currency circulation will come to a halt in a single shot. Corrupt

officers, money launderers are under threat as Income tax department is taking all the measures to track such people.

- ✓ **Tax Payment:** Most of the businessmen who have been hiding some income are ready to pay advance tax as current year's income. Tax payers who have been hiding some income can come forward to declare income and pay tax on the same. Jan Dhan Yojana Now individuals are depositing enough cash in their Jan Dhan accounts which they were reluctant to do so a few days back. The amount deposited can be used for the betterment of the country.

#### **Difficulties of Demonetization:**

The announcement of the demonization of the currency has caused huge inconvenience to the people. They are running to the banks to exchange, deposit or withdraw notes. The sudden announcement has made the situation become chaotic. Tempers are running high among the masses as there is a delay in the circulation of new currency. It has deeply affected business. Due to the cash crunch, the entire economy has been made to come to a standstill. Many poor daily wage workers are left with no jobs and their daily income has stopped because employers are unable to pay their daily wage. The government is finding it hard to implement this policy. It has to bear the cost of printing of the new currency notes. It is also finding it difficult to put new currency into circulation. The 2000 rupees note is a burden on the people as no one likes to do transaction with such high value currency. Some critics think it will only help people to use black money more easily in future. Further, many people have clandestinely discarded the demonetized currency notes and this is a loss to the country's economy.

#### **Demonetization's Impact on Indian Retail Business:**

The Modi government's demonetization move has had an impact on several sectors, especially real estate. How could retail be far behind? Given Indian's propensity to deal in cash, especially when shopping in luxury malls and high streets, retail will see short-term impact on sales. The media has already reported how retail sales have dwindled in the immediate aftermath of the government's announcement, and how millions of new users are registering on portals offering digital payment services. There is no doubt that demonetization is a great move for a better future of India and its economy. It will definitely influence many more shoppers to start using plastic money in the long-term. Already, malls see usage of credit/ debit cards and e-Wallets go up during big sales, when banks and fin-tech start-ups offer cash backs or discounts. This is trend will rise substantially in the long term as such payment methods become more mainstream. For now, demonetization has impacted the retail industry due to a liquidity crunch. As the Indian retail industry generates a lot of cash transactions, a reduction in sales will continue in the short-term, i.e. one-two quarters. This impact is being felt largely by small traders and the unorganized retailing segment prevalent on many high streets across the country, as compared to the organized retailing and malls.

#### **2. Review of Literature:**

M. Angel Jasmine Shirley (February, 2017) has studied about the "Impact of Demonetization in India" in her research paper. In the first part of the paper, the impact over Indian economy had been explained. As per the research, the BSE SENSEX and NIFTY 50 stock had been fall near about 6% on the very next day. Moreover on the later on days, the country felt severe shortage of the cash. Moreover due to lack of cash overall production had decreased. Banks had not enough new currency for the exchange of the old notes, which breakdown the overall economic system. Moreover in the paper impact of the demonetization over world economy also shown. The first thing that happened after demonetization was decrement in to overall consumption of commodities which results in to decrease in the export-import. Moreover there was a major impact over the domestic sectors, reduction in the Government liability, farming and fishing industry, business, drop in industrial output, black money, impact over counterfeit currency, hawala, bank deposits, jewellery and real estate, IT sector etc. Findings in this sectors says that, though demonetization is a good concept to grab the black money holders, most of black money is kept in form of land, gold, real estate etc. "Not all black money is in cash, not all cash is black money". People face too much inconveniency due to improper planning about post demonetization. Moreover for number of days they had spent their time by standing in queues. To decline over all negative impact of it, ways are to focusing over tax aspect, cash availability, and elimination of loopholes.

