Artificial Intelligence and Digital Transformation: Reshaping Commerce and Management Practices for Viksit Bharat 2047

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Publication Date: 2026/08/13

Abstract: Artificial Intelligence (AI) and digital transformation are playing a vital role in changing commerce and management practices in India. The growing use of AI technologies, automation, cloud computing, and data analytics is improving business operations, decision-making, and customer services across different sectors. In the context of Viksit Bharat 2047, digital transformation has become an important factor for achieving sustainable economic growth and global competitiveness. The present study examines the impact of Artificial Intelligence and digital transformation on commerce and management practices in India. It highlights the role of AI in areas such as marketing, finance, human resource management, business analytics, and customer relationship management. AI-driven technologies are helping organizations improve efficiency, reduce operational costs, and provide better services to consumers. The study also explains how digital platforms and innovative technologies are supporting startups, entrepreneurship, and financial inclusion in the country. At the same time, the paper discusses important challenges related to AI adoption, including cybersecurity risks, data privacy concerns, ethical issues, lack of skilled workforce, and the digital divide between urban and rural areas. The study is based on secondary data collected from journals, government reports, books, and online sources. The findings of the study reveal that proper implementation of AI and digital transformation can strengthen business growth, innovation, and economic development in India. However, supportive government policies, digital infrastructure, and skill development programs are necessary for inclusive and sustainable progress. The study concludes that AI and digital transformation can become powerful tools in reshaping commerce and management practices and contribute significantly towards achieving the vision of Viksit Bharat 2047.

Keywords: *Artificial Intelligence, Digital Transformation, Commerce, Management, Viksit Bharat 2047, Business Analytics, Innovation, Financial Inclusion.*

How to Cite: Muntha Sathyanarayana (2026) Artificial Intelligence and Digital Transformation: Reshaping Commerce and Management Practices for Viksit Bharat 2047. *International Journal of Innovative Science and Research Technology*, 11(8), 324-330. https://doi.org/10.38124/ijisrt/26aug138

I. INTRODUCTION

Digital transformation and artificial intelligence (AI) are drastically altering the global business landscape. Digital technologies are being used by businesses all around the world to increase production, efficiency, and competitiveness. Traditional business and management methods are changing in India due to the increasing usage of technologies like machine learning, cloud computing, big data analytics, robots, and automation.

The vision of Viksit Bharat 2047, which promises to make India a developed nation by the year 2047, now heavily relies on digital transformation. Technology innovation and the construction of digital infrastructure are being promoted nationwide by government programs including Digital India, Startup India, Make in India, and Skill India.

Marketing, finance, accounting, supply chain management, customer relationship management, and human resource management are just a few of the commercial activities where artificial intelligence is crucial. AI-based technologies assist businesses in making better decisions, cutting expenses, analyzing client behavior, and improving customer satisfaction.

The structure of Indian commerce has been altered by the quick development of digital payments, e-commerce platforms, fintech services, and online company models. AI-driven technologies are being used by businesses more and

ISSN No:-2456-2165 https://doi.org/10.38124/ijisrt/26aug138

more to boost market competitiveness and operational effectiveness.

However, there are drawbacks to the use of AI, including cybersecurity risks, moral dilemmas, data privacy concerns, automation-related unemployment, and digital disparities between urban and rural locations. Studying the effects of digital transformation and artificial intelligence on Indian management and commerce is therefore necessary.

