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# Digital Marketing and Its Impacts on Small Businesses in India

Ms. Babitha B.S.[1], Kabilesh K G [2], Ashish V M[3], Arun Aadhavan G[4], Paavani B Srinivas[5], Swethaa Senthil Kumar[6]
[1]*Assistant Professor,* [2, 3, 4, 5, 6]*Students, Centre for Management Studies, Jain (Deemed-to-be University)*

***Abstract:*** ***This project aims to investigate how online/digital marketing affects small firms' performance. In addition, looking into ambiance's current social media strategies to eventually decide how to contact the target audience. Identifying the platforms and technologies used by current small enterprises is also important. And those companies that use web marketing are productive in it. We are interested to examine if our present marketing strategies are effectively reaching as many clients as possible because we are aware that the target audience is expanding as a result of new technological advancements.***
***By conducting a survey focused on social media and email usage, we will be able to determine which strategy is most successful and efficient for our company. Planning a poll that emphasizes social media and email usage will allow us to determine which approach is more successful and beneficial for our target demographic. Because of the broad age range of our clientele, asking customers where they desire to see a company's promotion is appropriate for ambiance and other small enterprises as well.***
***Keywords: Digital marketing, Building trust, SMEs, Marketing, Brand recognition, Consumer awareness, etc.***

## I. INTRODUCTION

With social media as well as internet usage at an all-time high, we are starting to wonder whether advertising on different platforms is really necessary. There is no question that the younger generations' use of social media and the applications that enable connections in so many different ways is only going to increase. Businesses are increasingly using social media to sell themselves, but we're more curious about what consumers search for and how firms may reach as many prospective customers as possible.
The purpose of this investigation is to determine how significant an impact digital marketing has on a small business as well as what strategies should be employed to attract as many customers as possible. Our strategy is intended for entrepreneurs and marketing executives that wish to build up or improve their internet marketing plans. The most fashionable and efficient technique to draw customers to their establishment should become obvious by contrasting the company's current practises with the design's fresh ideas.

### *A. Introduction to Marketing*

The technique by which a business encourages the purchase or exchange of a good or service is known as marketing. Marketing strategies include selling, delivering results to customers or other firms, and advertising. Affiliates support a business' marketing efforts. Matching a company's products and services with customers that are most likely to utilise them is the process of marketing. Providing clients with the right products ensures profitability. Marketing has four P’s they're Product, Price, Place and Promotion.

### *B. Introduction to Digital Marketing*

The practise of digital marketing involves disseminating advertisements through online channels including search engines, sites, social media, mails, and mobile applications. Companies utilise digital marketing to promote their identities, commodities, and services using online media platforms. Customers use digital tools to study items.
Interacting with consumers online allows us to increase brand recognition, position ourselves as leading thinkers in our field, and bring our business to their attention when they are ready to make a purchase. Investors discovered that companies with successful multi-channel strategies usually retain 89 percent of their customers, as opposed to 33 percent for companies with unsuccessful approaches.

### *C. Digital Marketing Elements*

Consumers often interact with a wide range of digital touchpoints that make up the field of digital marketing. We really have to recognize every one of these channels in order to use them effectively.

*1)* Paid search
*2)* Email marketing

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*3)* Search engine optimization (SEO).
*4)* Mobile marketing
*5)* Social media marketing
*6)* Content marketing

*D. Importance of Digital Marketing*

Only those individuals who are most likely to purchase our good or service can be targeted. It costs less than conventional marketing strategies. We can outrank more established competitors in our sector thanks to digital marketing. Digital advertising may be measured. The return on almost any aspect of our marketing operation may be tracked using digital marketing, on the other hand.

## II. OBJECTIVE OF THE STUDY

*1)* Boost direct selling.
*2)* Maintain a constant stream of new leads.
*3)* Lower the cost of getting new customers.
*4)* Maintains customer brand awareness.

