







Analysis of Marketing and Innovation Strategies Used in Footwear Products with Special Reference to Andhra Pradesh, India

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Abstract. The footwear business has seen significant change throughout the years, reflecting global economic growth, evolving consumer tastes, and technological advancements. This article looks back at the history of the footwear manufacturing business, tracking its development and highlighting significant turning points that have shaped the sector. In addition, it offers viewpoints on the near future of the footwear industry, accounting for emerging trends, ecological concerns, and the impact of digital technology. We examine the history of the production of shoes, tracing its origins from prehistoric times to the industrial revolution, and assessing the shift from handicraft to mass production. We examine the influence of well-known footwear brands and how they have aided in the development and innovation of the sector. The paper delves into the contemporary challenges that the footwear industry faces.

Keywords: Global producer, leather Products, Footwear Production

1 Introduction

The Indian Companies Act allowed OCAP (India) Pvt. Ltd to be founded in 1956. The firm, made up of a group of experts with a wealth of experience and expertise, has been exclusively sourcing industrial chemicals (mostly oleo chemicals) from local suppliers for over 20 years. Then, a range of clients from a number of sectors, including cosmetics, medicines, paints, footwear, and polymers (rubber, plastic, and PVC), purchase these compounds in little and big amounts. The company maintains ties with colleagues

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in the West, East, and South while having its headquarters in New Delhi, North India. OCAP serves as distributors for other leading international businesses that promote their goods in India. Although the footwear industry has received the majority of the company's attention, the company has personal connections to many other industries and can meet their raw material needs. The company maintains ties with colleagues in the West, East, and South while having its headquarters in New Delhi, North India. OCAP serves as distributors for other leading international businesses that promote their goods in India. Although the footwear industry has received the majority of the company's attention, the company has personal connections to many other industries and can meet their raw material needs. Now that the footwear business has been delicensed and dereserved, capacity on modern lines can be extended using cutting-edge technologies. To aid this process even further, the federal government has approved 100% Foreign Direct Investment in the footwear industry via automated means. India is the world's second-largest shoe maker, accounting for 11.63% of the 17.7 percent billion pairs manufactured worldwide. India produces a total of 2065 million pairs of shoes (909 million pairs of leather shoes, 100 million pairs of leather shoe uppers, and 1056 million pairs of non-leather shoes). India sells 115 million pairs in total. As a result, approximately 95% of its output is used to meet domestic demand. In fact, the development engine of the Indian leather sector.

1.1 Foot wear Industry in India

In all its forms, the Indian leather industry has long been a traditional one. The early years are lost in the mists of time. There is no record of its genesis. India has a wealth of traditional skills for making leather goods, and despite its age, it is still modern and has changed constantly as a result of global technological advancements. For generations, India has been renowned for its expertise in producing leather shoes and other gear for fighters. The leather business in Sodom had a setback throughout the colonial era and following the country's 1947 independence, much like many other industries. India was limited to exporting unprocessed hides and skins. India's major footwear production centres include Tamil Nadu, Mumbai, West Bengal, Uttar Pradesh, Punjab, Karnataka, and Andhra Pradesh, with major cities including Chennai, Ambur, Ranipet, Trichy, Dindigul, and Mumbai.

1.2 Domestic Footwear Industry in India

- Footwear retailing constitute about 9% in the total consumer market.
- Ladies and kids footwear, Sports Footwear also have vast potential in the domestic market Source Private Study by Reliance.
- Micro, Small & Medium Enterprises in Indian Footwear Sector: Shoes made of leather, synthetic materials, and other materials. These units made up 1.31 percent of the 1563974 (100%) micro, small, and medium-sized businesses in India.

Table 1. Footwear Manufacturing Sector in Micro, Small & Medium Enterprises

Small and medium-sized businesses	Total number of active businesses	% Partiality
Production of Footwear	21,463	1.30
All India (All Segments)	15,63,975	100.000

The Government of India's Micro, Small & Medium firms department estimates that there are 20463 units registered as operating firms in India, employing 97,741 people and having a net worth of Rs. 3993.99 crores. These units have fixed assets valued at Rs. 2224,94 crore, plant and equipment investments at Rs. 737.17 crore, and a gross production of Rs. 6008.77 crore.