II. REVIEW OF LITERATURE

- Brynjolfsson, E., & McAfee, A. (2018). In *The Second Machine Age*, the authors explained that Artificial Intelligence and automation technologies are transforming industries and increasing organizational productivity. They emphasized that digital innovation is essential for economic growth, competitiveness, and business efficiency.
- Kaplan, A., & Haenlein, M. (2019) observed that Artificial Intelligence technologies improve customer relationship management, digital marketing, and organizational decision-making systems. Their study highlighted the growing role of AI-driven tools in enhancing customer engagement and business analytics.
- NITI Aayog (2021) emphasized the importance of responsible AI adoption in India. The report stated that AI can significantly contribute to healthcare, education, agriculture, finance, and commerce sectors while supporting inclusive growth and innovation.
- Kumar, V. (2022) studied the impact of Artificial Intelligence on commerce and management practices and found that AI technologies improve operational efficiency, reduce business costs, and increase customer satisfaction through automation and data analytics.
- Sharma, P., and Singh, R. (2024) stated that digital transformation is supporting entrepreneurship, financial inclusion, and economic development in India through digital payments, fintech services, and online business platforms.
- OECD (2022) reported that Artificial Intelligence and digital transformation are improving industrial productivity, supply chain management, and organizational innovation. The report also highlighted concerns related to cybersecurity and workforce displacement due to automation.
- Porter, M. E., and Heppelmann, J. E. (2015) explained that smart connected products and digital technologies are transforming business models and organizational strategies. They emphasized the importance of IoT and AI in improving competitiveness and customer value.
- Reserve Bank of India (2023) highlighted the rapid growth of digital payment systems, internet banking, and fintech services in India. The report observed that AI-enabled financial technologies are strengthening financial inclusion and the digital economy.
- World Economic Forum (2023) stated that Artificial Intelligence and automation are reshaping global employment patterns and workplace skills. The report stressed the need for digital literacy, skill development, and reskilling programs.
- Nadella, S. (2020) emphasized that digital transformation has become essential for organizations to improve operational resilience, remote work systems, and customer services. The study highlighted the growing importance of cloud computing and AI technologies.
- McKinsey & Company (2021) reported that organizations adopting AI technologies experience improved productivity, profitability, and customer engagement. The report further explained that AI-driven automation enhances business decision-making and operational efficiency.
- International Monetary Fund (2023) stated that digital transformation and AI technologies are important drivers of economic growth and global competitiveness. The report highlighted the importance of digital infrastructure and innovation for developing countries like India.
- Schwab, K. (2016) in *The Fourth Industrial Revolution* explained that technologies such as Artificial Intelligence, robotics, automation, and big data are fundamentally transforming commerce, industries, and management systems worldwide. He emphasized that digital transformation is essential for future economic development and innovation.

➢ *Need for the Study*

Digital transformation and artificial intelligence are emerging as key forces behind India's business and economic growth. AI technologies are being used by businesses more and more to boost output, customer satisfaction, creativity, and operational effectiveness.

The study is significant because it contributes to our understanding of how AI is changing Indian management and commerce. Additionally, it describes how digital transformation supports financial inclusion, digital payments, entrepreneurship, and economic expansion.

Additionally, the report concentrates on significant topics like digital inequality, data privacy concerns, cybersecurity threats, and a shortage of skilled labor. As a result, the study helps academics, politicians, researchers, students, and corporate organizations comprehend how AI and digital transformation will play a future role in realizing Viksit Bharat 2047.

➢ *Objectives of the Study*

- To investigate how artificial intelligence affects business and management procedures.
- To examine how digital transformation affects Indian corporate enterprises.
- To research the advantages of AI technology in customer relationship management, marketing, finance, and human resources.
- To determine the obstacles to digital transformation and AI adoption.
- To propose AI-based sustainable development strategies in the context of Viksit Bharat 2047.

ISSN No:-2456-2165 https://doi.org/10.38124/ijisrt/26aug138

➢ *Scope and Period of the Study*

The study focuses on how digital transformation and artificial intelligence affect Indian management and business processes. Marketing, finance, accounting, customer relationship management, e-commerce, digital payments, human resource management, and business analytics are just a few of the topics it covers.

In keeping with the vision of Viksit Bharat 2047, the study also looks at how AI and digital technologies help economic growth, innovation, entrepreneurship, and financial inclusion.

The study is based on secondary data that was gathered between 2018 and 2025 from books, journals, government reports, RBI publications, websites, and online academic sources.

III. RESEARCH METHODOLOGY

The current study is analytical and descriptive in character. All of the study's secondary data came from government publications, books, journals, newspapers, RBI and NITI Aayog reports, websites, and online scholarly articles.

To comprehend how AI and digital transformation are changing Indian business and management methods, the gathered data has been methodically examined.