Geeta Rani (November 2016) had presented the research paper to show the effect of demonetization over the retail outlets. She had done her research work by taking the primary data. She had used the Questionnaire method. This was filled by the 50 shopkeepers of the area. As a result she had been ready with some out comes likewise 80% shopkeeper presented their view that from 9th November, 2016 to 10th December, 2016 there was 20% increase in sales due to accepting the old notes. But after that sales had declined. Shopkeeper started paytm and cheque system. Shopkeepers had extended credit period. Top brands like HUL, P&G had affected with only decrease of 20% sales due to brand name. Moreover on the basis of the study she had identified the effect of demonetization category wise. Likewise, salty snacks sale decreased by 10%, chocolates sales had decreased by 50%, biscuits sales had decreased by 20%, juice/fruit drinks sales decreased by 20%, cigarettes sales decreased by 10%, mobile phones sales decreased by 70% , gold sales increased by 70% and durable goods sales decreased by 70%. She concluded her paper by giving the views that

though demonetization is painful for short term, but it will surely be beneficial for the long run moreover most customers are now adopting cashless means like paytm, debit card, cheques etc.

Sherline T.I (December 2016) has undertaken the research on “Demonetization as a prelude to complete financial inclusion “. The main objective of the study was to understand the importance of demonetization as a measure of financial inclusion. Financial inclusion mainly stands for, the delivery of the financial services at the affordable cost to the low income segments of society. As per the report financial inclusion can boost the savings as well as credit availability. The study shows that this move of the Government has likely to create long term benefits. Moreover medium to long term Current account and Saving account (CASA) ratio could improve. Moreover demonetization would reduce cash transaction the real estates, which may decrease the price of that avenues which make it affordable to general public. Moreover the near future inflation will decrease due to less cash transaction. Demonetization Of Currency Notes(2017): Significance And Challenges, Mr. Sharif Mohd., Demonetization is the act of stripping a currency unit of its status as legal tender. Demonetization is necessary whenever there is a change of national currency. The old unit of currency must be retired and replaced with a new currency unit. The demonetization was done in an effort to stop the counterfeiting of the current banknotes alleged to be used for funding terrorism and for cracking down on black money in the country. Following the announcement by the Prime Minister the Governor of the Reserve Bank of India (RBI), Urjit Patel made a press release with details on the procedure for exchanging the 500 and 1000 rupee notes that are currently in circulation. On 8 November, other than the notification that these denomination will be discontinued. The present study has been deals with the announcement of demonetization of currency notes (500, 1000) its needs and challenges faced by the society. Secondary data has been used for study which is collected from different newspapers and websites. Hence, it can be concluded that apart from disrupting daily lives of the common citizen, there are even bigger implications for the economy as a whole. Politics and various elections are known to run on cash. Same is the case with sectors such as real estate. The rural areas in particular, which do not have formal sources of banking, also deal largely in cash. Unorganized labour, including in urban households, such as domestic workers and drivers, are paid in cash, and mostly in these denominations. It is too early to even imagine the impact on all sections of society and parts of the economy. The advantages of this move, though, will be felt only in the long-term. While formal modes of payments such as debit and credit cards, net-banking and digital wallets should get a boost, this will take a long time to be felt simply because the proliferation of these products is still low among the middle classes and the poor, for whom cash is still the predominant mode of transactions. The government’s move is bold in its intent and massive in its measure. Arguably, this is Modi’s biggest move since he was elected prime minister. While the intent is clear, the implementation and impact is yet to be seen.

Veerakumar., K, (2017), This paper analysed demonetization is taken for several measures such as tax evasion, counterfeit currency and funding of illegal activities. Some people are depositing currency notes in excess of specified limits directly into bank accounts and has showed the unaccounted income subject to higher tax and other penalties. Alternative payment methods such as e-wallets, online transactions using e-banking, debit and credit card usage have been increased and this will shift an efficient cashless infrastructure.