2 Review of Literature

[1] emphasizes the importance and export potential of the Indian footwear industry, emphasizing the need for training facilities, brand recognition, and academic linkages. "Development experiences: Gender Prospective on Industrial growth,". [2] clarified how labour and industry have not collaborated in India's industrial development. She also emphasized the need to transform government activities into gender-related strategic requirements. Dhar P.N. sought to investigate Delhi's minor leather footwear plants in 1958. His research showed that just thirty percent of small footwear firms have meaningful marketing and funding sources. [3] thoroughly examined the factors affecting migration as well as the socioeconomic backgrounds of women employees. The survey also emphasized the motivations behind women's entry into the footwear sector. [4] looked at an Agra footwear industry case in 1996. He gave a lot of weight to the idea that small enterprises may fortify their vertical economic linkages by fostering professional collaboration and trust. He listed other concerns, such as caste-based conflicts between employers and workers and the lenient enforcement of property rights. [5] provided an outline of the economic changes that took place in a small artisan group inside a small town. In her research, she looked at the socioeconomic variables influencing employees in the shoe industry. [5] emphasized the need of building training facilities, especially for women, popularizing brand names, and fostering strong relationships between business, education, and training facilities. The report also stressed the necessity of hiring professionals from rich nations to instruct indigenous craftspeople in certain fields. [6] emphasizes how trust and the degree of professional cooperation may help small-scale firms, which are a part of the vast chain sector and vertical

economic ties, perform better. He draws attention to the institutional quirks of this sector, such as the lax enforcement of property rights and the identity dasher amongst craftspeople based on caste. [7] describes how the lack of coordination between the government, business, and labor in India's industrial growth in her article "Development Experiences: Gender Prospective on Industrial Growth, Employment, and Education". This article aims to evaluate the effectiveness of governmental initiatives and their effects on labor and industry. The necessity of changing governmental interventions into strategic gender needs is emphasized by the author. [5] emphasizes the importance of the Indian leather footwear industry's export potential, emphasizing the need for training facilities, popularizing brand names, and fostering strong business-education relationships. As was the case with many items in the 1970s and 1980s, Nepalis had a strong desire for foreign shoes. After being constructed as a state-owned facility with Chinese government support in 1965, Bansbari Leather and Shoe Factory was eventually privatized in 1992 due to its inability to compete with low-cost import shoes. The dismantling of Bansbari opened the market to private competition. Today's situation is very different. In the Hindu caste system, shoemakers could be at the bottom, but they are not entrepreneurs. It sounds like social boundaries have been removed by the economics and technology. Today's shoe industry is rife with self-described high-caste entrepreneurs [8]. "Indian Manufacturing's Productivity and Attractiveness in the Leather and Leather Products Sector" The absence of investments in the leather industry and the footwear sector may stay the primary cause of their small size of operation. China has drawn more than ten times as much investment over the past 20 years as India. This might be because the sector was nearly entirely on the SSI list for a considerable amount of time. The leather sector was de-reserved only after 2001. "Improving competitiveness at the firm level" In the Indian leather and footwear sector, while a small number of firms have achieved quality certifications such as ISO, SA8000, etc., most of the companies did not apply TQM or process control procedures.

These elements have an impact on how well the business performs in terms of quality, inventory control, and therefore cost management. Indian leather firms face significant inefficiencies in the form of increased inventory and delayed delivery due to inadequate visibility in the value chain, which includes both customers and suppliers.

2.1 Retrospect

Declining Traditional Craftsmanship: Traditional footwear has traditionally been crafted by talented artisans in the Tirupati District. But there has been a downturn in the promotion and maintenance of these age-old crafting methods, which may have an impact on the distinctiveness and genuineness of the regional footwear.

Competition from Mass Production: Both domestic and foreign producers of mass-produced footwear compete with the district. Due to their wider distribution networks and economic advantages, these larger manufacturers make it difficult for small enterprises and local artists to compete.

Supply Chain Challenges: There are infrastructure and logistical issues with the Tirupati District footwear industry supply chain. Limited access to raw materials,

such as high-quality leather and rubber, can have an impact on the efficiency and quality of production.

2.2 Prospects

- **Modernization and Innovation:** Reviving the sector may be facilitated by embracing innovation and new technologies. To save costs and improve product quality, this entails using automated production processes, refining product designs, and investigating novel materials.
- **Skill Development Initiatives:** The skills gap can be closed by implementing programs to teach and train the next generation in both traditional handicraft and contemporary industrial methods. Partnerships with educational institutions and programs for vocational training can help with this.
- **Sustainability:** The rising worldwide trend towards eco-friendly and sustainable products offers the footwear business in Tirupati a chance. Using eco-friendly products, encouraging ethical production, and implementing sustainable processes might help the company draw in environmentally sensitive customers.
- **Government Support:** The district's shoe business may benefit from cooperation with government organizations for policy assistance, financing availability, and infrastructure development.

