

# **DIGITAL MARKETING IN THE MSME SECTOR OF KERALA**

PROJECT REPORT

Submitted to

**MAHATMA GANDHI UNIVERSITY, KOTTAYAM**

In partial fulfilment of the requirements for the award of the degree of

**BACHELOR OF COMMERCE**

Submitted by

**CHANDINI. P. C (Reg. no. 170021063426)**

**DINCY DIANESE (Reg. no. 170021063427)**

**DIVYA. P.S (Reg. no. 170021063428)**

**St. Paul's College, Kalamassery**

*Under the guidance of*

**Mr. Lt. Varun V. Varghese**

**Assistant Professor**

**Department of Commerce**



**DEPARTMENT OF COMMERCE**

**ST. PAUL'S COLLEGE, KALAMASSERY**

**2017-2020**

## DECLARATION

We, **CHANDINI. P. C (Reg. No. 170021063426) Dincy Dianese (Reg. No. 170021063427) and Divya. P.S (Reg. No. 170021063428)** hereby declare that the project report entitled “**DIGITAL MARKETING IN THE MSME SECTOR OF KERALA**” is a bonafide work done by us under the guidance and supervision of Assistant Professor Mr.Lt. Varun V. Varghese, Department of commerce, St. Paul’s College, Kalamassery.

We also declare that this work has not been submitted by me fully or partially for the award of any other degree, fellowship, associate ship or other similar title of any other university or board.

Chandini. P. C (Reg. No. 170021063426)

Dincy Dianese (Reg. No. 170021063427)

Place: Kalamassery

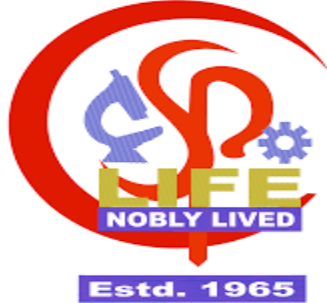
Date:

Divya. P.S (Reg. No. 170021063428)

# **ST. PAUL'S COLLEGE, KALAMASSERY**

**(Affiliated to Mahatma Gandhi University)**

**Kalamassery – 683503, Kerala, India**



## **CERTIFICATE**

This is to certify that the project work entitled “**DIGITAL MARKETING IN THE MSME SECTOR OF KERALA**” is a bonafide piece of work done by **MISS. CHANDINI. P. C (Reg. No. 170021063426)**, **MISS. DINCY DIANESE (Reg. no. 170021063427)**, **MISS. DIVYA. P.S (Reg. no. 170021063428)** in partial fulfilment of the requirements for the award of degree of Bachelor of Commerce in Mahatma Gandhi University, Kottayam, under my supervision and guidance and that no part thereof has been presented earlier for the award of any other fellowship, associateship etc.

**Counter signed by**

**Mr. Lt. Varun V. Varghese**

Assistant Professor

Department of Commerce

St. Paul's College, Kalamassery

**Mrs. Teresa Stephen**

Assistant Professor

Head of the Department

Department of Commerce

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CHANDINI. P. C

DINCY DIANESE

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**CHAPTER 1**  
**INTRODUCTION**



## 1.1 INTRODUCTION

Digital Marketing is the component of marketing that utilizes internet and online based digital technologies such as desktop computers, mobile phones and other digital media and platforms to promote products and services. It is the marketing of goods and services via digital technologies. Its development during the 1990s and 2000s, changed the way brands and businesses use technology for marketing. Small and medium enterprises play a very critical role in the economy of any country whether developed or developing. The MSME accounts for one-sixth of India's total GDP.

MSMEs play a vital role in most economies around the world contributing a significant portion of the economy and employing most of the available workforce. In India too, this is our reality- MSMEs contribute 45% of overall export and 14.9 million people are being employed in the MSME sector per annum. The MSME sector in Kerala, which was lagging behind in growth compared to the national average, has shown an improved growth of 12 percent since last September. However, Kerala has to adopt new strategies in the ease of doing business to make it more investment, industry and trade-friendly when compared to other states. The role of marketing in the development of business is intact but the way it is executed is radically changing due to the contributions of advanced technology.

The nature of the businesses in this sector plays an important role to alleviate poverty and propel sustainable growth and equitable distribution of income in India. With an increasing usage of digital media by consumers, more companies are using digital marketing to reach their targets. Using Digital Marketing, a firm can save money and reach more customers for less than traditional marketing methods. It helps to get to know the audience and allow them to know you personally which can help to create brand loyalty. The advancements in digital technologies will help developing nations to engage more in digital marketing. It has become more necessary for avoiding economic and social marginalisation and it can also offer them growth and social marginalisation and it can also offer them growth and diversification opportunities.

MSME sector in Kerala should use digital marketing technology for formulating more effective and transparent marketing strategy to enable them to scale new heights. Kerala has to adopt new strategies in the ease of doing business to make it more investment, industry and trade friendly. The State Government and the industry and the trade associations should pay more attention to it. To expand the horizon of foreign trade and also to reach out to new clients, enhanced usage of digital marketing techniques on social media, web marketing, mobile marketing are essential.

The digital marketing is a very cost effective promotional medium for MSMEs in Kerala and adoption of the digital marketing tools can bring significant benefits to the business and help achieve the growth objective of the organisation as well as achieve a global presence. The use of digital marketing in organisations has been the focus of many research studies because of its importance in improving organisation performance. With digital marketing changing the entire landscape of advertising, marketers are investing most of their time in marketing campaigns and building a brand for their product. For MSMEs, to design a digital marketing strategy, it is extremely important to assess the kind of business model of a company is. The communication can

then be designed, and the consumers can be approached in the most impactful way which would eventually make their business boom.

## **1.2 OBJECTIVES OF THE STUDY**

Following are the objectives of the study:

- (1) To identify and analyze the factors influencing adoption of digital marketing among micro, small and medium enterprises in Kerala.
- (2) To survey the attitude of micro, small and medium enterprises in the adoption of digital marketing.
- (3) To undertake a critical review of the characteristics of the firms that have adopted digital marketing and to measure their level of adoption.
- (4) To understand the likely impact of digital marketing adoption on firm's performance.

## **1.3 SCOPE OF THE STUDY**

Given the fact that MSME constitutes a majority of businesses in India's national economy, the scope of the study is limited to the MSME segment operating in Kerala. Digital Marketing is seen as a new phenomenon and a modern business practice which involves communicating with the customer's information and ideas, marketing of goods and services via the internet and electronic channels. The study is conducted in various MSME sectors to focus on the adoption of digital marketing media in Kerala. Even though, there are various types of digital marketing media, the study mainly focuses on adoption of website, email marketing, search engines, social media marketing such as Whatsapp, Facebook advertisement by the company.

## **1.4 RESEARCH METHODOLOGY**

Methodology is the systematic and theoretical analysis of the methods applied to a field of study. The study is carried out in the various MSME sectors of Kerala to analyse the adoption of digital marketing media. The data is collected from the following sources of data

- (1) Primary data
- (2) Secondary data

Primary data: The primary data is collected through the survey conducted from various MSME sectors.

Secondary data: The secondary data is collected from already published journals, websites and internal records.

## **1.5 LIMITATIONS OF THE STUDY**

The following are the limitations of the study:

- (1) One of the challenges faced during the study is the lack of relevant literature or studies about digital marketing. Most of the studies were in the area of online advertising, internet advertising etc.
- (2) The digital marketing channels selected for the study are website, search engine, social media marketing tools like Facebook, Whatsapp etc. There are several other digital marketing channels which were avoided due to time and cost constraints. But the study does not lose its significance as only popular digital marketing channels are selected for the present study.
- (3) There are number of variables affecting adoption as well as numerous theoretical frameworks of adoption, but the study focuses only on selected number of variables.
- (4) The study does not assess the effectiveness of digital marketing or measure the digital marketing performance using digital marketing solutions or advanced web analytics.

## **1.6 TOOLS OF ANALYSIS**

Data analysis was carried out using statistical tools. Graphs and tables are used for the presentation of data.