## III. METHODOLOGY

The first step while a small business gets started is to attract and get their first group of customers through the door. Early methods of advertising, including print advertising and voucher mailing, and also vast alongside the road signs, are used. They might gain consumer loyalty since they should realize that if they can provide a superior product or service, customers can find their manner to them. Whereas this approach could bring in a small revenue, there is still a safer and more convenient way. Small businesses must think about the huge online market of prospective consumers. This vast marketplace should not be overlooked by any small business, no matter how new it is.

## IV. REVIEW OF LITERATURE

(Kishan & Prajapati, 2020) Marketing is not immune to the worldwide change from analogue to digital. As technology progresses, digital marketing, social media marketing, and search engine marketing are all becoming increasingly widespread. Digital marketing has benefited the most from its reliance on the internet, and the number of internet users is always growing. Consumer purchasing behaviours are changing, and they are becoming more susceptible to digital marketing than traditional marketing. The goal is to look into the importance and impact of digital marketing for both consumers and marketers.

(Ritz, Wendy & Wolf, Marco & Mcquitty, Shaun, 2019) To investigate the motivations and intended results of small business digital marketing inclusion by combining the do-it-yourself (DIY) framework and the technological custom solution.

(Mort, Sullivan, Drennan & Musso, 2017) More importantly, the rapid advancements in technology and changing business sector factors have fuelled the growth of computerized advertising.

(Pawar, 2020) Advanced content, such as openness, routes, and speed, have been identified as important features for marketing in general computerized showcasing to deliver results for firms. (Patil, 2020) Another proven and true method for advancing through computerized marketing is to use informal word-of-mouth (WOM) via internet media and to make the webpage well-known.

(Tandur, Garg & Rahman, 2020) In the current corporate climate, digital marketing techniques have also changed customers' expectations and views about how they should decide which products to buy. Consumers want to research things that are advertised online and make purchases based on the accurate data that is easily accessible. To assist business houses in establishing a presence on the international market and reaching clients throughout the world, companies use specialists in digital marketing. Moreover, digital marketing has assisted medium-sized and small firms (SMEs) in building a digital reputation and advertising their goods and services to a target audience.

(Lakshmi, Mahboob & Choudhary, 2017) The current study provides a summary of the literature on how social media impacts medium-sized and small businesses. Medium-sized and small businesses are using it more and more frequently. According to recent empirical research and theoretical literature, the current analysis sought to determine how social media usually affected medium-sized and small companies in the area. In the political, religious, cultural, and financial realms, the study discovered a particular relationship between social networking sites and SMEs.

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(Akeel & Gubhaju, 2020) The usage of digital media and E-Marketing strategies may significantly help SMEs develop and perform better, which will help the nation's economy and, as a response, improve work opportunities for the unemployed youth. Digital media may help businesses in a number of ways, including globalisation, a constant presence throughout the world, access to and penetration of distant areas, accessible, quick, and effective communication.

(Pradhan, Sharma & Choudhary, 2021) Digital marketing is even more cost-effective for determining ROI on the advertisement in regard to standards for delivering results and gauging success for advertising investment made.

(Pandit, Rakesh & Chauhan, Anshu, 2020) With the development of technology, Digital marketing, social media marketing, and search engine marketing are becoming more popular. Marketers utilise online marketing to advertise their commodities and services in the market. Online marketing is crucial for increasing product and service sales. The purpose of this investigation is to find out how valuable a resource digital marketing is for both customers and marketers.

(Sharma & Renu, 2016) In this era of digital marketing, communication and information technology have altered how marketers interact with consumers. It is favoured since it is the least expensive and most successful alternative to offline marketing. On the internet, virtual megastores frequently use it. Nonetheless, there have been numerous reports of online sellers using dishonest tactics. As a result, customers have started to behave badly when shopping. Once frightened, the Indian Consumer is slowly regaining confidence. Even Nevertheless, reports and incidents of adultery, fraud, and misuse of bank account information are impeding the development of digital marketing at this early stage. Also, a great deal of marketers communicates with visitors using illicit techniques. The benchmark has been set by the illicit use or improper treatment of digital marketing for fraud against the popular consumer, making the jobs of marketers very delicate. Consumers can only differentiate between the excellent and the bad with awareness. This essay aims to provide an abstract explanation of how mail servers work, as well as the ability to distinguish between real and false emails, draw a line under the ethics of digital marketing, and finally offer some scientific safety precautions that users might want to take.