### **3. Significance of the Study:**

Demonetization has given a boost to digital payments and is encouraging people to shop online more. This will definitely provide an opportunity for retail players to push customers towards adopting cashless instruments and recalibrate business models to incentivize cashless instruments

### **4. Statement of the Problem:**

People are facing problems because the limited of withdrawal has not been kept at a higher level. If this would have been kept at a higher level, there were chances that the recycling of black money might begin. The ideal money in circulation has to come to the banking channels. All small shopkeepers like super market, glossary shop cannot procure goods. The cost of purchasing is somewhere between fifty thousand to one lakh rupees. The daily revenue which used to Rs. 2000 average a day has dropped to Rs. 300 per day. Till today around Rs.5 lakh core rupees have been deposited in bank on 21st November 2016. This has only sucked the liquidity from the market affecting the spending capacity of common man. It has nothing to do with black money. Some people have been asking for demonetization since a long time which has finally been taken up. It the demonetization of currency is a historical and daring step and it should be supported by all. One should look broad and it will fetch results in then long time. It would increase the deposits in then banks and revenue base of the government that can be used for development of our county. The problem of demonetization can be overcome by encouraging small and medium scale traders towards online transaction and by orienting people towards online transaction.

### **5. Objectives of the Study:**

- ✓ Find out the trends and behaviour changes in consumer buying products.
- ✓ Analyse the trends on sales volume during demonetization period from 8<sup>th</sup> November to 31<sup>st</sup> March.
- ✓ Analyse the effect of demonetization on top brands in the retail business.

**6. Scope of the Study:**

A survey will be undertaken as part of the education and questionnaires will be designed to collect the data from the retail business people. In this study covered the impact of demonetization in retail business. It would be able to know how demonetization will be helped the retail business to grow. The results are the impact of demonetization may be positive or negative.

**7. Research Methodology:**

**Research Design:** The research design that is used in this study is descriptive research design and analytical research design. Descriptive research designs are those which are concerned with describing the characteristics of a particular individual or of a group. It gives a clear description about the different aspects of the selected problem of research.

**Sampling Method:** The researcher has adopted convenience sampling technique for the study. The statistical tools used in this study are Simple percentage method and ANOVA Test

**Sources of Data:** Primary data has been collected from respondents through structured questionnaire. The secondary data was collected from journals, books, magazines and internet sources.

**Hypothesis:**

- ✓ There is no significant relationship between the gender of the respondents and buying behavior of your consumer during demonetization period.
- ✓ There is no significant relationship between the age of the respondents and impact of sales during demonetization.
- ✓ There is no significant relationship between the income of respondents and impact of demonetization on top brands.

**.9. Analysis of Data:**

**Hypothesis: 1**

**Null hypothesis H<sub>0</sub>** - There is no significant relationship between the gender of the respondents and buying behavior of your consumer during demonetization period.

**Alternative hypothesis H<sub>1</sub>** - There is significant relationship between the gender of the respondents and buying behavior of your consumer during demonetization period.

Table 1: ANOVA Test for Gender of the Respondents and Buying Behavior of Consumer during Demonetization Period (I Phase)

		Sum of Squares	d.f	Mean Square	F	Sig.
Buying Behavior of your consumer during demonetization period (I phase)	Between Groups	.707	1	.707	.908	.343
	Within Groups	76.293	98	.779		
	Total	77.000	99			
Buying Behavior of salty Snakes	Between Groups	1.030	1	1.030	1.448	.232
	Within Groups	69.720	98	.711		
	Total	70.750	99			
Buying Behavior of chocolate	Between Groups	.893	1	.893	1.680	.198
	Within Groups	52.097	98	.532		
	Total	52.990	99			
Buying Behavior of Biscuits	Between Groups	.230	1	.230	.476	.492
	Within Groups	47.410	98	.484		
	Total	47.640	99			
Buying Behavior of sparkling	Between Groups	.489	1	.489	1.456	.230
	Within Groups	32.901	98	.336		
	Total	33.390	99			
Buying Behavior of juice and soft drinks	Between Groups	2.434	1	2.434	4.539	.036
	Within Groups	52.556	98	.536		
	Total	54.990	99			
Buying Behavior of cigarettes	Between Groups	3.746	1	3.746	7.328	.008
	Within Groups	50.094	98	.511		
	Total	53.840	99			
Buying Behavior of Toilet soaps	Between Groups	1.781	1	1.781	3.095	.082
	Within Groups	56.409	98	.576		
	Total	58.190	99			
Buying Behavior of Hair dye	Between Groups	2.089	1	2.089	2.818	.096
	Within Groups	72.661	98	.741		
	Total	74.750	99			