## **1.7 SCHEME OF CHAPTERISATION**

The scheme of the study has been structured and chapterised into the following five chapters:

<b>CHAPTER NO:</b>	<b>TITLE</b>
1	INTRODUCTION
2	REVIEW OF LITERATURE
3	THEORETICAL FRAMEWORK
4	DATA ANALYSIS AND INTERPRETATION
5	FINDINGS, CONCLUSIONS AND SUGGESTIONS

**CHAPTER 2**  
**REVIEW OF LITERATURE**

- 1. Parsons, Zeisser, Waitman (1996):** In the developed world, companies have realized the importance of digital marketing. In order for business to be successful they have to merge online with traditional methods for meeting the needs of customers more precisely.
- 2. F. Palumbo and P. Herbig (1998):** Digital marketing is cost effective and having a great commercial impact on the business. Indeed, small companies are now able to reach targeted markets at a minimized cost and are able to compete with bigger companies, on an equal footing.
- 3. Kiani (1998):** Introduction of new technologies has creating new business opportunities for marketers to manage their websites and achieve their business objectives.
- 4. Song (2001):** Online advertising is a powerful marketing vehicle for building brands and increasing traffic for companies to achieve success.
- 5. Mort, Sullivan, Drennan, Judy (2002):** More importantly, growth in digital marketing has been due to the rapid advances in technologies and changing market dynamics.
- 6. Phillips (2003):** Internet works thanks to combination of a range of technologies and it is the biggest source of information mankind has ever had for its disposal. Internet also laid the foundations of more information channels than people have created until the 20<sup>th</sup> century.
- 7. Kanttila (2004):** In order for digital marketing to deliver result for businesses, digital content such as accessibility, navigation and speed are defined as the key characteristics for marketing.
- 8. Blazkova (2005):** Internet marketing demands a little bit different approach in certain aspects than traditional marketing.
- 9. Howard (2005):** Marketers have caught the bug and are increasingly weaving viral components into their marketing plans. Not only is the approach relatively inexpensive, but also it can sometimes be more believable than standard ads.
- 10. Teo (2005):** Firms in Singapore have tested the success of digital marketing tools as being effective and useful for achieving results.
- 11. Pepelnjak (2008):** Expectations in terms of producing results and measuring success for advertisement money spent, digital marketing is more cost-efficient for measuring ROI on advertisement.
- 12. Cha (2009)** also established in his study that more people perceive shopping services on social networking sites as useful and easy to use, the more likely they are willing to shop for items on social networks. The wide range of consumers utilizing social networks means that most target markets can be reached.
- 13. Chaffey (2009):** Internet marketing has been described as ‘achieving marketing objectives through applying digital technologies’.
- 14. Dushinski (2009):** The website, apps and content is being customized for mobile devices. The mobile users are growing day by day and it is the most effective way of marketing.

- 15. Mangold (2009):** Social media with an extra ordinary example Facebook has opened the door for business to communicate with millions of people about products and services and has opened new marketing opportunities in the market. This is possible only if the managers are fully aware of using the communication strategies to engage the customers and enhancing their experience.
- 16. Mangold and Faulds (2009)** recommended that social media should be regarded s an integral part of an organization’s integrated marketing strategy and should not be taken lightly.
- 17. Trusov (2009):** Other tried and tested tool for achieving success through digital marketing is the use word-of-mouth WOM on social media and for making the site popular.
- 18. Shankar (2011)** revealed in his study that more shoppers are using social media (e.g, Twitter, Facebook, MySpace, and LinkedIn) and rely on them for marketing shopping decisions; promotion through these media has become important.
- 19. Vogus (2011)** has determined that large companies are regarding social media sites as strategic tools and some businesses are even hiring employees to oversee their social media pages.
- 20. Yannopoulos (2011):** The Internet is the most powerful tool for business.
- 21. Cetina, Cristiana, Radulescu (2012):** Web experiences affect the mental process of consumers and enhance their buying decision online.
- 22. Munshi (2012):** Today, monotonous advertising and marketing techniques have given way to digital marketing. In addition, it is so powerful that it can help revive the economy and can create tremendous opportunities for governments to function in a more efficient manner.
- 23. Chaffey (2013):** Digital marketing is the use of technologies to help marketing activities in order to improve customer knowledge by matching their needs.
- 24. Helm, Moller, Mauroner, Conrad (2013):** Online services tools are more influencing than traditional methods of communication.
- 25. Zhang (2013):** For businesses, online reviews have worked really well as part of their overall strategic marketing strategy.

**CHAPTER 3**  
**THEORETICAL FRAMEWORK**

### 3.1 INTRODUCTION

Digital Marketing is the marketing of products or services using digital technologies, mainly on the Internet, but also including mobile phones, display advertising and any other digital medium.

Digital marketing encompasses all marketing efforts that use an electronic device on internet. This can also be referred as 'online marketing', 'internet marketing' or 'web marketing'. It is defined by use of numerous digital tactics and channels to connect with customers where they spend much of their time: online. Changes in consumer behaviour require firms to think their marketing strategies in the digital domain. Digital Marketing provides the most comprehensive guide to all aspects of using the internet, digital marketing technology to achieve the goals of integrated multichannel marketing. From a consumer's perspective, the use of information communication technologies offers a number of benefits including efficiency, convenience, broader selection of products, competitive pricing, cost reduction and product diversity.

#### **What are Micro, Small and Medium Enterprises?**

At present, MSMEs are classified on the basis of investment in plant and machinery for manufacturing units and investment in equipment for services enterprises. Under the goods category, the slabs are upto Rs.25 lakh for micro, Rs.25 lakh to Rs.5 crore for small and Rs.5 crore to Rs.10 crore for medium sectors. In accordance with the provision of Micro, Small and Medium Enterprises Development (MSMED) Act, 2006 the Micro, Small and Medium Enterprises (MSME) are classified in two classes:

- I. **Manufacturing Enterprises:** these enterprises engaged in the manufacture or production of goods pertaining to any industry specified in the schedule to the industries (Development and Regulation) Act, 1951) or employing plant and machinery in the process of value addition to the final product having a distinct name or character or use. The Manufacturing Enterprises are defined in terms of investment in Plant & Machinery.
- II. **Service Enterprises:** These enterprises engaged in providing or rendering of services and are defined in terms of investment in equipment.

Enterprises engaged in the manufacture or production, processing or preservation of goods as specified below:

- A micro enterprise is an enterprise where investment in plant & machinery is more than Rs.25 lakh;
- A small enterprise is an enterprise where the investment in plant & machinery is more than Rs.25 lakh but does not exceed Rs.5 crore;
- A medium enterprise is an enterprise where the investment in plant & machinery is more than Rs.5 crore but does not exceed Rs.10 crore.

Enterprises engaged in providing or rendering of services and whose investment in equipment are specified below:



- A micro enterprise is an enterprise where the investment in equipment does not exceed Rs.10 lakh;
- A small enterprise is an enterprise where the investment in equipment is more than Rs.10 lakh but does not exceed Rs.2 crore;
- A medium enterprise is an enterprise where the investment in equipment is more than Rs.2 crore but does not exceed Rs.5 crore.

### **3.2 TRADITIONAL MARKETING V/S DIGITAL MARKETING**

1. Unlike traditional marketing where we have to wait for stipulated time frame to find out the response from the customers, online marketing is real time.
2. Since we get the response of the customers in real time, it is easier to track if a particular campaign is working for the product or not and based on the feedback marketer can make the appropriate changes in the promotional campaign, in traditional marketing this flexibility is not possible.
3. In traditional marketing, it is difficult for small retailers to compete with the big competitors in the market owing to the cost involved and strategy making expertise whereas in case of digital marketing, through a crisp website you can reach your target audience with wider reach with better service assurance.
4. Cost involvement is another point which creates a lot of difference between the conventional marketing techniques over online marketing; business house can create its respective digital marketing strategy with very little cost and replace conventional costly advertising methods such as print media, radio coverage, television and magazine.
5. With digital marketing, marketer can create options to stimulate their target audience to take favourable appropriate action, visit the respective website, to know about their products and its features and different services, by this mechanism customers can express their view about their product, their choice of buying the product and corresponding feedback, which is also visible in the website, thus by this way the marketer get an effective opportunity to engage with the customers, which is usually diluted in case of traditional mode of marketing.
6. Through online marketing, brand development can be done better than traditional mode of marketing; a well-designed website with quality information can target the requirement of the customers and add significant value to their expectations with creation of greater opportunities. Online marketing has the potential to create ripple and viral effect in promotion over traditional mode marketing.

