

MANAGING SMALL BUSINESSES THROUGH DIGITAL MARKETING**Dr. Veena Rajendra Humbe**

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ABSTRACT

In a world that is becoming increasingly electronic, digital marketing has become an essential tool for companies of all kinds to engage with customers. Small companies are vital to the economy because they stimulate local community development, generate employment opportunities and drive innovation. Their development and success are accelerated by digital marketing, which allows them to reach new client categories and broaden their market beyond regional borders. This research is aimed to evaluate the challenges and problems faced by small businesses in digital marketing. The technique used in this study is one sample t-test. The findings of the study indicate that the challenges faced by small businesses are Lack of expertise, Limited budget, Time constraint, Negative reviews, brand consistency, Employee training, Content creation and adapting to new platform.

Keywords: Digital Marketing, One Sample t-test, Small businesses.

INTRODUCTION

Digital marketing is a more comprehensive marketing strategy because it covers more than just digital media like the web, email, and wireless. It also involves managing digital customer data and leveraging the internet with traditional media to acquire and serve customers. A business may use digital marketing to reach millions of clients worldwide (Chaffey & Mayer, 2009). However, digital marketing, according to Coviello, Milley, and Marcolin (2001), is the process of connecting and establishing a communication channel between businesses and specific target customers through interactive technology such as the Internet. (Sudharmiatin, et al. 2023). According to Ali (2013), digital marketing refers to the use of digital technology to accomplish marketing objectives and initiatives to create or modify the marketing idea itself, connect globally, and alter how businesses interact with their clientele. The growing number of rivals encourages corporate players to use innovation for the upper hand. To grow sales, the desired market share must be reached by employing an effective marketing communication plan (Pradiani, 2017).

Information technology advancements are crucial to human existence. Humans can earn enough money to compete internationally by becoming proficient in information technology. Miarso (2011) defined technology as a process that adds value to a product via use or production; the final product is not distinct from other items already on the market. Naturally, the public's rising use of social media and the advancement of internet technology presents a number of really exciting options for businesspeople in general. The public's growing usage of more sophisticated mobile devices supports this situation, and its growth will provide additional opportunities for activities or community-wide artistic endeavours.

Table No: 1 Components of Digital Marketing

Component	What it does?
Search Engine Optimization (SEO)	Increasing a website's search engine ranking through content and structural optimisation (SERPS).
Content Marketing	Generating and disseminating pertinent and worthwhile information in order to draw in and involve the intended audience.
Social Media Marketing	Using social media channels to interact with consumers, advertise goods and services, and increase brand recognition.
Email Marketing	Promoting items, fostering connections, and increasing conversions by sending

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Component	What it does?
	customised emails to clients and prospects.
Pay-Per-Click (PPC) Advertising	Advertising on websites and search engines, only getting paid when people click on the advertisements. Ads on Facebook and Google are two examples.
Display Advertising	Putting graphic advertisements to promote brands and generate traffic on webpages, applications, or social media networks.
Influencer Marketing	Working together to market goods and services to their audience through the use of powerful people or brands.
Affiliate Marketing	Collaborating with affiliates that market goods and services in return for a cut of purchases made via their referral links.
Marketing Automation	Employing technology and software to automate time-consuming marketing processes including lead nurturing, social media posting, and email campaigns.
Analytics and Reporting	Making data-driven JUDGMENTS by monitoring and evaluating important indicators to assess the effectiveness of digital marketing efforts.

For many start-ups in today's digital age, reaching their intended consumer base and competing in the market requires utilising technology and the internet. Digital marketing is one of the most crucial instruments available to companies in this context. Digital marketing (DM) comprises a variety of tactics and methods that companies may utilise to promote their merchandise and offerings online. SMBs, or small and medium-sized enterprises, are especially well-positioned to gain from digital marketing because they can help level the playing field with bigger, more resource-rich organizations. Nevertheless, many SMBs are still reluctant to invest in digital marketing despite its potential advantages. This may be the result of not knowing how digital marketing functions, thinking it's too costly or time-consuming, or just not knowing where to begin. Numerous researches were carried out to look into the use of DM methods among a sample of small and medium-sized firms in order to solve these issues and offer insights into the role DM plays in SMBs. (Shilpa, 2023).

REVIEW OF LITERATURE

Banerjee, B. (2023). This paper aims to analyse the opportunities and challenges that “Micro, Small, and Medium-Sized Enterprises (MSMEs)” face and to provide solutions for surviving in the ever-changing business environment. The results highlighted important issues such as restricted financial access, competitive markets, burdensome regulatory compliance, and a lack of skilled persons. On the other hand, favourable government policies, access to new markets, and digital transformation emerged as viable development avenues for MSME.

Marie-Anne (2023). This study attempted to investigate how digital services effect’s small and medium-sized businesses (SMEs) and their capacity to create intelligent Product-Service Systems (PSS) that combine goods and services. Four major topics emerged from a thorough literature analysis and focus group with industry experts: “digital strategy, ecosystem network, internal and operational organisation, and human skills”. The study discovered that while weak ecosystem networks and a lack of human capacity impede digital services, it mostly helps SMEs' digital strategies and networks.