➢ *Data Analysis and Interpretation*

The analysis is based on secondary data about artificial intelligence and digital transformation in India that was gathered from government reports, RBI publications, NITI Aayog reports, research journals, and online academic sources. The gathered data shows that digital payments, automation, AI use, and technology-driven business processes are all expanding quickly across many industries.

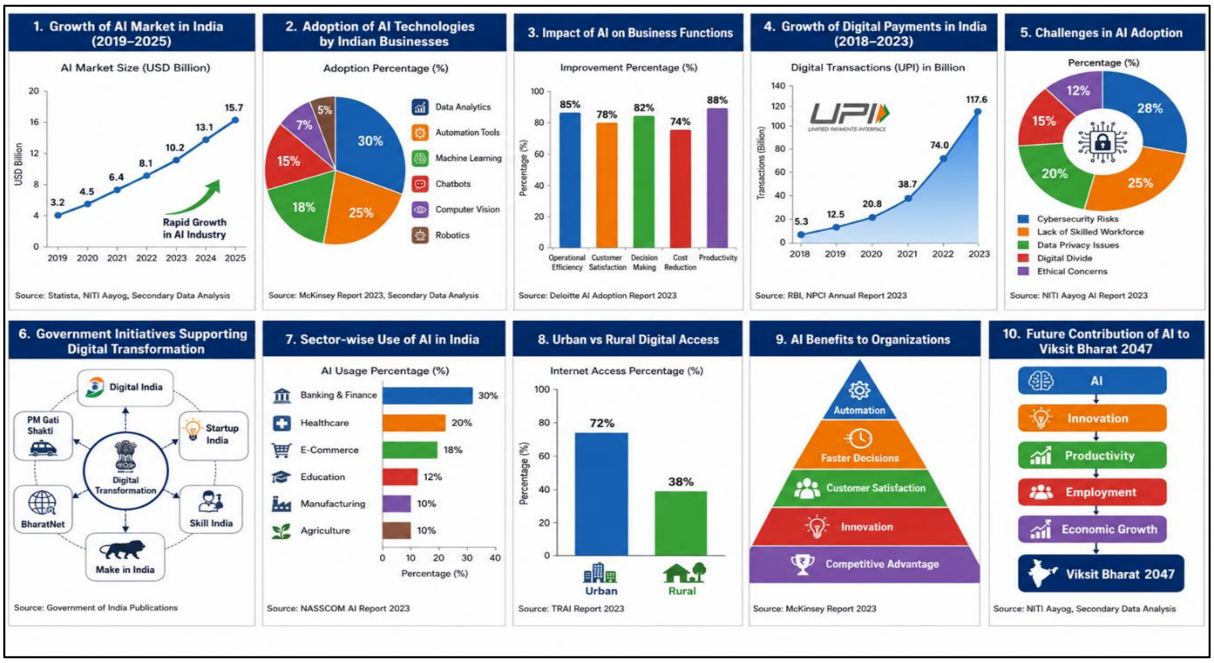

Fig 1 Data Analysis (2018-2025)

- *Growth of AI Market in India*

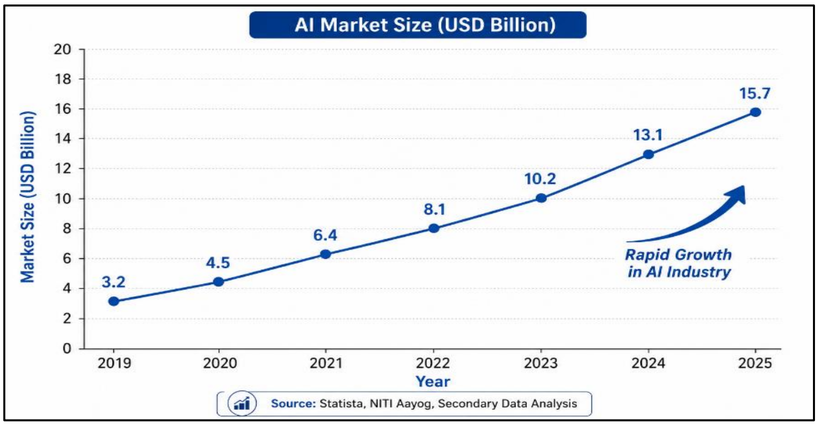

Fig 2 Growth of AI Market in India (2019-2025)