### 3.3 IMPORTANCE OF DIGITAL MARKETING

1. Digital Marketing is infinitely more affordable than traditional offline marketing methods. An email or social media campaign can transmit a marketing message to consumers and thus potentially reach a wider audience.
2. Conducting marketing digitally is the ease with which results can be tracked and monitored. Rather than conducting expensive customer research, companies can quickly view customer response rates and measure the success of their marketing campaign in real-time, enabling them to plan more effectively for the next one.
3. It is easy to collect the feedback reports or number of readers instantly unlike the traditional media like T. V, radio or hoardings. In online advertising, users can themselves search for any product on any website and can give their feedback instantly. This eventually helps the entrepreneurs to upgrade themselves in a specific domain. Moreover you can make a long-lasting impact on your target viewers at a faster rate.
4. It helps in promoting a business through digital medium like internet or mobile thus reaching millions of customers in a moment. Many small and large businesses are following the strategies of online marketing to endorse themselves globally.
5. Digital marketers monitor things like what is being viewed, how often and for how long, what content works and doesn't work, etc. While the internet is perhaps, the channel most closely associated with digital marketing, others include wireless text messaging, mobile apps, digital television and radio channels etc.
6. Digital Marketing is affordable, targetable and measurable and hence businesses do it and marketers love it.

### 3.4 ADVANTAGES OF DIGITAL MARKETING

1. **Stay updated with products or services:** Digital marketing technologies allow the consumers to stay with the company information updated. Nowadays a lot of consumer can access internet any place anytime and companies are continuously updating information about their products or services.
2. **Greater engagement:** With digital marketing, consumers can engage with the company's various activities. Consumers can visit company's website, read information about the products or services and make purchases online and provide feedback.
3. **Clear information about the products or services:** Through digital marketing, consumers get clear information about the products or services. There is a little chance of misinterpretation of the information taken from the sales person in a retail store. However, internet provides comprehensive product information which customers can rely on and make

purchase decision.

4. **Easy comparison with others:** Since many companies are trying to promote their products or services using digital marketing, it is becoming the greatest advantage for the customer in terms that customers can make comparison among products or services by different suppliers in cost and time friendly way. Customers don't need to visit a number of different retail outlets in order to gain knowledge about the products or services.
5. **24/7 shopping:** Since internet is available all day long; there is no time restriction for when customer wants to buy a product online.
6. **Share content of the products or services:** Digital marketing gives viewers a chance to share the content of the product or services to others. Using digital media, one can easily transfer and get information about the characteristics of the product or services to others.
7. **Apparent pricing:** Company shows the prices of products or services through digital marketing channel and this makes prices very clear and transparent for the customers. Company may regularly change the prices or gives special offers.
8. **Enables instant purchase:** With traditional marketing, customers first watch the advertisement and then find relevant physical store to purchase the products or services. However, with digital marketing, customers can purchase the products or services instantly.

### 3.5 DISADVANTAGES OF DIGITAL MARKETING

Everything has disadvantages. Digital Marketing works an expansion strategy for the working of a business. Sometimes this also faces various kinds of problems. Below are some of the known disadvantages of Digital marketing:

1. The entire model of Digital Marketing is based on the internet. However, not every place of this world is connected with the internet facilities. Therefore, there areas will always remain avoid of the awareness of your product if you chose Digital marketing for advertising.
2. Digital Marketing is entirely based on the internet. Therefore, it is really hard to create a marketing strategy in the early phases of the campaigning. Above all, building the right brand image on the internet is the hardest thing for the company.
3. Digital Marketing has huge competition. The potential customers always have alternative choices for your products as well. In fact, every time they search for your product they get other recommendations as well. They can simply switch to other party if they are providing better options or prices.
4. Company strategies can be copied at any time. The internet is a huge space. And in this huge space, there are plenty of people browsing. Often someone can easily track and copy the enterprise's business model. Additionally, hate campaigns are the worst thing that can

happen to the business. If once the customer starts hating your brand by some influence then there's no coming back. For this reason, it always has to maintain people's loyalty towards the brand or product.

5. Everything cannot be sold through online portals. Digital marketing can only benefit the company if it sells goods to the consumers. However, it can't really sell much industrial goods and medicinal goods.

### **3.6 BENEFITS OF DIGITAL MARKETING TO THE BUSINESS**

1. **Affordability:** Especially when compared to the cost of advertising on the radio or television, or in some type of written publication, the company will spend significantly less even for a powerful digital marketing campaign. Although everyone benefits, an affordable marketing plan is most helpful for businesses on a tight budget.
2. **Reach:** Because traditional marketing consists of tangible things, like magazines and newspapers, local radio and TV, it has a limited reach. The difference with digital marketing is that it reaches audiences all over the world. Instead of limitations to local buyers, company can sell the product or service to someone on the other side of the globe.
3. **Real-time assessments:** If a company want to succeed online, it needs to take quick and appropriate action when needed. With digital marketing, the company can do that. Whether looking at the number of visitors, bounce rates, conversion rates or something different, it can determine what is and is not working on the company's site, followed by making the correct changes.
4. **Brand visibility:** To target a local market, the company can use both digital and traditional marketing, although digital marketing will result in more exposure. To reach a national audience, the company only need a digital marketing campaign. With that comes more exposure, which in turn, brings increased visibility to the brand.
5. **Improved engagement:** Marketing serves multiple purposes. It puts the company, its product or service in front of the target audience; it helps the company's network online; and it improves engagement with both prospects and current customers. Ultimately, the goal is to build trusting and lasting relationships with the people. In response, the customers become loyal and gladly tell others about what the company offers.
6. **Return on investment:** When starting an online company, the goal is to sell products or services and enjoy a nice return on investment. The main thing about digital marketing is that even on small investment, the company can achieve a significant return, whether using digital media platforms or email campaigns.
7. **Shareability:** With traditional marketing, the only way to share is to call someone to ask the customers to turn on their television or radio or to hand them something tangible like a

magazine or newspaper. With digital marketing, people can share throughout their online experience to others around the globe. For instance, if one of the company's visitors finds the perfect product for their friend who lives in abroad, they can click a 'share' button and instantaneously, they can pass the information.

8. **Customer segmentation:** Another benefit of digital marketing is that in addition to targeting a specific group of people, the company can segment customers. What that means is that the company can break larger groups into smaller ones based on a specific classification. If the company sells shoes online, the target audience is anyone interested in buying shoes. With customer segmentation, the company can break it down further by focusing only on men, women or children. In addition to reducing marketing costs, this increases the chances of making sales.

### 3.7 BENEFITS OF DIGITAL MARKETING TO THE CONSUMERS

1) **It keeps consumers current:** The world is constantly changing. New trends, products, issues and needs emerge every day. In a rapidly changing world, consumers need a way to stay on top of everything that is changing. The internet is a great place for keeping consumers current. They can seek out information and consume it quickly. It's a great way for consumers to access relevant and engaging content with information that's important to them. If there are changes with the business or the industry, consumers expect to be able to find it immediately. They want to know relevant information as it emerges. The internet allows the customers to keep the company's audience up-to-date with the business's latest trends and changes. They can see when the company launch new products or offer new services. It's easy for the customers to find the company's site and learn about what's new or upcoming with the business. They can find information about new products, services, special deals and upcoming events. When consumers have access to relevant information, it helps them with purchasing decisions.

➤ *How this benefits to the business: Keeping the audience up-to-date encourages engagement and interaction with the business. One of the benefits of digital marketing is that it builds brand recognition with the audience by keeping them engaged and interested in the company's page. Increased brand recognition leads the consumers to choose their brand over the competition because they are more familiar with the business.*

2) **It offers convenience and quick service:** The world operates at a fast-moving pace. People want access to information quickly and efficiently. Time is precious and people don't want to waste it. People can access information and purchase items quickly through the web. This is one of the benefits of internet of digital marketing to consumers. The audience can get quick and convenient service when they need it. When the company market products to the consumers, they see the marketed material on their own time. Whether it's in their social media feed or an email, they access company's ad when it's convenient for them. The website is constantly marketing the business. One of the advantages of digital marketing is that the consumers can access the company's site when they have time. If someone needs a product, they can easily order it online. It's quicker than someone driving to a store, finding the product, checking out

and driving home. This is a convenient way for the audience to purchase products. They can purchase products quickly and efficiently on their time. In addition, the internet gives the audience more access to the business's customer service. Many companies offer online chats or email services that allow people to contact the business when they need help. It's one of the benefits of digital marketing for consumers because it allows the users to contact the company when it's convenient for them.