2.3 Research Gap

Look for gaps in the research about customer preferences and the effectiveness of these strategies. Analyzing footwear firms' marketing and innovation strategies can give important insights into how they compete and thrive in a turbulent market. As of my most recent knowledge update in September 2021, I am unable to give an exact research gap, but I can provide potential research topics where you could find gaps or opportunities for more study. Remember that things can have altered since then, therefore a study of the most recent literature is necessary. Examine the ways that shoe companies are using eco-friendly branding, eco-friendly production methods, and sustainable materials in their marketing campaigns. Examine customer interest in, knowledge about, and perception of ecologically responsible footwear.

2.4 Significance of the Study:

- An analysis of the prospects and history of the footwear industry in Andhra Pradesh's (AP) Tirupati District would provide light on the sector's past, present, and possible future tendencies. Such research may have a wide-ranging, multidimensional scope that addresses several topics.
- **Present-day Industry Environment:** Make a thorough examination of the district's footwear production situation right now. This should contain information on the number of producers, the kind of shoes made, the capacity for production, the number of jobs created, and the market share.

- Analyse the footwear industry's supply chain in Tirupati, taking into account the locations of raw materials, production methods, routes of distribution, and retail locations. Find any supply chain bottlenecks or inefficiencies.
- Consumer Preferences and Market Trends: Examine consumer preferences, the demand for particular shoe categories (such as sandals, sports shoes, and dress shoes), and the variables that affect their decisions (such as price sensitivity and fashion trends).
- Competitive Analysis: Evaluate the Tirupati footwear industry's competitive environment. Determine the main rivals, their market share, advantages, disadvantages, and expansion plans.
- Employment and Labor Force: Analyze how the district's footwear sector contributes to the creation of jobs. Examine the manpower and skill levels needed to produce shoes, as well as any issues with labor availability and training. Examine the possibility of sending footwear items from Tirupati to both domestic and foreign markets. Determine the current export markets and any prospective growth prospects.

2.5 Statement of the Problem

- The manufacturing of shoes has a long history in the Tirupati District of Andhra Pradesh (A.P.) and is a major driver of the local economy. But the sector has had a number of possibilities and problems recently that need for serious thought. This declaration addresses the main concerns and possibilities related to the history and future of the Tirupati District's footwear manufacture.

2.6 Objectives of the Study:

- To examine the leather industry's historical context and current status in AP
- Analyze the beginnings and development of the leather industry in Andhra Pradesh;
- Make recommendations for improved production and Marketing.

3 Research Methodology

A systematic endeavour to discover something new is one definition of research. The research methodology employed in these studies is the most important component. The main objective of this study was to increase knowledge and learn new skills via practical experience in the workplace.

3.1 Limitations of The Study:

1. The primary research constraints of this suggested study may stem from an inadequate amount of relevant statistical data.
2. Because the study was restricted to the main footwear industry and certain footwear expertise, the results' generalization may or may not take into account the overall footwear trend in the United States.

3. Representative samples and statistical data from the top footwear industry were used in this study

3.2 Research Design:

Sampling design is the process of carefully arranging the procedures to be followed in order to gather pertinent data and the methodologies to be applied while analysing it in light of the study's goal. The current state of affairs must be described by the researcher. The purpose of the study's design is to arrive at a conclusion and provide an answer. This covers their organization as well as the gathering of data or information.

3.3 Sources of Data:

Primary as well as secondary data sources are used in every scientific investigation. In order to gather secondary data, the researcher read through a number of scholarly papers that are pertinent to the objectives of the study. We looked through national and international periodicals for papers related to the present research topic. To aid in gathering the primary data, a questionnaire was employed.

The Study is mainly depending on the following Sources:

- Primary Data: A questionnaire was used to gather the primary data.
- Secondary Data: Journals, research papers, unpublished publications, and other sources have been consulted for the collection of secondary data.

3.4 Sample Selection:

The research is well-liked in the field of study; 100 respondents were selected at random from the agencies of A.P.'s shoe stores. The study was carried out in Andhra Pradesh state in India. Convenient sampling was used to pick around 10% of all Retailer stores. Five retailers' stores were chosen from a total of 1112 retailers in AP. Consequently, a total of 100 sample replies were gathered for the study.

