



A STUDY ON DIGITAL MARKETING STRATEGIES FOR SMALL BUSINESSES

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ABSTRACT

A Digital marketing is one type of marketing that is widely used to promote products or services to reach consumers using digital channels. Digital marketing extends beyond internet marketing including channels that do not require the use of the internet. It includes mobile phones, social media marketing, display advertisement, search engine marketing and many other forms of digital media.

In today's fast-paced digital world, small businesses face both exciting opportunities and significant challenges. The rise of online platforms and technologies has transformed how companies connect with their customers. Digital marketing provides small businesses with powerful tools to compete effectively in the marketplace. One of the key aspects of digital marketing is its ability to provide personalized and location-based services. Through advanced data analytics and geolocation technologies, retailers can deliver tailored promotions and offers to consumers based on their preferences and real-time location.



INTRODUCTION

In today's highly competitive business landscape, small businesses face the challenge of standing out in a crowded marketplace. Digital marketing has emerged as a powerful tool that levels the playing field, allowing small businesses to reach a wider audience, build brand awareness, and drive sales without the need for large marketing budgets. With the rapid evolution of technology and consumer behaviour, it has become essential for small businesses to adopt effective digital marketing strategies to thrive.

Digital marketing has become a vital tool for small businesses aiming to grow their customer base and compete in a competitive marketplace. As traditional marketing methods often require significant budgets, digital marketing offers cost-effective, targeted, and measurable ways to reach potential customers. This introduction will explore the importance of digital marketing for small businesses, the core strategies they can employ, and how these strategies can be tailored to maximize impact within limited resources. By leveraging digital platforms, small businesses can enhance their online presence, engage with customers, and drive growth more effectively than ever before.

Understanding and leveraging digital marketing is not just an option but a necessity for small businesses aiming for success in today's digital age. This introduction sets the stage for a deeper dive into specific strategies that small businesses can employ to harness the power of digital marketing effectively.

OBJECTIVES

- ❖ To identify the factors that influence the effectiveness of digital marketing strategies in small businesses.
- ❖ To analyse the challenges and opportunities faced by small businesses in implementing digital marketing initiatives.
- ❖ To provide insights and recommendations for optimizing digital marketing strategies to enhance consumer satisfaction and drive business growth of small business.



SCOPE OF THE STUDY

Digital marketing offers small businesses a powerful way to grow and connect with customers online. By using digital tools, small businesses can build a strong online presence with a well-optimized website and engaging content. They can attract customers through targeted ads on search engines and social media platforms. Social media helps businesses raise brand awareness, interact with followers, and build a community around their brand.

STATEMENT OF THE PROBLEM

- ❖ Small businesses often find it hard to use digital marketing effectively because they have limited money, time, and expertise.
- ❖ The fast pace of change in digital marketing makes it even more difficult for them to keep up and adjust their strategies.
- ❖ To succeed, small businesses need simple, cost-effective digital marketing strategies that fit their needs and help them connect with their audience and grow their business.

REVIEW OF LITERATURE

Chauhan and Sharma (2021): They emphasized the importance of regional language content in digital marketing, particularly for small businesses that cater to local communities.

Morgan (2021): The World Wide Web (WWW) will likely come to play a significant role in the marketing strategies of many organizations, even when it fails to become the dominant marketing communication channel. A framework is required whereby an organization can access the potential of develop a role for, create and manage a WWW site within its marketing strategy. The WWW is an interactive channel offering potential for many-to-many communications to all players in a market.

B Rugova (2016): Social media is a phenomenon that has transformed the interaction and communication of individuals throughout the world. Social networking



websites are very popular and have become a daily practice in a lot of people's lives. These sites have made a significant impact on the individual's life. However, social media is not only a communication tool for amusement, but also an important part of marketing strategies in business life.

David Chang (2012): A retail store manager, noted, "Digital marketing has allowed us to target specific customer segments with relevant offers, resulting in increased conversion rates and customer satisfaction."

Jessica Adams (2011): A marketing consultant, stated, "Digital marketing strategies are essential for retailers looking to capture the attention of Tec savvy consumers who rely heavily on their smartphones for shopping decisions."

Michael Taylor (2011): A consumer, said, "I appreciate how Digital marketing apps personalize my shopping experience with recommendations based on my previous purchases and preferences."



HISTORY OF THE STUDY

Digital marketing refers to the use of digital channels, platforms, and technologies to promote products, services, or brands to potential customers. It involves a range of strategies aimed at reaching and engaging audiences through online mediums. Unlike traditional marketing, digital marketing allows businesses to directly connect with their target audience through data-driven approaches, providing measurable results and often at a lower cost.

TYPES OF DIGITAL MARKETING

- Search Engine Optimization (SEO)
- Content Marketing
- Social Media Marketing
- Pay Per Click Marketing (PPC)
- Affiliate Marketing
- Influencer Marketing
- Email Marketing
- Mobile Marketing
- Blogging

Digital marketing is also referred to as 'online marketing', 'internet marketing' or 'web marketing'. The term digital marketing has grown in popularity over time. In the USA online marketing is still a popular term. In Italy, digital marketing is referred to as web marketing. Worldwide digital marketing has become the most common term, especially after the year 2013.