Sudharmiatin (2023). This case study research aimed to address community challenges, particularly those that SMEs encounter. Twelve SMEs focusing on handicrafts, food and beverage, and retail from three different East Javan cities and regencies participated in the research. The results showed that the pandemic had a major negative impact on SME survival, initially resulting in a 40% drop in sales turnover for SMEs in the retail and food and beverage industries. But with time, these businesses adjusted and prospered by utilising digital marketing techniques. On the other side, handcraft SMEs had an 80% decrease; some marble handcraft companies closed due to unaffordable operating costs in the new normal, while others struggled to recover.

D, Poorani., J, Vidhiya., Santhosini. (2021). Goal of the study was to examine the potential and problems in digital marketing, with an emphasis on how different client groups formulate and interpret plans. It discussed how social media affects industrial marketing and offered ways to resolve related problems. The possibility for

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standardized digital marketing strategies was brought to light by the findings, especially for items with similar customer behaviors. The study underlined the importance of comprehending changing customer preferences, particularly in economies with varied cultures like India. Given the shifts in Indian consumers' socioeconomic status and rising disposable incomes, marketers are launching new items to cater to their changing wants.

Rajeshwari, M., Shettar. (2020). This paper aimed to examine the role, factors, challenges, and prospects of digital marketing in today's corporate environment. Since customers now prefer online buying over conventional ways, digital marketing has become more and more vital as technology has advanced. The importance of customers and marketers comprehending the advantages and constraints of digital marketing is emphasised in the study. It emphasises that integrated services and channels are part of digital marketing, beyond simple ad placement. In order to reach target audiences and establish brand identity, marketers try to make optimal use of these components.

Mukherjee, S. (2018). The objectives of the study were to examine the difficulties Indian MSMEs have in the international market and offer solutions. It noted challenges such as exorbitant financing rates, trouble obtaining raw materials, and poor infrastructure. The Indian Coir business had a stagnancy in revenues despite a rise in exports because of fierce competition, particularly from China. The report suggested investing in technology, addressing talent shortages, infrastructure, and financial availability to improve competitiveness. It promoted MSMEs to prioritise Intellectual Property Rights (IPR) protection, access alternative funding sources, embrace ICT, and invest in infrastructure and human resources. It also underlined the significance of government programmes such as Make-In-India.

OBJECTIVES OF THE STUDY

1. To evaluate the challenges and opportunities of digital marketing for small businesses
2. To give appropriate suggestions to overcome the challenges faced by small businesses in digital marketing by implementing effective strategies.

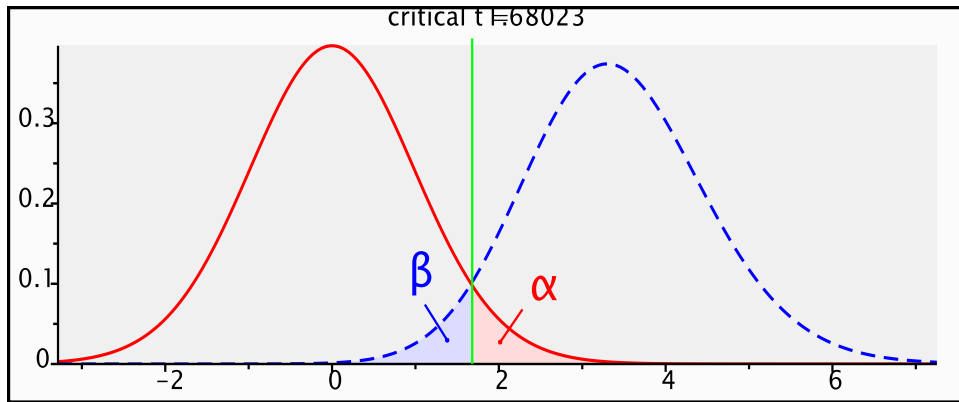
HYPOTHESIS

H_0 : The challenges and opportunities of digital marketing for small businesses are insignificant (Mean score ≤ 3)

H_1 : The challenges and opportunities of digital marketing for small businesses are significant. (Mean score > 3)

RESEARCH METHODOLOGY

Descriptive research design is used for the current study. The sample size selected for the study is 125 Sole proprietors /small businessman dealing with variety of businesses. Sampling techniques used for the current study is non probability purposive sampling. Both primary and secondary data collection sources have been used. Parametric one sample test has been used using R studio software. (As per faul et al minimum required sample to run one sample t-test one tailed=45)



Test family: t tests

Statistical test: Means: Difference from constant (one sample case)

Type of power analysis: A priori: Compute required sample size - given α , power, and effect size

Input Parameters:

- Determine =>
- Tail(s): One
- Effect size d: 0.5
- α err prob: 0.05
- Power ($1 - \beta$ err prob): 0.95