(Madhusudan Rao, D. V., & Rajeswari, K, 2020) Has discovered that the usage of digital media is assisting and supporting SMEs in raising public awareness, introducing new business techniques and procedures, and sharing, collaborating, and mutually creating new concepts in order to improve overall performance.

(James & Liam, 2021) For new or existing SMEs, live help may be a priceless asset, especially as digital media and technology evolve. With corporate websites, every business division, including sales, advertising, and after-sales service, may now conveniently participate in individual or group live chatting/interactions.

(Chheda S. H, 2014) Online marketing is a sort of digital communication that marketers use to advertise goods and services to the general public. Focusing on customer support and assisting them in locating chances to promote products or services via digital media is the ultimate goal of digital marketing.

(Is-haq, H. O, 2019) Consumers now have more alternatives to choose from. As an end, building a company's brand is challenging. Internet advertising is a crucial marketing tactic for enhancing brand recognition and helping companies somewhat boost sales.

## V. RESEARCH GAP

The efficacy of different online advertising tactics for small firms in various industries presents a possible research gap about the impact of online marketing on small firms. For instance, while social media marketing may be extremely beneficial to some small businesses, email marketing or search engine optimization (SEO) may be more effective for others. By knowing which digital marketing strategies work best for various types of small businesses, business owners can maximize their marketing efforts and increase overall success. The impact of computerized promoting on the drawn-out progress of little endeavors addresses another conceivable review need. While it is clear that digital marketing can be effective in the short term in attracting new customers and increasing sales, the long-term success of the strategy is still unclear.

The following are some areas of study that need to be filled on how digital marketing affects small businesses:

The potency of different online marketing techniques has really been extensively studied, but less is known regarding how these techniques especially impact small businesses across a variety of sectors. For instance, the requirements for marketing a small hospitality business may differ from those for a retail business. Knowing which digital marketing strategies work best for various types of small businesses allows business owners to make better use of their marketing budgets.

Effect of computerized promoting on little firms over the long haul: It is unclear whether this translates into long-term growth, even though there is evidence that digital marketing can produce results in the short term, such as increased website traffic and sales. To confirm that small businesses that make significant investments in digital marketing may have a better chance of long-term survival and expansion, additional research is required.


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Despite being frequently hailed as a crucial tool for small business success, it is not always clear how significant digital marketing is in comparison to other factors like product quality, customer service, and pricing. Digital marketing's contribution to small businesses' overall success. Further analysis is needed to verify that small firms who extensively spend in digital marketing may have a higher likelihood of long-term growth and survival. Digital marketing's contribution to small firms' overall success While being occasionally touted as a crucial instrument, it is uncertain how significant it is in relation to other elements such as quality of product, customer happiness, and cost. Some of the findings, which suggest that digital marketing may not be as important as these other aspects, need to be supported by additional research. In the end, there is still a lot to learn about how small businesses are affected by digital marketing. More research in these areas may be able to help small business owners make better decisions about how to spend money on marketing and grow their businesses.

## VI. LIMITATION OF THE STUDY

*1)* We were majorly able to cover people in the age group between 18 - 22 but on the other hand, we were not able to reach more respondents from other age groups, especially the above fifty age group people.
*2)* We found it difficult to reach out to the people of North India. Since most of our team members were from different parts of south India, it was very hard for us to get responses from respondents who lived in other states of India.
*3)* Most of our respondents for the survey lived in South India. This reduces the efficiency of our survey as we cannot conclude that we will get the same responses if this survey was conducted throughout India.
*4)* Respondents were only given options to be chosen from the different answers which were available (MCQ type). They were not able to select any different options if they had any difference in opinion.

## VII. FINDINGS OF THE STUDY

In order to understand how internet advertising affects smaller firms and how clients like to track promotions from a company, our project's purpose is to conduct a poll. The poll emphasized on how frequently consumers use both and whether they would utilize them to remain updated on offers as social media and email blasts are the two primary methods of advertising.