Digital media growth was estimated at 4.5 trillion online ads served annually with digital media spend at 48% growth in 2010. An increasing portion of advertising stems from businesses employing Online Behavioural Advertising (OBA) to tailor advertising for internet users, but OBA raises the concern of consumer privacy and data protection



PERCENTAGE ANALYSIS

TABLE: 4.1.1

GOAL OF DIGITAL MARKETING

GOAL OF DIGITAL MARKETING	NO. OF RESPONDENTS	PERCENTAGE
INCREASE BRAND AWARENESS	28	28%
INCREASE SALES	47	47%
IMPROVES CUSTOMER RETENTION	25	25%
TOTAL	100	100%

SOURCE: Primary data

INTERPRETATION: 47% respondents aim to increase sales, making it the most common goal. This suggests that the majority view digital marketing as a key driver for revenue growth and business success. 28% respondents focus on increasing brand awareness, indicating that a significant portion prioritizes visibility, recognition, and outreach over immediate sales. 25% respondents aim to improve customer retention, showing that a quarter of respondents value maintaining long-term relationships with existing customers.

Overall, the data suggests that while increasing sales is the top priority, a significant number of respondents also focus on brand awareness and customer retention, reflecting a balanced approach to digital marketing objectives.

CHART: 4.1.1

GOAL OF DIGITAL MARKETING



What is the primary goal of your digital marketing efforts?
100 responses



TABLE: 4.1.2
DIGITAL MARKETING TOOLS USED

TOOLS	NO. OF RESPONDENTS	PERCENTAGE
GOOGLE ANALYTICS	45	45%
HUBSPOT	36	36%
MAILCHIMP	19	19%
TOTAL	100	100%

SOURCE: Primary data

INTERPRETATION: 45% respondents use Google Analytics, making it the most popular tool. This indicates a strong focus on tracking website traffic, user behaviour, and measuring marketing effectiveness. 36% respondents use HubSpot, showing a significant portion relies on this platform for customer relationship management (CRM), marketing, and automation. 19% respondents use Mailchimp, suggesting that fewer respondents prioritize email marketing automation compared to analytics and CRM tools.

Overall, the data suggests that most respondents focus on analytics and CRM tools to optimize their marketing strategies, with email marketing being a secondary priority.

CHART: 4.1.2
DIGITAL MARKETING TOOLS USED



Which of the following digital marketing tools do you use?
100 responses

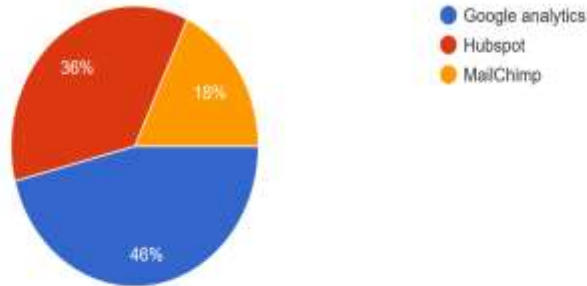


TABLE: 4.1.3

ATTRACTING CUSTOMERS

ATTRACTS AUDIENCE	NO. OF RESPONDENTS	PERCENTAGE
AGREE	51	51%
DISAGREE	36	36%
NEITHER AGREE OR DISAGREE	13	13%
TOTAL	100	100%

SOURCE: Primary data

INTERPRETATION: 51% respondents agree, indicating that a majority believe digital marketing successfully engages and attracts audiences. 36% respondents disagree, showing that a significant portion does not find digital marketing as effective in audience attraction, possibly due to strategy gaps or industry differences. 13% respondents are neutral, meaning they neither agree nor disagree, suggesting uncertainty or varied experiences with digital marketing effectiveness.

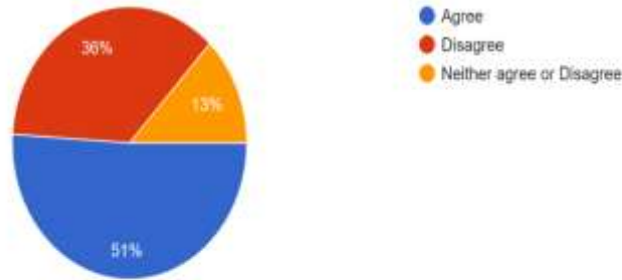
Overall, the data suggests that while most respondents see digital marketing as a tool for attracting audiences, a notable portion remains skeptical or uncertain about its effectiveness.

CHART:4.1.14



ATTRACTING CUSTOMERS

Digital marketing attracts more audience?
100 responses



1. RANK SCALE ANALYSIS

TABLE: 4.2.1

CURRENTLY ACTIVE SOCIAL MEDIA PLATFORMS

FEATURES	RESPONSES					TOTAL	RANK
	1	2	3	4	5		
X (TWITTER)	14	64	99	60	30	267	1
FACEBOOK	17	70	78	60	35	260	2
ALL THE ABOVE	27	52	69	56	50	254	3
YOUTUBE	22	78	69	48	20	237	4
INSTAGRAM	53	44	51	12	25	185	5

SOURCE: Primary data



INTERPRETATION: The above table ranked 1 for X(Twitter), ranked 2 for Facebook, ranked 3 for All the above, ranked 4 for YouTube, and ranked 5 for Instagram. The above table ranked 1 for X(Twitter) and ranked 5 for Instagram.