ISSN No:-2456-2165 https://doi.org/10.38124/ijisrt/26aug138

The AI market in India has expanded dramatically from USD 3.2 billion in 2019 to an expected USD 15.7 billion by 2025, according to a study of the studies that are now accessible. This steady rise is a result of businesses, startups, and governmental agencies investing more in artificial intelligence technologies. AI's explosive growth suggests that Indian businesses are embracing digital technology more and more to boost productivity, creativity, and competitiveness.

According to Viksit Bharat 2047, the growth pattern also indicates that AI will play a significant role in economic development.

- *Adoption of AI Technologies by Indian Businesses*

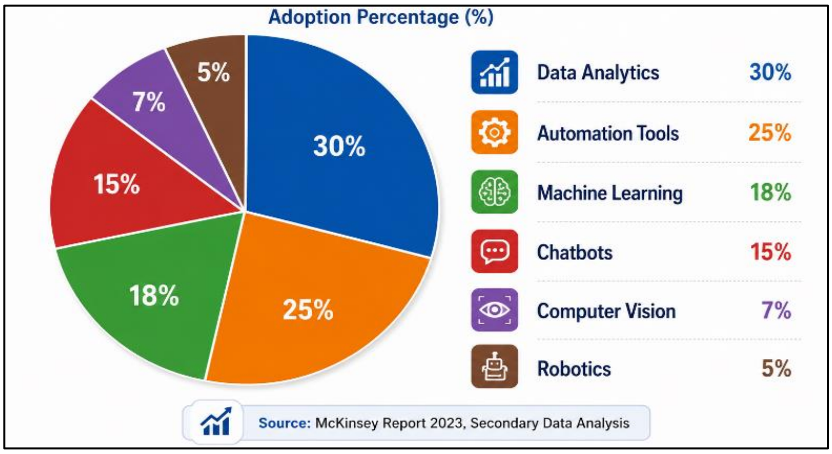

Fig 3 Adoption of AI Technologies by Indian Businesses

According to the data gathered, AI-based technologies including data analytics, automation, machine learning, chatbots, and computer vision systems are being used by Indian organizations more frequently.

The most popular of these technologies are automation and data analytics since they enable businesses to study consumer behavior, boost output, cut expenses, and facilitate quicker decision-making. Chatbots driven by AI and machine learning are also enhancing company communication and customer service systems.

According to this report, businesses are moving away from traditional management systems and toward technology-driven business models.

- *Impact of AI on Business Functions*

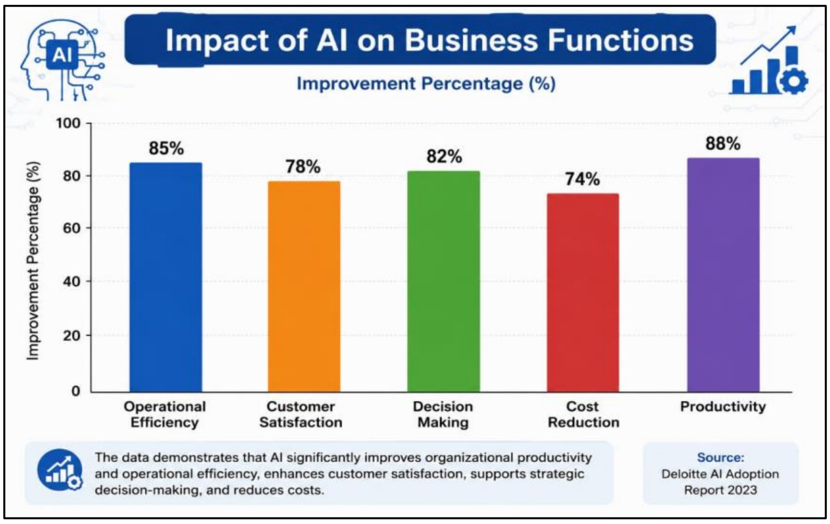

Fig 4 Impact of AI on Business Functions

The report also demonstrates how many business operations are being positively impacted by artificial intelligence. Following the use of AI technologies, the majority of firms observed gains in decision-making processes, customer satisfaction, and operational efficiency.