Table 2. Sample Distribution

S. No.	Taluk	Number of Revenue	Samples Retailers	
1	Tirupati	2	5	10
2	Vijayawada	2	5	10
3	Visakhapatnam	2	5	10

4	Guntur	2	5	10
5	Vizianagaram	2	5	10
6	Kakinada	2	5	10
7	Prakasam	2	5	10
8	YSR Kadapa	2	5	10
9	Chittoor	2	5	10
10	Nellore	2	5	10
Total				100

Source: Primary Data

3.5 Statistical Tools:

In order to facilitate subsequent processing, the gathered data were entered into the master table. Statistical packages have been employed to apply statistical methods in the analysis. The data was analysed and interpreted using the following statistical methods. Chi-square test and basic frequency.

3.6 Analysis and Interpretation:

Using the SPSS software, the data were examined using both descriptive and inferential statistics. Four values were used to evaluate the data model fit for statistical analysis and structural equation modelling (SEM).

4 Data Analysis

Table 3. Type of products sold

S.No	Type of products sold	No. of respondents	Percent-age
1	Athletic shoes	20	26.3
2	Dress shoes	20	20.3
3	Traditional footwear	20	27.7
4	Sandals	20	14.5
5	Slipper	20	11.2
	<i>Total</i>	<i>100</i>	<i>100</i>

According to the table, twenty (26.3%) of the one hundred responders are selling athletic shoes, and twenty (20.3%) are selling dress shoes. Twenty (14.5%) of the respondents sell sandals and slippers (11.2%), while 20 (27.7%) of the respondents sell traditional footwear.

Table 4. Percentage of profit

S.No	% of Profits	No. of respondents	Percentage
1	Sufficient	30	32.0
2	Insufficient	50	30.0
3	Moderate	20	38.0
	<i>Total</i>	<i>100</i>	<i>100</i>

The data suggests that 20 respondents (38%) are making a reasonable profit, 50 respondents (33%) are making a suitable profit, and 30 respondents (29%) are not making a sufficient profit. It is determined that the majority of respondents, 40%, are making a moderate profit rate.

Table 5. Position of Returned goods

S.No	Position of Returned goods	No. of respondents	Percentage
1	Return to Supplier	51	52.1
2	Broken Sale	17	17.3
3	personal usage	10	11.1
4	Remake and market	21	20.1
	<i>Total</i>	<i>100</i>	<i>100</i>

Interpretation: According to the table, 52 (53.1%) of the respondents said they would return the item to their suppliers, 20 (19.4%) said they would remake and sell the returned item, 17 (17.3%) said they would return the item as damaged, and 11 (10.2%) said they would utilize it for their own purposes. It is determined that the majority of respondents, 52.1%, return the items to their suppliers.

Table 6. Mode of purchase

S.No	Mode of purchase	No. of respondents	Percentage
1	Cash	41	51.2
2	Credit	31	17.3
3	Both	31	32.3
	<i>Total</i>	<i>100</i>	<i>100</i>

Interpretation: The respondents' payment methods are displayed in the table. Research revealed that 40 (50.3%) of the respondents' buying methods were cash-based, 30 (33.3%) were a combination of cash and credit, and 30 (16.3%) were credit-based. It is determined that the majority of respondents, 50.3%, made their purchases using cash

Table 7. Descriptive and inferential statistics analysis

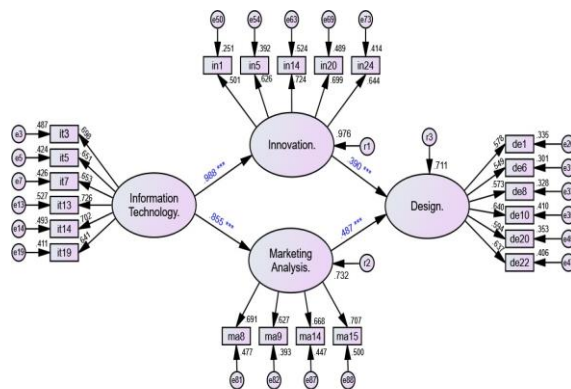
Variables	X	S.D	t-Value	p-Value
Overall	3.99	0.49	2.07	0.04 *
Design	3.96	0.49	2.55	0.01 *
Market analysis	4.02	0.51	1.88	0.06
Inno- vation	3.97	0.55	1.52	0.13

Note: * $p < 0.05$.

Structural Equation Model: One by one, inappropriate empirical data were eliminated, and the new model was then pre-processed until those four variables met the predetermined criteria.

Table 8. Goodness-of-fit indices for structural model.