Buying Behavior of Rice	Between Groups	.072	1	.072	.106	.745
	Within Groups	66.518	98	.679		
	Total	66.590	99			
Buying Behavior of dal	Between Groups	.302	1	.302	.447	.506
	Within Groups	66.258	98	.676		
	Total	66.560	99			
Buying Behavior of cooking oil	Between Groups	.163	1	.163	.323	.571
	Within Groups	49.547	98	.506		
	Total	49.710	99			

Source: Output generated from SPSS 19

Based on the result generated by SPSS 19. The significant some value of buying behavior of your consumer during demonetization period (I phase) in respect of buying behavior of juice and soft drinks and cigarettes are less than the 0.05. So the null hypothesis is rejected. Hence, there is significant relationship between gender of respondents and buying behavior of juice and soft drinks and cigarettes. The other significant value of buying behavior of your consumer during demonetization period (I phase) in respect of the buying behavior of salty snakes, chocolate, biscuits, sparkling, toilet soaps, hair dye, rice, dal and cooking oil greater than 0.05. So the null hypothesis is accepted. Hence, there is no significant relationship between the genders of respondents and buying behavior of your consumer during demonetization period (I phase).

#### **Hypothesis 2:**

**Null hypothesis H0** - There is no significant relationship between the age of the respondents and impact of sales during demonetization.

**Alternative hypothesis H1** - There is significant relationship between the age of the respondents and impact of sales during demonetization.

Table 2: ANOVA Test for Age of the Respondents and Impact of Sales during Demonetization Period (I Phase)

Source: Output generated from SPSS 19

		Sum of Squares	d.f	Mean Square	F	Sig.
Impact of sales during demonetization period (I phase )	Between Groups	8.247	3	2.749	7.111	.000
	Within Groups	37.113	96	.387		
	Total	45.360	99			
Up to 5%	Between Groups	1.950	3	.650	1.044	.377
	Within Groups	59.760	96	.623		
	Total	61.710	99			
6% to 10%	Between Groups	3.271	3	1.090	1.841	.145
	Within Groups	56.839	96	.592		
	Total	60.110	99			
11% to 15%	Between Groups	.847	3	.282	.536	.659
	Within Groups	50.593	96	.527		
	Total	51.440	99			
16% to 20%	Between Groups	2.473	3	.824	2.035	.114
	Within Groups	38.887	96	.405		
	Total	41.360	99			
Above 21%	Between Groups	2.569	3	.856	2.164	.097
	Within Groups	37.991	96	.396		
	Total	40.560	99			

Based on the result generated by SPSS 19. The significant some value of impact of sales during demonetization period (I phase) in respect of impact of sales during demonetization period (I phase) is less than the 0.05. So the null hypothesis is rejected. Hence, there is significant relationship between the age of the respondents and impact of sales during demonetization (I phase). The other significant value of impact of sales during demonetization (I phase) in respect of the volume of sales upto 5%, 6% to 10%, 11% to 15%, 16% to 20% and above 21% is 0.05. So the null hypothesis is accepted. Hence, there is no significant relationship between the age of the respondents and impact of sales during demonetization (I phase).

**Hypothesis:**

**Null hypothesis H0** - There is no significant relationship between the income of respondents and impact of demonetization on top brands.

**Alternative hypothesis H1** - There is significant relationship between the income of respondents and impact of demonetization on top brands.