Businesses are using AI-based solutions to automate repetitive operations, lower human mistake rates, enhance customer relationship management, and improve financial management. Organizations are able to make timely and

ISSN No:-2456-2165
https://doi.org/10.38124/ijisrt/26aug138

precise decisions thanks to the application of AI-driven business intelligence tools and predictive analytics.

The results unequivocally show that AI technologies are becoming crucial for enhancing organizational competitiveness and performance.

- *Growth of Digital Payments in India*

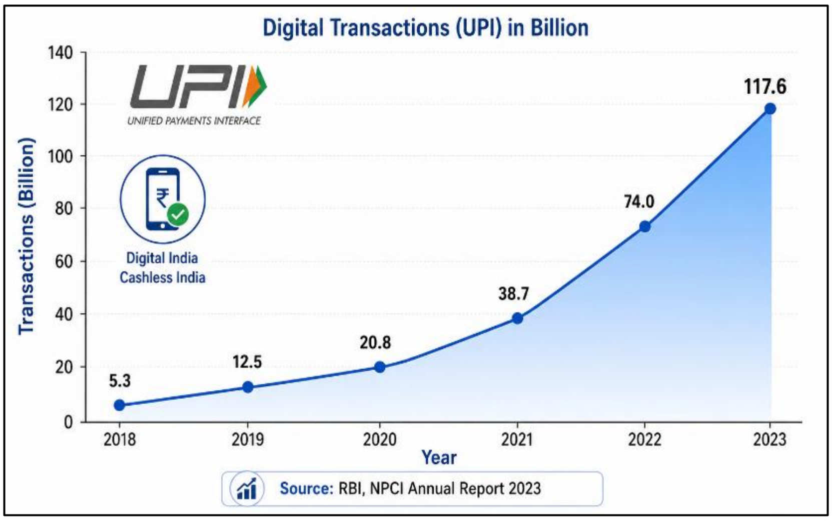

Fig 5 Growth of Digital Payments in India (2018-2023)

Between 2018 and 2023, there was a notable rise in digital payment transactions in India, according to data gathered from RBI and fintech reports. Financial transactions have changed dramatically as a result of the growing usage of fintech apps, mobile banking, internet banking, and UPI.

Digital awareness, internet prevalence, smartphone usage, and government backing for cashless transactions are all contributing factors to the rise in digital payments. By making banking simple for underserved and rural communities, digital payment systems are also fostering financial inclusion.

According to the report, digital transformation has improved India's financial system and boosted the country's economy.

- *Challenges in AI Adoption and Digital Transformation*

While there are many advantages to AI and digital transformation, the research also identifies some significant obstacles. The absence of a trained workforce, ethical dilemmas, cybersecurity risks, and data privacy concerns continue to be significant obstacles to the successful application of AI.

Equal access to digital technologies and online services is still impacted by the digital gap between urban and rural communities. Digital literacy, internet access, and technology infrastructure continue to be issues for many rural communities and small enterprises.

Additionally, when machines and software systems replace human labor, automation and AI-driven systems may raise employment issues in some conventional industries.