➤ *How this benefits to the business: The internet allows for constant marketing of your business. People can access marketing materials like the company's website and the social media profiles at a time that works for them. The business will still gain brand exposure and conversions while giving people a more comfortable shopping experience.*

3) **It helps build a better relationship:** With the growth of the internet, consumers grow more critical about brands. They have more access to information about companies, which leads to them forming opinions about certain brands. This opens the door to building a relationship with companies they trust. Digital marketing helps you build trust with the audience. They see the marketed materials and learn about the business. As they get more familiar with the business, they begin to trust the company and feel comfortable with choosing the business. They have many opportunities to connect with the business and learn more. They can sign up to receive emails or follow the social media profiles. It's a great opportunity for them to learn more about the business and provides the chance to market directly to them. Digital marketing benefits the consumers because they build a relationship with companies. They get better customer experience and feel more valued as consumers.

➤ *How this benefits to the business: When the business can market directly to the audience, it provides them with a better experience and it also helps the business more valuable leads. The business gain new followers on social media or earn new email subscribers. It creates greater opportunities for the business to market to leads to get them to convert while also helping by create repeat customers.*

4) **It provides 24/7 access:** The business may close, but the internet stays open 24/7. People have constant access to information on the internet regardless of the time of the day or day of the week. This means that people always have access to information about the business, products or services. They can learn about the business at any time of the day. If they decide they need a product at 3am, they can go online and purchase the product easily. It makes it easy for them to get what they need, when they need it. This also means the audience has access to information whenever they need it. If they need questions answered or are looking for general information, they can search online for the information and come across the website.

➤ *How this benefits to the business: The business can market the products even after office time, which means the business is getting more out of the budget. It allows the business to reach all types of people. For instance, if the business is targeting people who were in law enforcement or nursing, it could reach them with the marketing materials, regardless of whether they work first, second or third shift.*

5) **It creates a personalized experience:** The two things the business should know about their audience is that, they don't like wasting time and they want to be valued as a customer. One of

the advantages of digital marketing is the ability to create a personalized marketing experience for each consumer. Not only does it make them feel valued, but it also allows them to get marketing material relevant to their interests. Businesses can target people based on their demographics, interests and shopping behaviours. This means that people see more products that align with their interests. It creates a better experience for the audience and gets them to engage with the business. People don't want to see irrelevant marketing material. Their time is valuable, so they only want to see marketing content that is relevant to their interests. When users receive irrelevant content, they're less likely to engage with it. Personalization creates a better experience for the audience. They get information about products and services that interest them. The business can create a better experience by giving exactly what the consumers want. They are more likely to engage and take interest in the business.

➤ *How this benefits to the business: Personalized marketing creates an environment that makes the audience more likely to convert. When they have a marketing experience that is tailored to their interests, they're more likely to engage. This leads to building better brand recognition, increasing engagement and ultimately earning more revenues.*

6) **It provides clear product information:** When consumers check out products in-store, they rely on the product label to tell them how to use. If it doesn't include all the details, it can make consumers question whether they want to buy the product. With the development of the internet, consumers are more informed than ever. The business can post more information about the products online and aren't limited to a label. This means that consumers are more knowledgeable about products, which helps them make better purchasing decisions. They can market the products better and share this valuable information with their audience. When the company market their products, they highlight the relevant parts of the products and sell that to the audience. People may get lured to your content based on the product information shared.

➤ *How this benefits to the business: When customers are more informed about products, they're likely to convert. By marketing the details, the business help draw more leads to the page and earn more.*

7) **It allows for comparison shopping:** Before the internet, consumers drove to different shops to comparison shop. If a competitor's shop was a far distance, it was a difficult task to visit all the stores to check their prices to see which one was more affordable. With the growth of the internet, consumers can price check straight from their devices, making it easy and convenient. This helps consumers get the best prices for their budget. Consumers want the best value for the best price. The ability to comparison shop helps people make more informed decisions. The business can market the products to attract people with their prices. The consumers will be interested in their products, so promoting the price can seal the deal for them. This is one of the benefits of digital marketing to customers.

➤ *How this benefits to the business: Comparison shopping can help the business to earn more. If the prices are lower than the competitor's, the audience is more likely to purchase from the business. The business can market their products with low prices to earn more revenues.*

8) **Obtain quality content:** One of the benefits of the digital marketing is obtaining quality content. Users are continually searching the web to look for helpful information. They find

content from different businesses that helps them get the knowledge they need. Content marketing is an excellent way for the business to reach the audience. It shares their industry-related knowledge with them and they obtain the information they need. It's a great way to help the audience feel more informed. When the business create content for their audience, they fulfil a need. It's a great way to help the audience feel more informed. This leads them to engage with the business longer, which leads them to getting to know the brand and becoming familiar with their products or services.

- *How this benefits to the business: Content marketing helps the business obtain valuable leads on their page. They earn more valuable traffic, which helps their business grow. They'll receive more valuable leads interested in the company.*

9) **It helps the business to reach global audience:** The growth of the internet allows users from the globe to access the products. This means that people can purchase the products from different companies. It's an excellent opportunity for users to get the products they need. Before the growth the internet, users couldn't access these types of products if they needed then. Now, there's an open opportunity for people to obtain products from around the globe.

- *How this benefits to the business: This creates more opportunities for the business to earn more. It can gain sales from interested leads across the globe and help the business to grow. Digital marketing benefits consumers and the business because it reaches more people interested in the products.*

10) **It provides the audience with options:** Users have access to dozens of different products. Virtually any product has options, whether it's style, colour or quantity. A company that sells furniture could offer different styles and colours of that one product type alone. This gives consumers more options than ever before and they like this. Digital marketing gives the company the ability to market different options. When business advertises their products, it shows the audience their available options. They can look at the various options to determine which one fits best with their needs. Having numerous options allows the business to market multiple products. Variety allows it to create a personalized experience that targets the audience based on their interests and tastes.

- *How this benefits to the business: One advantage of digital marketing is showcasing all the available options to the audience. When the business have more options, customers are more likely to choose the products in the business. It increases the chances of earning revenue because the business becomes more likely to have a product that fulfil their needs.*

### 3.8 CHALLENGES FACING DIGITAL MARKETERS

There are many benefits of using digital marketing platform to market the company's products and services. But there are some challenges that a marketer using the digital marketing strategy has to face. The challenges are as follows:

1. **Proliferation of digital channels:** Consumers use multiple digital channels and a variety of devices that use different protocols, specifications and interfaces-and they interact with



those devices in different ways for different purposes.

2. **Intensifying competition:** Digital channels are relatively cheap, compared with traditional media, making them within reach of practically every business of every size. As a result, it's becoming a lot harder to capture consumer's attention.
3. **Exploding data volumes:** Consumers leave behind a huge trail of data in digital channels. It's extremely difficult to get a handle on all that data, as well as find the right data within exploding data volumes that can help you make the right decisions.

### 3.9 ELECTRONIC MODELS OF DIGITAL MARKETING

1. **Business to Business (B2B):** The business to business model involves buying and selling of goods through internet. The turnover and profitability is enormous compared to other models which enable them to conduct business in a dependable manner.
2. **Customer to Business (C2B):** This model is very much an equivalent of B2C model. It involves buying and selling of goods and services online. It is model in which customer initiates transactions with companies.
3. **Business to Customer (B2C):** This model is an interaction between company and customer through online medium. The information about products are available online and customers prefer to buy online by making online payments. The goods are then delivered to them online or physically by post.
4. **Customer to Customer (C2C):** This model involves shopper directly communicating with other customers in the online platform. The customer to customer model is one of the significant models in internet based transactions. Many researchers have asserted that electronic commerce has grown as can be seen by the growth of social networking sites.
5. **Business to Government (B2G):** This is a type of online interaction where feedback from businesses is given to government and non government organisations.
6. **Customer to Government (C2G):** Sometimes online transactions are initiated whereby feedback is given by customers to government through customer groups or individual sites.
7. **Government to Citizen (G2C):** This is a type of online interface through which government provides information through communication such as local government services, public government services, public government information and tax information. In an effort to improve small industries performance a basic understanding of electronic commerce models is necessary.