We screened out a lot of the questions since we thought age would be a role in what consumers preferred because there were different categories for age. It became clear from those younger clients, especially people between the ages of 18 and 22, responded in greater numbers, preferred social media over email blasts, and often utilised Instagram. The older clients favoured the contrary and frequently checked their email throughout the day. These clients do not have an Instagram account. Thus, we think that email campaigns and Instagram postings are both crucial components of digital marketing. The most used social media was Instagram. Most respondents had also made online purchases due to business promotions from Instagram. This helps us to conclude that Instagram should be our main focus for digital marketing, especially to target customers who are aged below eighteen and from eighteen to twenty-five years old categories. To target customers above these age groups, both Facebook, as well as email, can be used as these two digital marketing platforms play an important role in these categories.

We also found that digital marketing is more effective compared to traditional marketing. When we asked the respondents about which type of marketing (whether traditional marketing or digital marketing) they considered more effective, we got the majority of the responses in favour of digital marketing. When we questioned the respondents about their thoughts on how digital marketing affects small companies in India, the vast majority of them said that it had a good influence. Also, respondents are willing to recommend small firms to use digital marketing. As per respondents' view social media marketing is the best type of strategy to increase sales revenue for small businesses. When compared to large and medium businesses, small businesses can also satisfy the needs of the respondents. Not only that digital marketing helped to regain its position for small businesses after covid 19 scenario. Out of 109 respondents we have collected, 65 respondents from the age group of 18 to 22 subscribe to businesses. Of 65 respondents, 59 respondents have purchased using the subscription through their social media and emails, and out of which 18 respondents purchased more than 10,000rs through their subscriptions.

## VIII. SCOPE OF THE STUDY

Even though this data was very useful in determining the best marketing strategies for small businesses, we still think there is need for even more study on this topic. We advise looking more deeply into each internet marketing strategy's design tactics and focusing on what draws the audiences eye.

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The design and general message that Ambiance is conveying must be compelling enough to persuade its consumers to visit the business, since we were able to determine that the majority of younger customers spend more time on Instagram while older customers follow promotions on email and Facebook. Finding out what kinds of advertisements consumers want to see on social media might result in greater customer engagement than just visits or likes. Our poll results also revealed that virtually all who replied had an email that they checked throughout the week, if not multiple times each day. Based on our email click and open rates, there is plenty of space for growth in increasing the number of people who open our weekly emails. We recommend conducting further study and potentially conducting another poll to see what motivates customers to read an email. Whether it's the initial thing they read or the appearance of the advertisement, it has to pique their interest and ultimately entice people to purchase at the shop. According to the number of promotional emails received during the day, our emails may go missed in the shuffle. It is also likely that someone won't have the patience or time to read every promotional email. In either situation, we must consider what atmosphere may do to distinguish itself from other businesses and spam emails. Inquiring about the number of emails we send per week as well as the content of each would provide atmosphere and other small firms with a better understanding of how to promote. This data may also directly correlate with social media posts, benefiting a small business's overall marketing approach much more.

## IX. SUGGESTIONS

From this study, businesses will be able to understand which marketing platform they must choose to reach the desirable amount of target customers for their product. Businesses that cater to the younger age or provide low-cost items that encourage younger clients who might not be ready to spend as much, Instagram can be the best option. For reaching elderly people who are aged above fifty years, email blasts can be the best option. On the other hand, to reach middle-aged customers businesses can opt for Facebook marketing over Instagram. We think that by maintaining to employ all three types of internet marketing and building a much more particular target market for each products, businesses will be able to reach a wider spectrum of customers and raise their revenues much more effectively and cost-effectively.