CHART: 4.2.2

CURRENTLY ACTIVE SOCIAL MEDIA PLATFORMS

Which social media platforms are you currently active on?

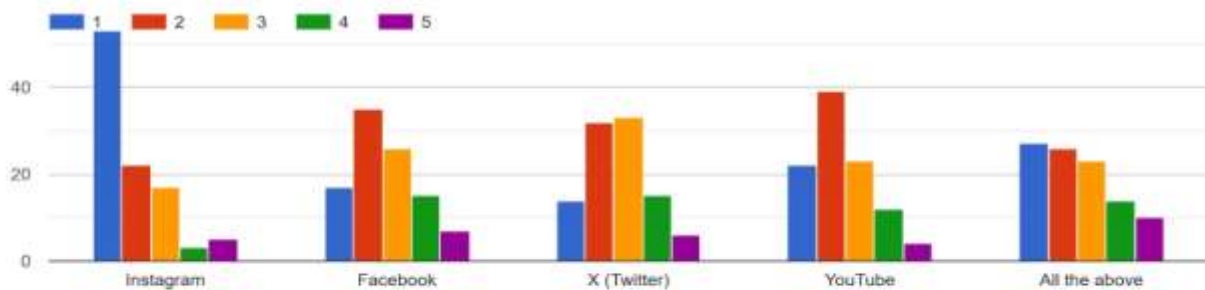


TABLE NO: 4.3.1

ARE YOU SATISFIED WITH THE COST IN DIGITAL MARKETING

GENDER	ARE YOU SATISFIED WITH THE COST IN DIGITAL MARKETING				TOTAL
	YES	NO	MAYBE	NOT SURE	
MALE	10	9	15	5	39
FEMALE	19	14	19	9	61
TOTAL	29	23	34	14	100

CHART NO: 4.3.1

S.NO	OBSERVED FREQUENCY	EXPECTED FREQUENCY	(O - E)	(O - E) ²	(O - E) ² / E



1	10	11.31	-1.31	-2.62	-0.2316
2	19	17.69	1.31	2.62	0.1481
3	9	8.17	0.03	0.06	0.0066
4	14	14.03	-0.03	-0.06	-0.0042
5	15	13.26	1.74	3.48	0.2624
6	19	20.74	-1.74	-3.48	-0.0016
7	5	5.46	-0.46	-0.92	-0.1684
8	9	8.54	0.46	0.92	0.1077
TOTAL	100				0.119

$$\text{CHI - SQUARE VALUE } \chi^2 = \sum (O-E)^2/E$$
$$= 0.119$$

$$\text{DEGREE OF FREEDOM} = (R-1) (C-1)$$
$$= (2 - 1) * (4 - 1)$$
$$= 1 * 3$$
$$= 3$$

Significance Value level = 0.05

Table Value = 0.119

X Calculated value > X Tabular Value

HYPOTHESIS:



- **Null Hypothesis (Ho):** There is no significant relationship between Gender and Satisfied cost in digital marketing.
- **Alternative Hypothesis (H1):** There is no significant relationship between Gender and Satisfied cost in digital marketing.
- If $0.119 < \text{critical value}$, accept the null hypothesis no significant difference.
- If $0.119 > \text{critical value}$, reject the null hypothesis significant difference.



CONCLUSION

The study highlights the growing importance of digital marketing, with a young, educated, and urban-centric audience engaging across multiple channels. While social media and video marketing are dominant, gaps in customer engagement, cost satisfaction, and trend awareness suggest areas for improvement. Businesses can enhance their marketing effectiveness by adopting personalized, cost-efficient strategies to attract and retain customers successfully. Despite limited budgets and expertise, small businesses can leverage cost-effective strategies such as influencer marketing, content marketing, and search engine optimization to drive customer engagement and increase sales.

By adopting a balanced and strategic approach to digital marketing combining targeted campaigns, cost-effective tools, and trend awareness small businesses can strengthen their market position and achieve sustainable growth. This study serves as a valuable resource for small business owners and marketers seeking to refine their digital marketing strategies and maximize their return on investment.

The study suggests in enhancing digital engagement strategies to improve customer engagement through interactive contents like chatbots, camping's etc.,. since social media is effective channel it suggests in investing in digital channels in customer preferred platforms like Youtube, Instagram, Facebook, etc.,. Digital marketers should focus on cost-effective strategies such as organic content marketing, SEO, and automation tools to maximize ROI, Discounts (32%) and special offers (28%) are the most effective ways to attract customers. A mix of promotions, loyalty programs, and personalized offers can help retain customers. Data analytics to understand customer preferences and tailor campaigns accordingly.



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