### 3.10 DIGITAL MARKETING TACTICS:

Sl. No.	Tactic	Description
1	Email marketing	Electronic mail for reaching potential and existing customers with targeted marketing messages.
2	Display advertising	Hyperlinked pixel displays on websites, which are used for gaining visibility, generating traffic for the corporate website and building brands.
3	Search engine advertising	A form of advertising where firms pay fees to search engines (eg: Google, Yahoo!) to be displayed in search results with specific keywords. The goal is to drive the targeted audience to the company website or other firm related media space.
4	Websites	A company website is usually the home base for a firm's digital presence. It is used for multiple purposes, such as providing firm related information to customers, building brand image and fostering direct and indirect sales. Along with the main company website, firms may also use campaign websites, which are focused on specific themes or events (eg. new product launch).
5	Affiliate marketing	The contractual placement of hyperlinks on third-party websites (i.e., affiliate sites), which are aimed at drawing visitors to the company website as a result of clicking on the hyperlinks. Examples of affiliate marketing are the inclusion of company products on price comparison sites and banner ad on affiliate websites.
6	Blogging	A company blog (i.e., a web blog) is a website or a section on a company website where company representatives or invited writers provide perspectives on topical issues related to the company or industry.
7	Mobile applications	Branded software downloadable to mobile devices that are primarily used for engaging customers to interact with the company for creating favourable attitudes among customers.

### 3.11 DIFFERENT TECHNIQUES OF DIGITAL MARKETING

Digital Marketing is focused on how a company and its brands use the web and other digital media such as email and mobile media to interact with its audiences in order to meet its marketing goals. The following are the various marketing trends of digital marketing.

1. **Search Engine Optimization (SEO):** Search Engine Optimization or SEO is essentially tweaking your website so that it comes up naturally or organically for search results in Google, Yahoo or any other search engine. Google tries to prevent algorithm manipulation and filters sites that don't deserve to be on the top of Search Engine Result Pages (SERPs). So there is no doubt that you should invest in SEO work. Your website should address the technicalities related to content and query matching, indexing and interpreting the non-text content. So, it is the most cost effective marketing strategy that will bring organic traffic to your business.
2. **Social Media Marketing:** Social Media marketing or SMM involves driving to your sites or business through social sites like Facebook, Instagram, Twitter etc. content is to be created and customized for different social media platforms. The SMM efforts can be especially helpful for branding and driving sales. The tools and approaches for communicating with customers have changed greatly with the emergence of social media. In order to create a successful marketing campaign via social media, a consumer must be open to the technology.
3. **Mobile Marketing:** Mobile Marketing is a new branch of marketing, referring to the two-way marketing communication between company and customers that takes place via mobile devices. The mobile users are growing day by day and it is the most effective way of marketing. The website, apps and content is being customized for mobile devices. The mobile users are growing day by day and it is the most effective way of marketing.
4. **Viral Marketing:** Viral is today's electronic equivalent of old-fashioned word of mouth. Viral marketing is a strategy where a unique content spreads exponentially online, because the content is appreciated, share and liked immensely. This is a great way to brand and drive traffic to the website. The content can take any format; but is to be creative. Marketers have caught the bug and are increasingly weaving viral components into their marketing plans. Not only is the approach really inexpensive, but also it can sometimes be more believable than standard ads.
5. **Email Marketing:** When a commercial message is send through email to a list of potential customers, it is called Email marketing. With effective email marketing software, one can maintain email lists that are segregated based on several factors, including customer's likes and dislikes and spending habits. It is to be send as personalized emails and it helps to develop trust. However, Email marketing may also be considered as spamming and there are laws against in some countries.
6. **Affiliate Marketing:** Affiliate Marketing is a performance-based marketing program, where one pays publishers who bring the customers. The performance may be based on sales. Essentially, the publishers will give space in their pages to advertise the business and helps in driving the sales which in return pay them on the basis of the compensation model. It is especially useful for start-ups, as it will bring in more traffic to their business through high-traffic sites. In essence, Affiliate marketing is a win-win situation for both the merchants and

publishers.

7. **Online Public Relations (Online PR):** Public Relation is significant part of modern marketing tools. Companies that do not consider PR can lose customers. Online PR has advantage over the traditional PR in the possibility of great and fast two way communication on the internet. Companies running an online business can develop online public relations through publishing PR articles in online PR catalogues, press releases in online media, by sharing videos or music containing commercial message or advertisement, or by participating in various discussion forums concerning the related topic or products.

### **3.12 CONCLUSION**

It cannot be denied that the world is rapidly shifting from analogue to digital world. People are consuming more and more digital content on a daily basis and companies that have not yet recognized this in their marketing strategies need to adapt fast. More people spend more time online in India every year, and more digital tools and sites they use play an ever-growing role in their lives. Smart marketers keep on top of the scale of change and ensure their marketing strategies where the consumer is spending their time. The objective of the Digital India is to make the people of India i.e., the people of India will be online. They can do anything from anywhere at any time using digital media. So, there is a need to change the marketing strategy of various companies from traditional marketing to digital marketing. If the companies does not use the digital marketing platform to market their products and services then they will lack the competition that exist in a perfect competition market and hence the future of the company cannot be assured and the company will go in loss.

Nowadays, the customers purchase the products online. They easily get the information about the product and compare the products and order without going to a retail shop or a shopping mall. It shows that the consumers prefer buying online rather than going to retail shops and shopping malls. So, with the change in buying behaviour of the customer the marketing companies have to change their marketing strategies and should adopt Digital marketing platform for marketing of their products and services.

**CHAPTER 4**  
**DATA ANALYSIS AND INTERPRETATION**

## TYPE OF ENTERPRISE

### 4.1 TABLE SHOWING TYPE OF ENTERPRISE

Particulars	No: of respondents	Percentage (%)
Secondary	30	60
Tertiary	20	40
<b>Total</b>	<b>50</b>	<b>100</b>

Source: Primary data

### FIGURE SHOWING TYPE OF ENTERPRISE

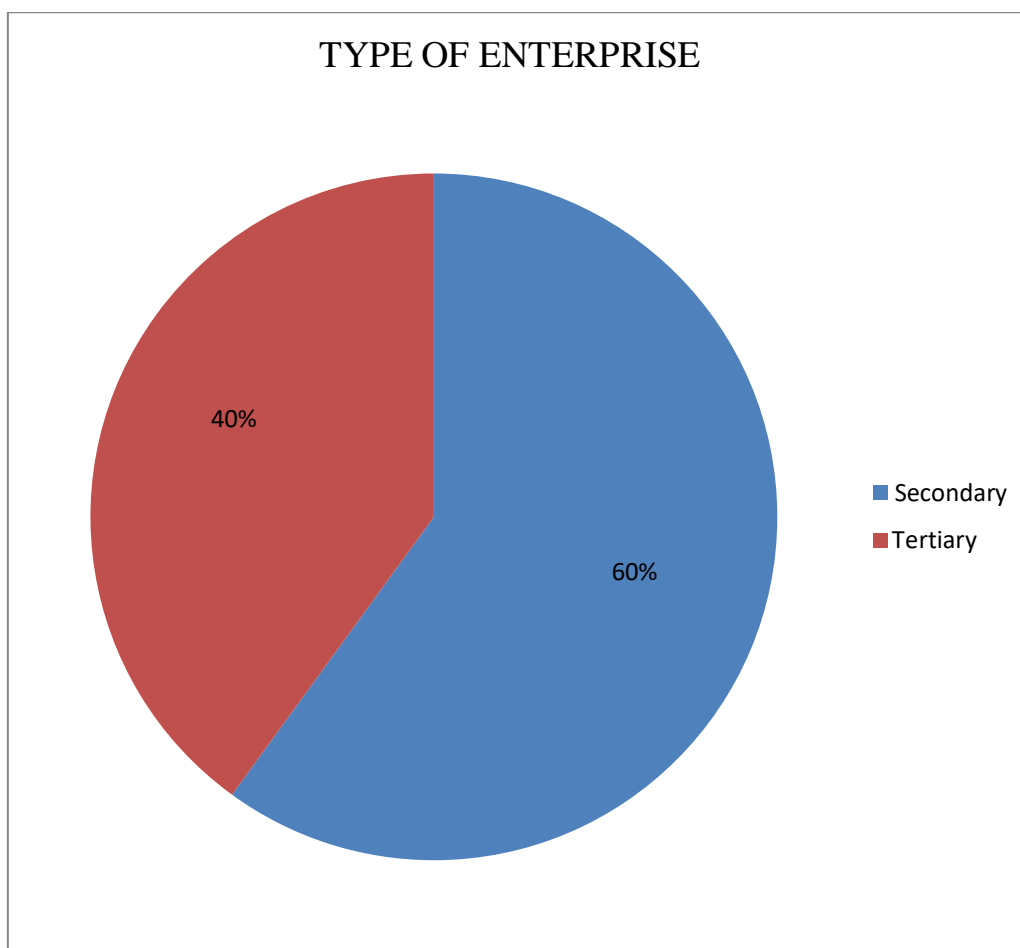


Figure 4.1

**Interpretation:** Figure 4.1 depicts that 60% of MSMEs engaged in digital marketing includes in the Secondary sector whereas 40% includes in the Tertiary sector.