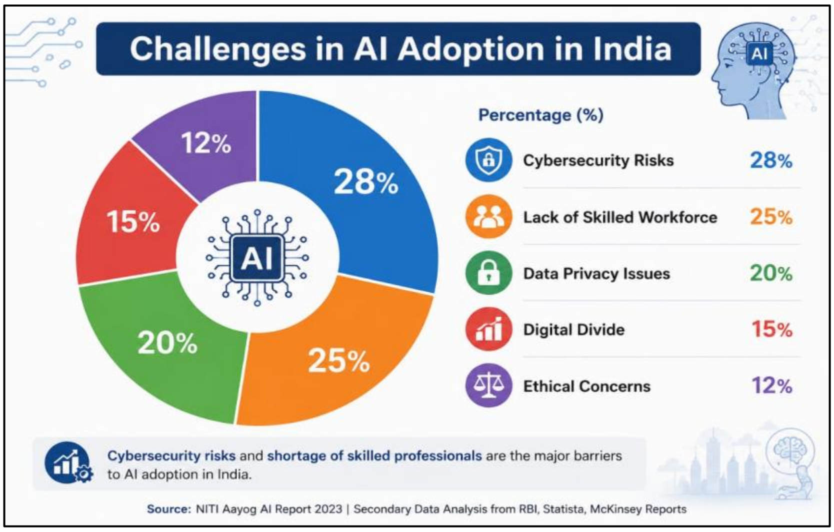

Fig 6 Challenges in AI Adoption and Digital Transformation

ISSN No:-2456-2165 https://doi.org/10.38124/ijisrt/26aug138

IV. RESULTS AND DISCUSSIONS

According to the survey, digital transformation and artificial intelligence are having a big impact on India's management and commerce systems. AI technologies are enhancing business decision-making processes, customer satisfaction, productivity, and efficiency.

Indian companies are shifting to technology-driven business models, as seen by the growing use of automation, data analytics, machine learning, and digital platforms. Businesses are using AI applications in marketing, finance, accounting, human resource management, and customer relationship management to lower operating costs and enhance service quality.

In India, digital transformation has sped up the expansion of fintech services, digital payment systems, online banking, and e-commerce. Mobile banking, internet transaction platforms, and the Unified Payments Interface (UPI) have revolutionized financial transactions and encouraged financial inclusion.

Digital innovation, entrepreneurship, and startup creation are being promoted by government programs including Digital India, Startup India, Skill India, and Make in India. Additionally, AI technologies are opening doors for digital commercial services, telemedicine, online education, and smart government.

The successful application of AI technologies is still hampered by a number of issues, though. Digital inequalities, ethical dilemmas, cybersecurity threats, and data privacy concerns continue to be significant obstacles to long-term digital change. Lack of technical expertise and qualified personnel is another issue that many firms deal with.

According to the overall research, Viksit Bharat 2047's vision of economic growth, innovation, and sustainable development may be greatly aided by artificial intelligence and digital transformation.

V. FINDINGS AND SUGGESTIONS

➢ *Findings*

- Business organizations are becoming more productive and efficient thanks to artificial intelligence.
- In India, traditional management and commerce processes are changing due to digital change.
- AI technologies are improving business decision-making and customer happiness.
- Financial inclusion and economic expansion are aided by digital payment systems.
- Government programs are promoting entrepreneurship and technical innovation.
- Data privacy issues and cybersecurity threats continue to be significant obstacles.
- The digital divide and a lack of skilled workers hinder the successful application of AI.

➢ *Suggestions*

- The government ought to improve digital infrastructure in underdeveloped and rural areas.
- AI and digital skill development programs ought to be offered by educational establishments.
- Businesses should implement robust data protection and cybersecurity protocols.
- For digital innovation and research, public-private partnerships ought to be promoted.
- AI regulations ought to guarantee the moral and responsible application of technology.
- Startups and small companies using digital technology should receive financial support.
- To increase citizens' digital literacy, awareness campaigns should be carried out.

VI. CONCLUSION

In India, digital transformation and artificial intelligence are emerging as potent instruments for changing management and business practices. AI technologies are enhancing customer service, innovation, operational efficiency, and company competitiveness in a variety of industries.

Innovation-driven economic growth, digital infrastructure, and technical improvement may all help realize the goal of Viksit Bharat 2047. Government programs like Startup India, Digital India, and Skill India are fostering digital change and opening doors for financial inclusion and entrepreneurship.

However, issues like lack of digital skills, ethical concerns, data privacy concerns, and cybersecurity dangers require appropriate attention. Sustainable and inclusive growth requires responsible use of AI technologies, digital education, infrastructure development, and effective policies.

The study concludes that Artificial Intelligence and digital transformation can significantly contribute to economic development, innovation, and global competitiveness, thereby helping India achieve the vision of Viksit Bharat 2047.

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