Table 3: ANOVA Test for Income of Respondents and Impact of Demonetization on Top Brands

		Sum of Squares	d.f	Mean Square	F	Sig.
Impact of demonetization on top brands	Between Groups	5.019	3	1.673	2.921	.038
	Within Groups	54.981	96	.573		
	Total	60.000	99			
P&G	Between Groups	3.886	3	1.295	2.454	.068
	Within Groups	50.674	96	.528		
	Total	54.560	99			
HUL	Between Groups	12.390	3	4.130	7.836	.000
	Within Groups	50.600	96	.527		
	Total	62.990	99			
Parle	Between Groups	6.594	3	2.198	4.105	.009
	Within Groups	51.406	96	.535		
	Total	58.000	99			
Britannia	Between Groups	.229	3	.076	.419	.740
	Within Groups	17.481	96	.182		
	Total	17.710	99			
Coca-Cola	Between Groups	1.108	3	.369	1.783	.156
	Within Groups	19.892	96	.207		
	Total	21.000	99			
Pepsi	Between Groups	2.009	3	.670	1.131	.340
	Within Groups	56.831	96	.592		
	Total	58.840	99			
Kalimark	Between Groups	.444	3	.148	.307	.820
	Within Groups	46.306	96	.482		
	Total	46.750	99			
Arun ice cream	Between Groups	1.671	3	.557	1.617	.191
	Within Groups	33.079	96	.345		
	Total	34.750	99			
Daily Dairy	Between Groups	2.120	3	.707	2.818	.043
	Within Groups	24.070	96	.251		
	Total	26.190	99			
Philips	Between Groups	.081	3	.027	.112	.953
	Within Groups	23.229	96	.242		
	Total	23.310	99			
Godrej	Between Groups	.159	3	.053	.210	.890
	Within Groups	24.281	96	.253		
	Total	24.440	99			
Maharaja	Between Groups	.190	3	.063	.303	.823
	Within Groups	20.050	96	.209		
	Total	20.240	99			
	Between Groups	2.009	3	.670	1.131	.340

Rajabogam	Within Groups	56.831	96	.592		
	Total	58.840	99			
Gold winner	Between Groups	.444	3	.148	.307	.820
	Within Groups	46.306	96	.482		
	Total	46.750	99			
Idhayam	Between Groups	1.671	3	.557	1.617	.191
	Within Groups	33.079	96	.345		
	Total	34.750	99			
Sunland	Between Groups	2.120	3	.707	2.818	.043
	Within Groups	24.070	96	.251		
	Total	26.190	99			
Himalaya	Between Groups	.081	3	.027	.112	.953
	Within Groups	23.229	96	.242		
	Total	23.310	99			
Nestle	Between Groups	.159	3	.053	.210	.890
	Within Groups	24.281	96	.253		
	Total	24.440	99			
Others	Between Groups	.190	3	.063	.303	.823
	Within Groups	20.050	96	.209		
	Total	20.240	99			

Source: Output generated from SPSS 19

Based on the result generated by SPSS 19. The significant some value of impact of demonetization on top brands in respect of impact on top brand Hul, Parle, Daily dairy and Sunland is less than the 0.05. So the null hypothesis is rejected. Hence, there is significant relationship between the income of the respondents and impact demonetization on top brands. The other significant value of impact of demonetization in respect of the impact of demonetization on top brands P&G, Britannia, Coca-Cola, Pepsi, kalimark, Arun ice cream, Philips, Godrej, Maharaja, Rajabogam, Gold winner, Idhayam, Himalaya, Nestle and others are 0.05. So the null hypothesis is accepted. Hence, there is no significant relationship between the income of the respondents and impact demonetization on top brands.