## TYPE OF SECTOR

### 4.2 TABLE SHOWING TYPE OF SECTOR

Particulars	No: of respondents	Percentage (%)
Micro	14	28
Small	12	24
Medium	24	48
<b>Total</b>	<b>50</b>	<b>100</b>

Source: Primary data

### FIGURE SHOWING TYPE OF SECTOR

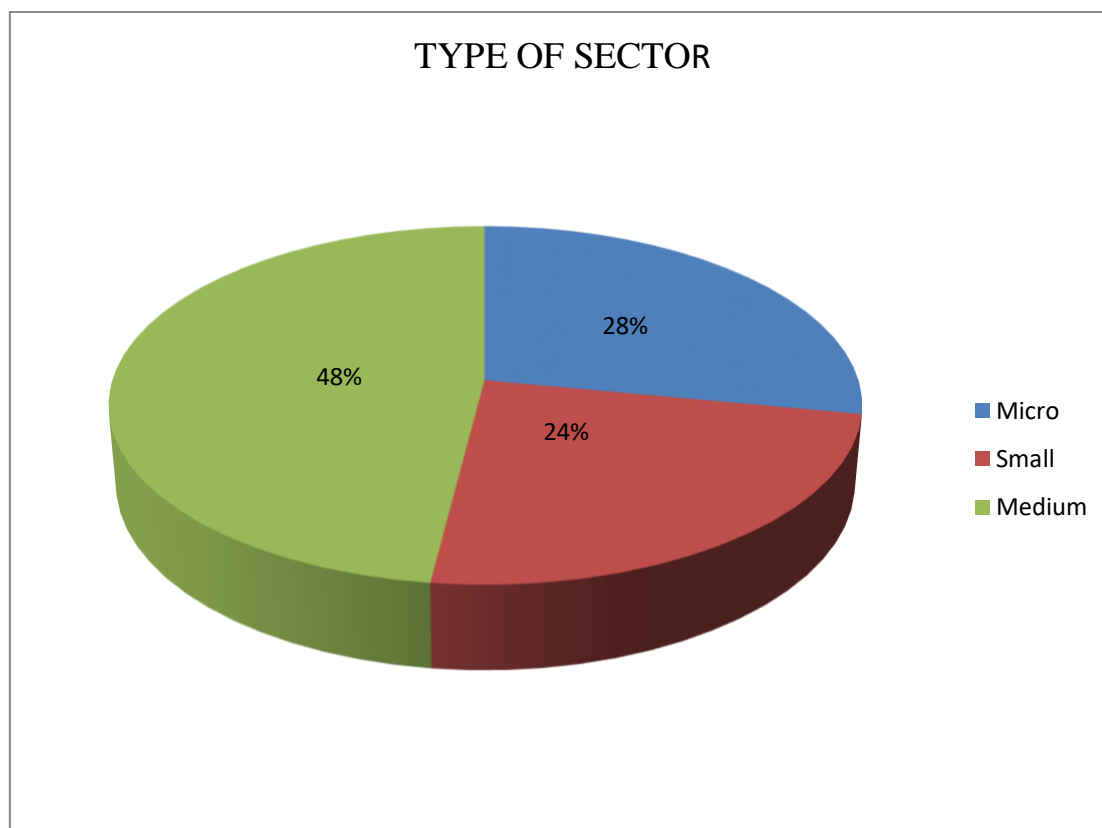


Figure 4.2

**Interpretation:** Figure 4.2 depicts that 28% of MSMEs engaged in Digital Marketing includes in the micro sector, 24% in the small sector and 48% in the medium sector. The majority sector includes under the study is Medium sector.

## ADOPTION OF DIGITAL MARKETING

### 4.3 TABLE SHOWING THE ADOPTION OF DIGITAL MARKETING

Particulars	No: of respondents	Percentage (%)
Yes	46	92
No	4	8
<b>Total</b>	<b>50</b>	<b>100</b>

Source: Primary data

### FIGURE SHOWING ADOPTION OF DIGITAL MARKETING

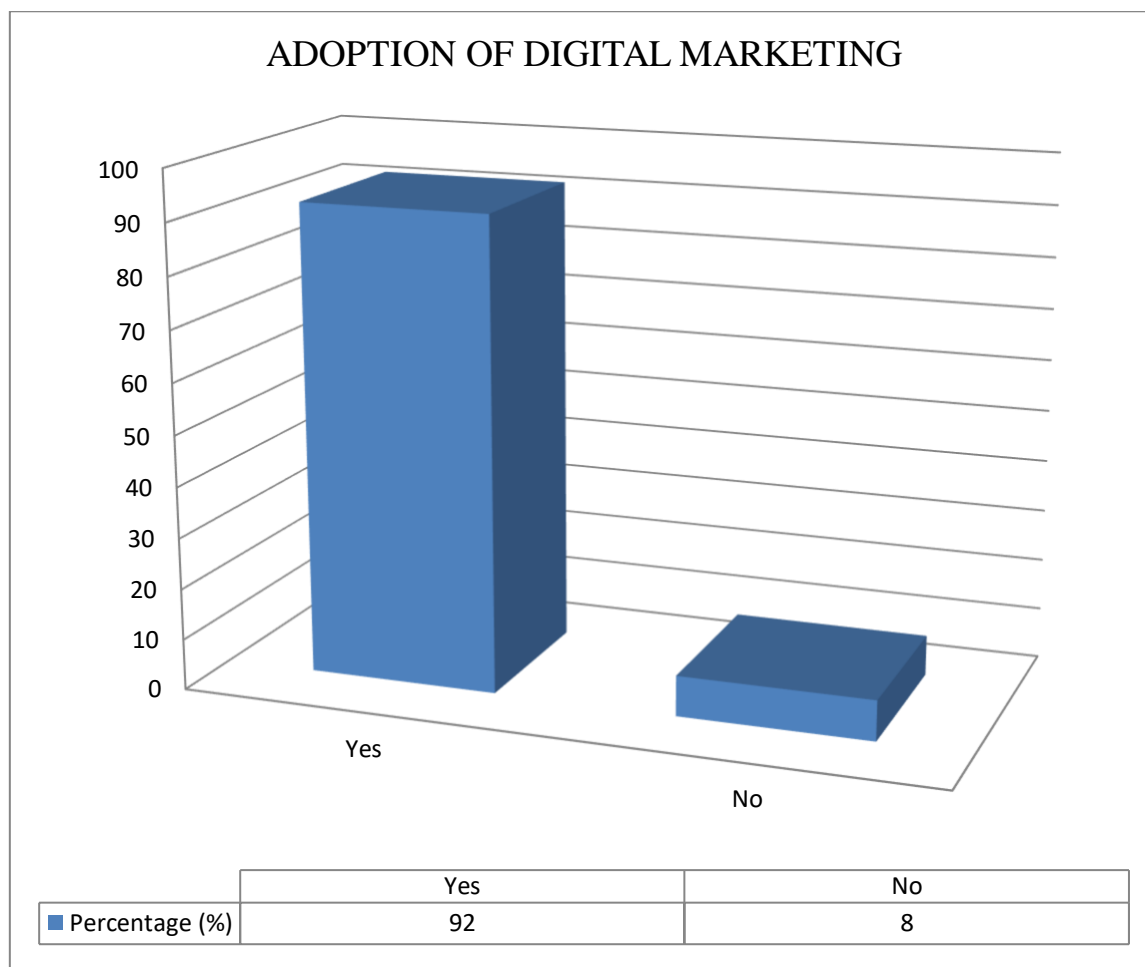


Figure 4.3

**Interpretation:** Figure 4.3 depicts that 92% of MSMEs adopts digital marketing in the field whereas 8% of MSMEs doesn't. That is, majority of the firms adopt Digital Marketing in their field.