Output Parameters:

- Noncentrality parameter δ : 3.3541020
- Critical t: 1.6802300
- Df: 44
- Total sample size: 45
- Actual power: 0.9512400

Data Analysis and Interpretation

Table No: 2 Demographic Profile

Variables	Category	Frequency	Percentage
Age Group	18-25	21	16.8%
	26-35	27	21.6%
	36-45	19	15.2%
	46-55	24	19.2%
	56 and above	34	27.2%
Education	Up to SSC	18	14.4%
	Up to HSC	23	18.4%
	Bachelor's degree	34	27.2%

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Variables	Category	Frequency	Percentage
	Master's degree	29	23.2%
	Doctorate/Professional degree	21	16.8%
Industry	Retail	16	12.8%
	Technology/IT	26	20.8%
	Healthcare	18	14.4%
	Professional services	21	16.8%
	Hospitality/Restaurant	14	11.2%
	Manufacturing	15	12.0%
	Construction/Real Estate	15	12.0%

Data was collected from 125 Sole proprietors /small businessman dealing with various businesses it was seen that individuals aged 56 and above constitute the largest segment, with a frequency of 34 respondents, accounting for 27.2% of the total. The age group of 26-35 follows closely with a frequency of 27 respondents, representing 21.6% of the respondents. Among educational qualifications, respondents with Bachelor's degrees represent the highest proportion, with a frequency of 34 respondents, comprising 27.2% of the surveyed population. Master's degree holders closely follow with a frequency of 29 respondents, constituting 23.2% of the total. As for the type of industry, it was seen that Technology/IT emerges as the dominant sector with a frequency of 26 respondents, accounting for 20.8% of the surveyed population. Other notable sectors include Healthcare and Professional services, each with a frequency of 18 and 21 respondents, respectively, representing 14.4% and 16.8% of the total. Conversely, the Hospitality/Restaurant industry exhibits the smallest representation with a frequency of 14 respondents, comprising 11.2% of the surveyed population.

Table No: 2 One sample t test

Items	t – statistics	P – value	Ha: mean score of challenges faced by small business in digital marketing > 3
Lack of expertise	18.32	0.000	Significant
Limited budget	15.77	0.000	Significant
Time constraint	16.09	0.000	Significant
Data privacy concern	15.09	0.000	Significant
Fear of negative reviews	16.11	0.000	Significant
Lacks digital literacy	16.00	0.000	Significant
Maintaining brand consistency	16.76	0.000	Significant
Employee training	15.09	0.000	Significant
Content creation	18.90	0.000	Significant
Adapting to new platform	17.67	0.000	Significant

Parametric one sample t – test (one tailed) is applied to examine **challenges faced by small business in digital marketing** It is seen that p – value < 0.05 and t statistics > 1.96 in case of Lack of expertise, Limited budget, Time constraint, Negative reviews, brand consistency, Employee training, Content creation and adapting to new platform.

CONCLUSION

The study highlights the challenges that small firms face while navigating the constantly changing field of digital marketing. Small companies have a variety of challenges that can make it difficult for them to properly leverage digital channels, from dealing with a lack of expertise, Limited budget, Time constraint, Negative reviews, brand consistency, Employee training, Content creation and adapting to new platform. But despite these difficulties, there are chances for development and creativity. Small businesses can improve their digital presence and competitiveness by adopting strategic approaches like investing in education and training to strengthen digital competencies, allocating budget optimally for high-impact tactics, and prioritizing proactive reputation

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management and brand consistency. Furthermore, small firms may be even more empowered to effectively and resiliently manage the intricacies of digital marketing by using automation technologies, being flexible and responsive to shifting market dynamics, and cultivating cooperative collaborations within the sector. Small businesses need to adopt a forward-thinking mindset as digital technology continues to transform the business environment. They should welcome innovation and grasp opportunities to take advantage of the enormous potential of digital marketing to encourage growth, engage clients, and succeed over the long run in the digital age.

RECOMMENDATIONS

Following recommendations are suggested after the study :

- Provide priority to continuous education and training initiatives to help team members become more proficient in digital marketing.
- Discern how best to allocate resources, concentrating on digital marketing strategies with a high effect and the highest return on investment for your corporate goals.
- Establish a targeted approach to content production that prioritises consistency and quality, and investigate platforms and tools that may be employed at a reasonable price.
- Optimise digital marketing procedures, save time and money, and adopt automation tools and technologies.
- Establish and preserve a positive online reputation, you should actively manage your reputation by monitoring and responding to unfavourable reviews as soon as possible.
- Clearly define your brand's rules and guidelines to guarantee consistency across all digital marketing platforms and interactions.
- Remain flexible and adaptable and enable the rapid modification of digital marketing tactics, keep an eye on market trends and customer behaviour constantly.
- Establish alliances and joint ventures with other small companies, colleagues in the field, or digital marketing firms to exchange knowledge and assist one another in overcoming the obstacles associated with digital marketing.

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