#### 10. Findings of the Study:

- ✓ The majority of 61 percent of the respondents are in the gender of male. The majority of 39 percent of the respondents are in the age of group of 20 to 30 years the majority of 35 percent of the respondents are in the educational qualification of degree. The majority of 67 percent of the respondents are in the marital status of married. The majority of 40 percent of the respondents are in the monthly income of Rs 20,000 to Rs 40,000 of the majority of 66 percent of the respondents are in the ownership of lease. The majority of 39 percent of the respondents are in the experience of the shop of 6-10 years.
- ✓ The majority of 44 percent of the respondents are in the Buying Behavior of your consumer during demonetization period (I st phase) of 3. The majority of 33 percent of the respondents are in the buying behavior of salty snakes of decrease. The majority of 47 percent respondents are in the buying behavior of chocolate of no change. The majority of 52 percent of the respondents are in the buying behavior of biscuits. The majority of 63 percent of the respondents are in the buying behavior of sparkling of no change. The majority of 45 respondents are in the buying behavior of juice and soft drinks of no change.
- ✓ The majority of 41 respondents are in the buying behavior of toilet soaps of no change. The majority of 40 respondents are in the buying behavior of hair dye of decrease. The majority of 52 respondents are in the buying behavior of rice of decrease. The majority of 40 respondents are in the buying behavior of dal of decrease. The majority of 45 respondents are in the buying behavior of cooking oil of no change.
- ✓ The majority of 61 respondents are in the buying behavior of consumer during demonetization (II st phase) of 2. The majority of 55 percent of the respondents of buying behavior of salty snakes of no change. The majority of 61 percent of the respondents of buying behavior of chocolate of no change. The majority of 65 percent of the respondents of buying behavior of biscuits of no change. The majority of 47 percent of the respondents of buying behavior of sparkling of no change. The majority of 48 percent of the respondents of buying behavior of juice and soft drinks of no change.

- ✓ The majority of 38 percent of the respondents of buying behavior of cigarettes of no change. The majority of 38 percent of the respondents of buying behavior of toilet soaps of increase. The majority of 43 percent of the respondents of buying behavior of hair dye of no change. Hence, the majority of 44 percent of the respondents of buying behavior of rice of decrease. The majority of 61 percent of the respondents of buying behavior of dal of increase. The majority of 58 percent of the respondents of buying behavior of cooking oil of increase.
- ✓ The majority of 43 percent of the respondents of buying behavior of consumer during demonetization (III phase) of 2. The majority of 51 percent of the respondents of buying behavior of salty snakes of no change. The majority of 54 percent of the respondents of buying behavior of chocolate of no change. The majority of 48 percent of the respondents of buying behavior of biscuits of no change. The majority of 43 percent of the respondents of buying behavior of sparkling of no change. The majority of 47 percent of the respondents of buying behavior of juice and soft drinks of no change
- ✓ The majority of 46 percent of the respondents of buying behavior of cigarettes of no change. The majority of 43 percent of the respondents of buying behavior of toilet soaps of no change. The majority of 46 percent of the respondents of buying behavior of hair dye of no change. The majority of 54 percent of the respondents of buying behavior of rice of decrease. The majority of 52 percent of the respondents of buying behavior of dal of no change. The majority of 58 percent of the respondents of buying behavior of cooking oil of no change.
- ✓ The majority of 45 percent of the respondents of up to 5% of no change. The majority of 52 percent of the respondents of 6% to 10% of increase. The majority of 46 percent of the respondents of 11% to 15% of no change. The majority of 58 percent of the respondents of 6% to 20% of no change. The majority of 58 percent of the respondents of above 21% of no change.
- ✓ The majority of 70 percent of the respondents of up to 5% of increase. The majority of 60 percent of the respondents of 6% to 10% of no change. The majority of 64 percent of the respondents of 11% to 15% of no change. The majority of 48 percent of the respondents of 16% to 20% of no change. The majority of 53 percent of the respondents of above 21% of decrease.
- ✓ The majority of 57 percent of the respondents of up to 5% of no change. The majority of 48 percent of the respondents of 6% to 10% of no change. The majority of 59 percent of the respondents of 11% to 15% of no change. The majority of 55 percent of the respondents of 16% to 20% of no change. The majority of 41 percent of the respondents of above 21% of increase.
- ✓ The majority of 44 percent of the respondents of P&G of no change. The majority of 37 percent of the respondents of HUL of no change. The majority of 41 percent of the respondents of Parle of decrease. The majority of 77 percent of the respondents of Britannia of decrease. The majority of 70 percent of the respondents of Coca-Cola of decrease. The majority of 63 percent of the respondents of Pepsi of decrease. The majority of 56 percent of the respondents of Kalimark of decrease. The majority of 50 percent of the respondents of Arun ice cream of decrease.
- ✓ The majority of 60 percent of the respondents of daily dairy of decrease. The majority of 63 percent of the respondents of Philips of no change. The majority of 64 percent of the respondents of Godrej of no change. The majority of 74 percent of the respondents of maharaja rice brand of no change. The majority of 63 percent of the respondents of Rajabogam rice brand of decrease. The majority of 56 percent of the respondents of gold winner of decrease. The majority of 50 percent of the respondents of Idhayam of decrease. The majority of 60 percent of the respondents of Sunland of decrease. The majority of 63 percent of the respondents of Himalaya of no change. The majority of 64 percent of the respondents of nestle of no change. The majority of 74 percent of the respondents of other of no change.
- ✓ There is significant relationship between gender of respondents and buying behavior of juice and soft drinks and cigarettes. There is no significant relationship between the gender of respondents and buying behavior of your consumer during demonetization period
- ✓ There is significant relationship between the age of the respondents and impact of sales during demonetization. There is no significant relationship between the age of the respondents and impact of sales during demonetization.
- ✓ There is significant relationship between the income of the respondents and impact demonetization on top brands. There is no significant relationship between the income of the respondents and impact demonetization on top brands.