## DURATION OF DIGITAL MARKETING

### 4.4 TABLE SHOWING THE DURATION OF DIGITAL MARKETING

Particulars	No: of respondents	Percentage (%)
Below 1 year	25	50
1-5 years	16	32
Above 1 year	9	18
<b>Total</b>	<b>50</b>	<b>100</b>

Source: Primary data

### FIGURE SHOWING DURATION OF DIGITAL MARKETING

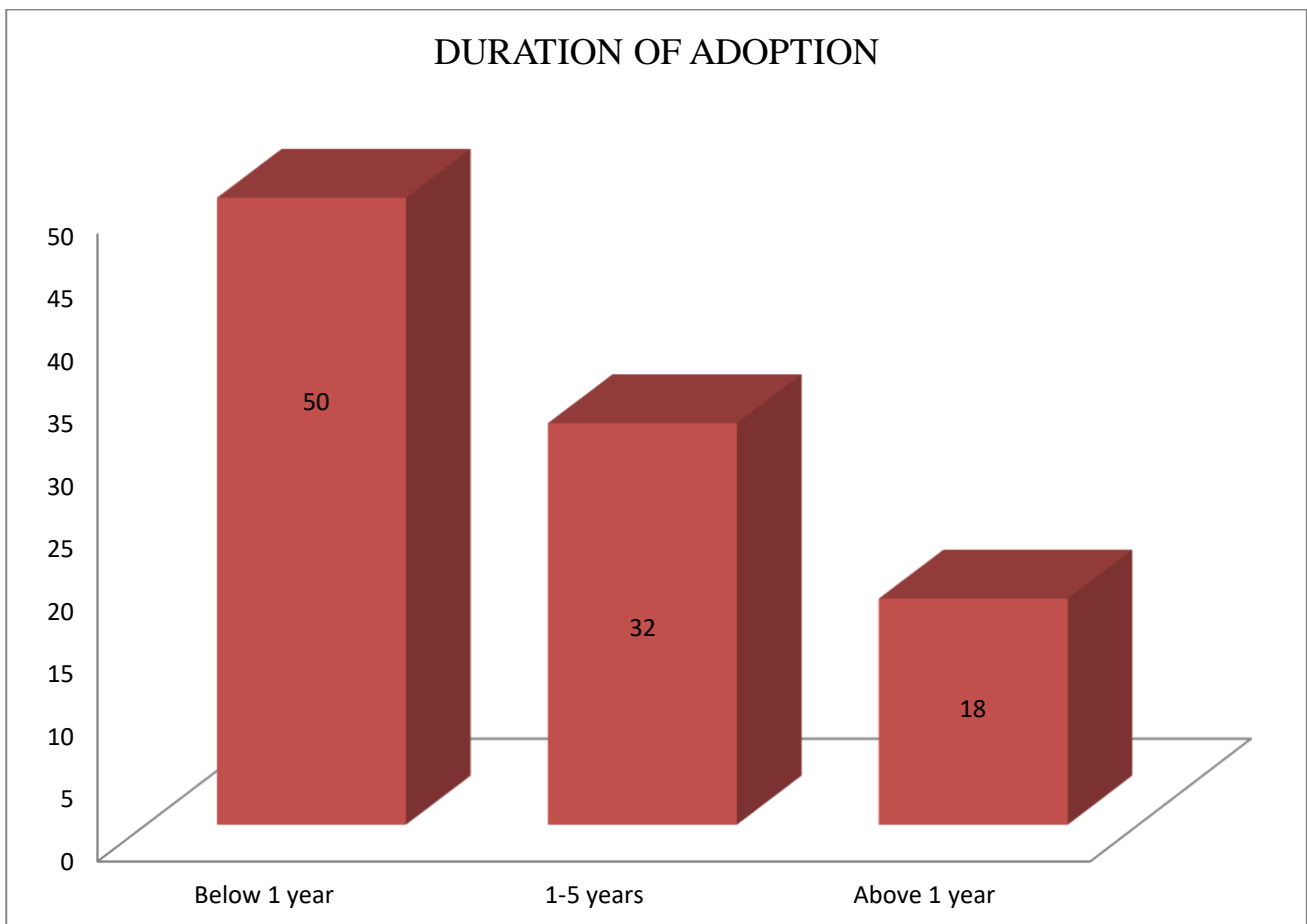


Figure 4.4

**Interpretation:** Figure 4.4 depicts that 50% of MSMEs adopts digital marketing for a period of below 1 year, 32% adopts it for a period in between 1 to 5 years and 18% above 1 year. It is clear that majority of the firms adopt Digital Marketing in their field for a period below 1 year.

## REASON FOR THE ADOPTION OF DIGITAL MARKETING

### 4.5 TABLE SHOWING THE REASON FOR THE ADOPTION OF DIGITAL MARKETING

Particulars	No: of respondents	Percentage (%)
Cost effective	15	30
Sales performance	18	36
Customer satisfaction	10	20
Builds brand popularity	7	14
<b>Total</b>	<b>50</b>	<b>100</b>

Source: Primary data

### FIGURE SHOWING REASON FOR THE ADOPTION

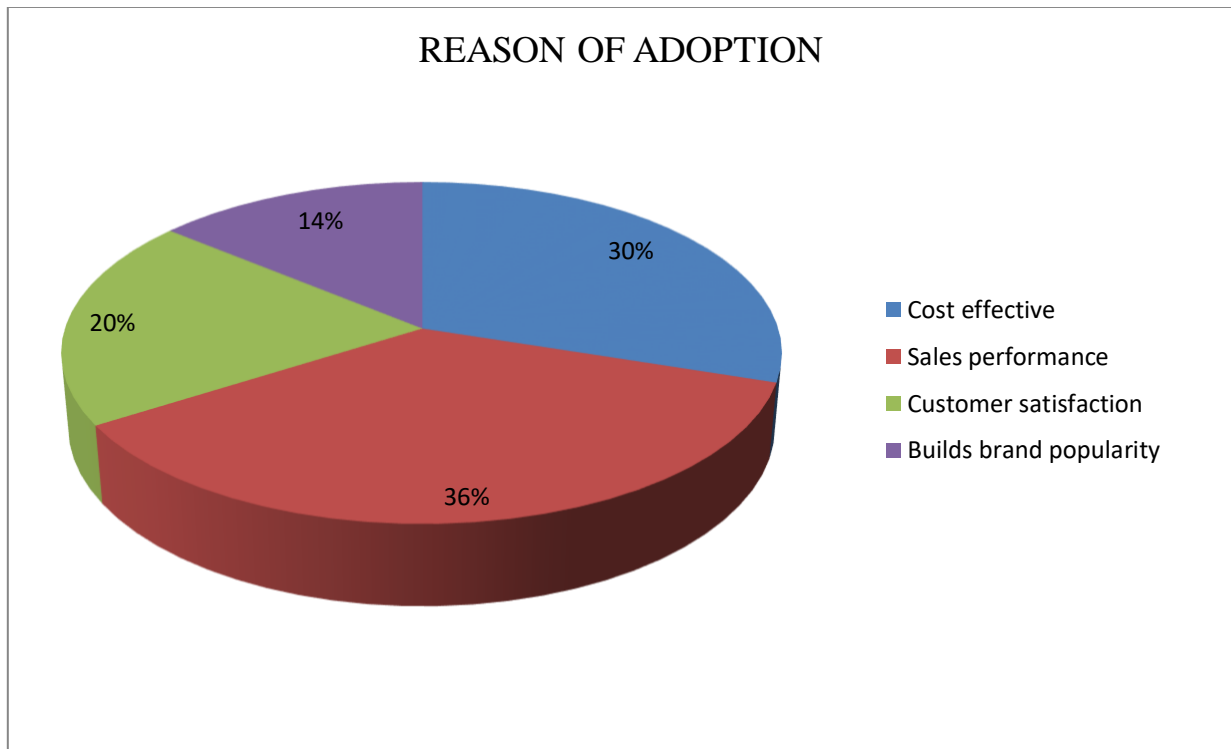


Figure 4.5

**Interpretation:** Figure 4.5 depicts that 20% of the firms adopt digital marketing for customer satisfaction, 14% firms adopts for build brand popularity, 30% of the firms for cost effectiveness and the rest 36% of the firms for sales performance. That is, reason for majority of the firms adopt Digital Marketing is Sales Performance.