## X. CONCLUSION

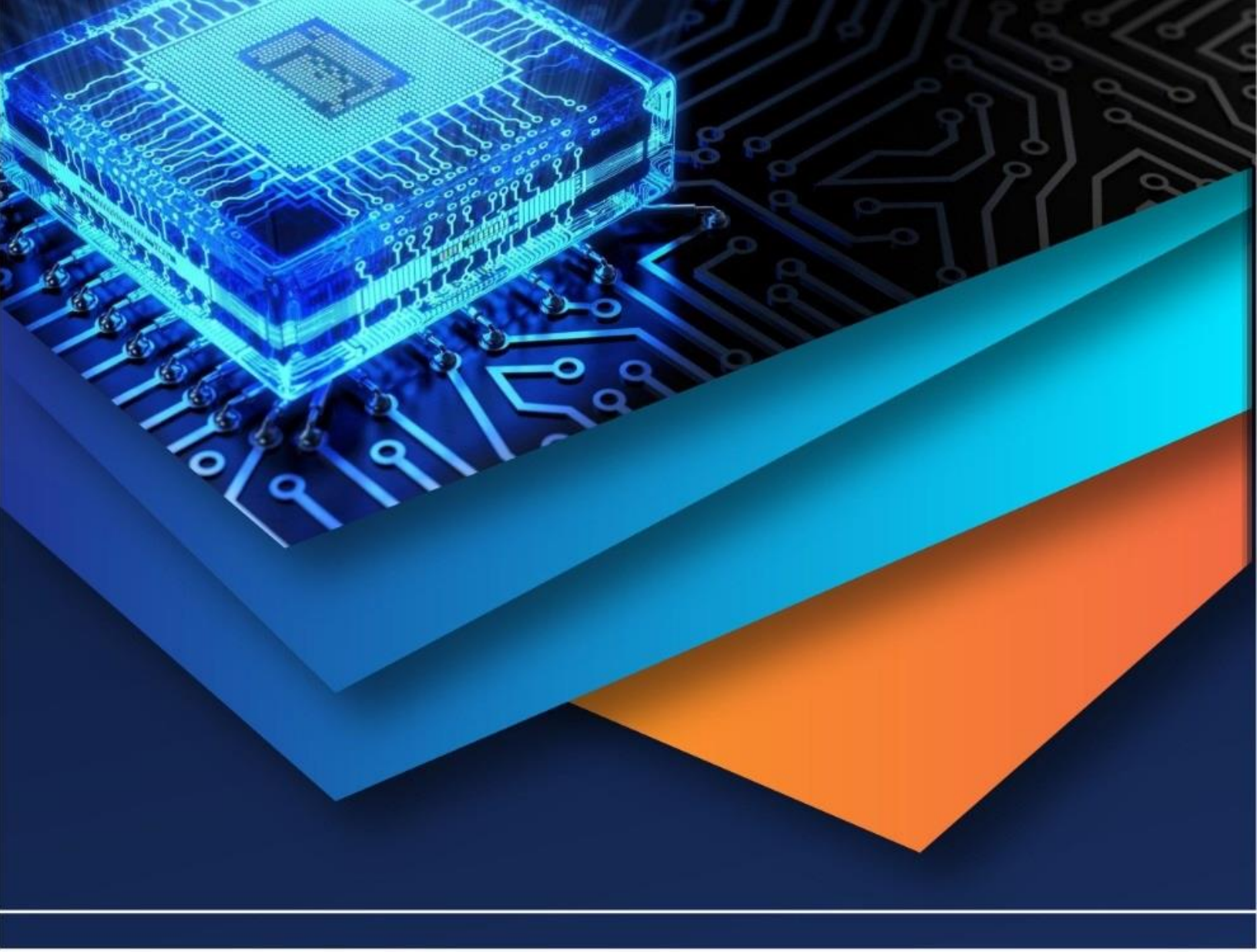
Every business need and employs marketing in order to showcase its products or services and attract existing or future clients. Conventional marketing has been around for a long time, however digital marketing has just grown prominent in the last one or two decades. In this study, we discovered that digital marketing has a significant advantage over traditional marketing. This is particularly true if you are an entrepreneur or beginning a small firm with a limited budget. It will be less expensive and will allow you to beat out bigger companies. Finally, both marketing styles have advantages and disadvantages; both marketing techniques are useful for a small business with a large target market, but digital marketing is relatively more efficient on small scale businesses and for businesses that won't be able to spend a great deal of cash on advertising purposes in traditional ways.

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## APPENDIX

Link for questionnaire is provided below:
https://forms.gle/kyvTSHKo1QzFuWVh8



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