Fit Indices	Accepted Value	Model Value
Chi-square (χ^2)		203.725
Degrees of freedom (DF)		175
Chi-square possibility level with p (CMIN/P)	>1.01	0.175
Relative chi-square (CMIN/DF)	<3	1.103
Goodness-of-fit index (GFI)	>0.90	0.952
Root mean square error of approximation (RMSEA)	<0.05	0.015



Chi-square = 203.835, df = 185, p = .163
CMIN/DF = 1.102, GFI = .962, RMSEA = .014

Figure: The final simplified and refined structural equation model with factor loadings and normalized route coefficients

Hypothesis Testing: The hypothesis suggests that IT data directly influences innovation and market analysis, with significant statistical significance. Innovation data directly impacts design, while market analysis data directly impacts design. The final structural equation model shows these effects, with normalized coefficients and factor loading.

Table 9. Hypotheses testing results

	Cal- cu- late (β)	SE	CR	p	Result		
Computer Technology	Crea- tivity		0.958	0.067	10.432	***	Sup- port
Data Pro- cessing	Exam- ining Mar- keting		0.853	0.060	12.786	***	Sup- port
Creativity	De- velop		0.391	0.124	3.434	***	Sup- port
Examining Marketing	Create		0.478	0.097	4.148	***	Sup- port

Table 7. The final refined structural equation model's covariance estimations and standardized regression weights

Path	Estimate (β)	SE	CR
Innovation	0.502	0.699	8.751
Innovation	0.625	0.652	8.938
Innovation	0.723	0.655	11.716
Innovation	0.691	0.727	11.536
Design	0.577	0.699	1.106
Design	0.525	0.652	1.111
Design	0.580	0.655	1.113
Design	0.641	0.727	1.103
Marketing	0.628	0.078	11.382
Marketing	0.664	0.077	12.111
Marketing	0.706	0.078	12.766
Promotion	0.692	0.078	11.381
Skills	0.699	0.065	12.617

IT	0.652	0.067	12.661
Knowledge	0.652	0.067	13.114
IT	0.727	0.065	12.615

Note: β = uniform beta constants; SE = standard error; CR = critical ratio; *** $p < 0.001$.

5 Findings:

- Understanding how businesses in the footwear industry thrive may be gained by examining the marketing and innovation tactics employed in this sector. Although I am unable to offer precise results in the absence of current data
- Product Innovation: Innovating is essential in the footwear sector. Businesses make investments in producing comfortable and cutting-edge products. Nike's Flyknit fabric and Adidas's BOOST cushioning technology are two examples.
- Sustainable and Ethical Practices: In recent years, ethical and sustainable concerns have grown in importance. Businesses are working to implement ethical production methods and employ environmentally friendly products. Sustainable materials are a selling point for companies like All Birds, and Toms is well-known for its one-for-one charitable giving strategy.
- Online and E-commerce: The sector has changed due to the growth of e-commerce. For direct-to-consumer sales, businesses spend money on mobile applications and user-friendly websites. Companies who have profited from this trend include Amazon and Zappos.
- Customization and Personalization: Offering consumers the option to alter the style or fit of their shoes is a creative marketing tactic. Companies like Nike have found success in this field with their platform.
- Supply Chain Efficiency: Efficient supply chain and inventory management are essential for cutting expenses and guaranteeing prompt product delivery. Supply chain efficiency has been a hallmark of companies such as Skechers.
- Production Technology: Factory size may be significantly predicted by production technology. The minimal size of an organization is determined by the number of workers required by home-based shoe production in Agra and sandal manufacturing facilities in Kolkata, which require a minimum of five people. In Agra and Chennai, one full shoe manufacturing plant employs 80 and 120 people, respectively, and the majority of contemporary exporting companies start production at the midsize level by default.

6 Future Scope of Research:

- Determine and evaluate the marketing tactics currently employed by the top shoe brands. An analysis of their branding, advertising, and promotional efforts may fall under this category.

- Examine the different approaches to innovation used by the sector, including developments in technology, eco-friendly materials, and fashion trends.
- Analyse the target market segmentation used by shoe firms. Examine variables like behaviour, psychographics, and demography.

7 Conclusion

The study evaluates the marketing strategies of top shoe brands, including branding, advertising, and promotional efforts. It examines innovation in technology, eco-friendly materials, and fashion trends. The study also examines target market segmentation and variables like behaviour, psychographics, and demography. OCAP's marketing strategy faces challenges like weak distribution networks, GST tax reform, mature products, and increased operational costs. However, the report suggests that implementing recommendations can help avoid these disadvantages. The Indian footwear industry is crucial for employment and the economy, with low costs, export potential, raw material availability, quality consciousness, and research and development.

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