#### **11. Suggestions for the Study:**

- ✓ Just like several super markets offers prepaid cash coupons for members for purchases in their outlets, high security coupons can be sold by cooperative and nationalised banks for purchases and other payments by Urban, rural and other less educated people.
- ✓ Educate everyone about the use of e-wallet and Debit & Credit Cards. Proper classes about the use of e-wallet and cards should be taken at each & every office, organization, companies etc. whether private

or government. Camps can be held at village levels & city levels at each & every corners. Social workers, panchayat members, municipal corporation members & staff should come forward in explaining the use of digital media for buying commodities in the market.

- ✓ Give every businessman, who has current account with banks, swipe machine at the earliest possible. Tragedy is many bank branches still do not provide facility of giving swipe machines to its clients. Immediate steps to be taken by the concerned authorities to equip banks with these machines so that it can be distributed to the traders. Also proper training should be given to traders about its use.
- ✓ Let every bank branch be provided POS/swipe machine also apart from cash counter for deposits and withdrawals on permanent basis.

## **12. Conclusion:**

Demonetization has opened up mammoth opportunities for the e-commerce industry and it will prove huge boon for digital payment market. Economists are busy in listing out many more merits and demerit of this policy. The government is saying that there are only advantages of demonetization policy and this will be seen in the long term. The demonetization move as an 'organized lot and legalized plunder'. However, if we compare the merits verses demerits, it will be safe to conclude that the former outweighs the latter. Even though there is suffering and agony among the masses right at the moment but the forecast is that its benefits will be seen in the long run. The government is taking all the necessary steps and actions to meet the currency demand and soon the trial and tribulations of the people will be over with the smooth flow of the new currency. Thus, from the above study it is pretty clear that demonetization has impacted the retail industry. Due to demonetization consumers are buying more products through online instead of retail shop due to cash crunch. The consumers have adopted new method of making payment, pre demonetization consumers were making payment by choosing the cash on delivery option but now majority of them are shifted to debit card and Paytm wallet to make payments.

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