## ATTITUDE TOWARDS DIGITAL MARKETING

### 4.6 TABLE SHOWING THE ATTITUDE TOWARDS DIGITAL MARKETING

Particulars	No: of respondents	Percentage (%)
Very much favourable	22	44
Favourable	12	24
Unfavourable	9	18
Very much unfavourable	7	14
<b>Total</b>	<b>50</b>	<b>100</b>

Source: Primary data

### FIGURE SHOWING THE ATTITUDE TOWARDS DIGITAL MARKETING

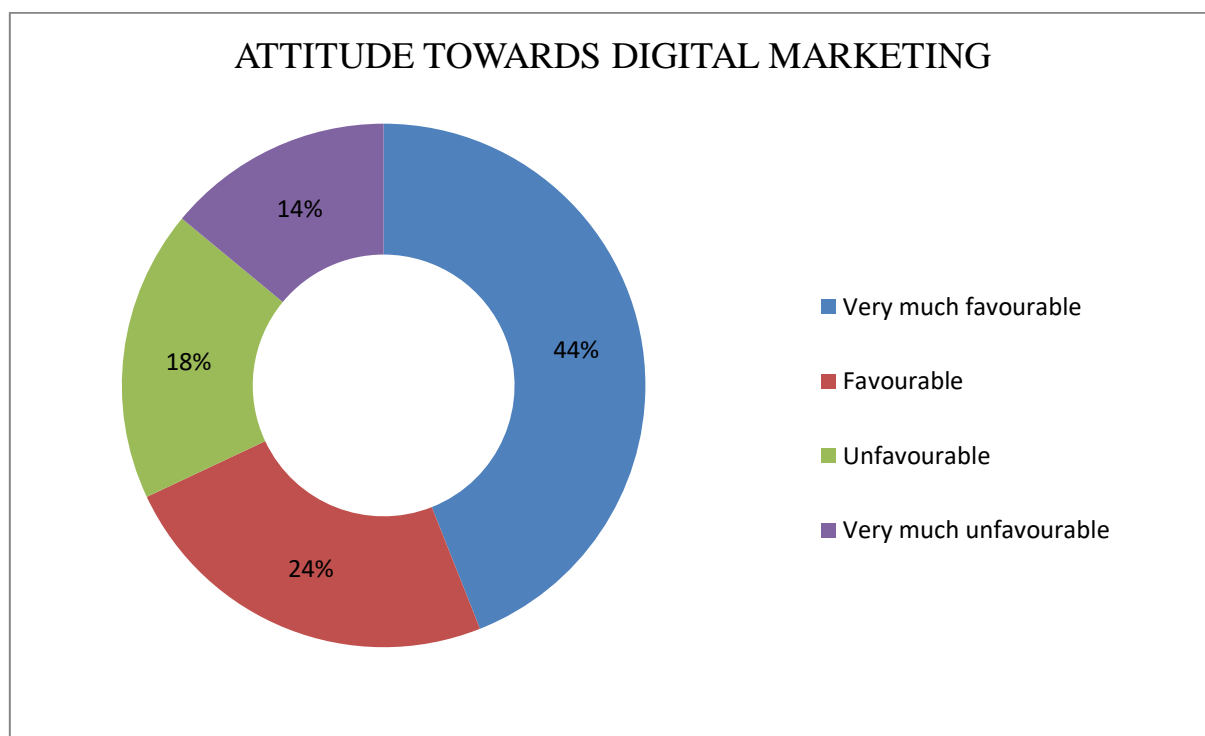


Figure 4.6

**Interpretation:** Figure 4.6 depicts that 44% of the firm's attitude towards digital marketing is very much favourable, 24% are favourable towards digital marketing, 18% are unfavourable and 14% are very much unfavourable. Majority of the firm's attitude is Very much favourable towards Digital Marketing.

## BENEFITS ACHIEVE AFTER THE IMPLEMENTATION OF DIGITAL MARKETING

### 4.7 TABLE SHOWING THE BENEFITS ACHIEVE AFTER THE IMPLEMENTATION OF DIGITAL MARKETING

Particulars	No: of respondents	Percentage (%)
Increase in sales performance	20	40
Company image	18	36
Increase customer relationship	12	24
Others	-	-
<b>Total</b>	<b>50</b>	<b>100</b>

Source: Primary data

### FIGURE SHOWING THE BENEFITS ACHIEVE AFTER THE IMPLEMENTATION OF DIGITAL MARKETING

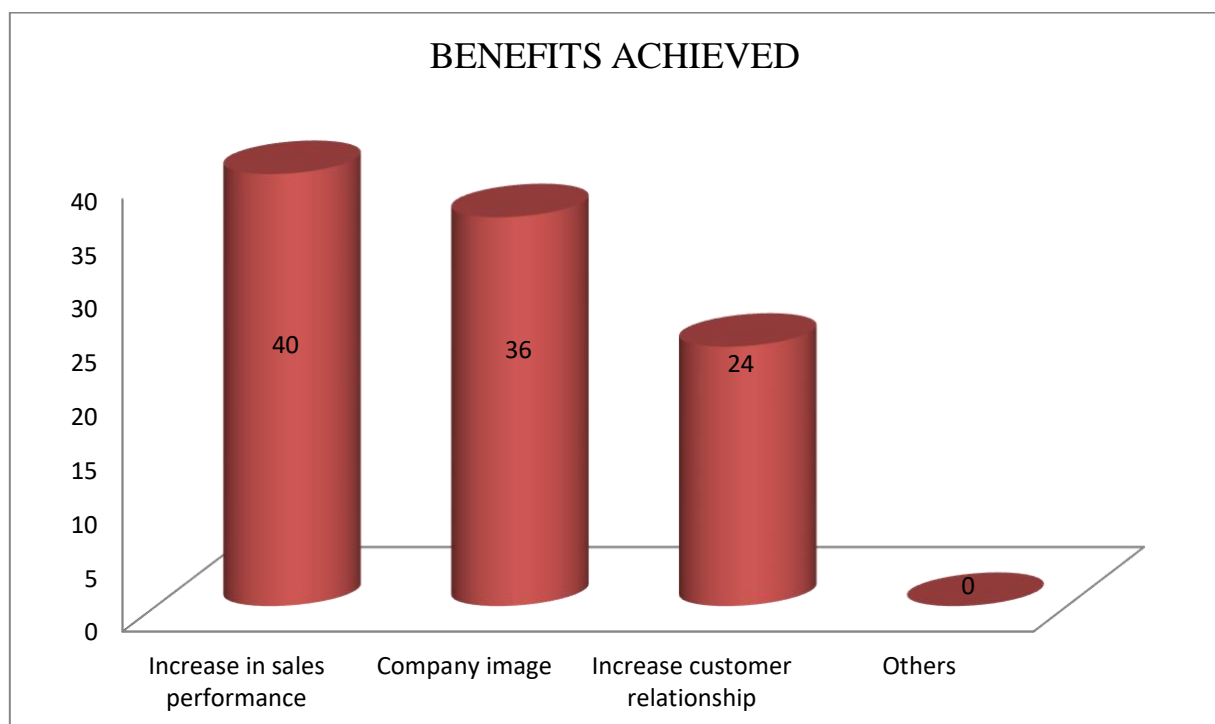


Figure 4.7

**Interpretation:** Figure 4.7 depicts that 40% of firms achieved increase in sales performance, 36% achieved company image and 24% achieved increase in customer relationship. Majority of the firms achieved Increase in sales performance after the implementation of Digital Marketing.

## SOURCE OF MEDIA USED

4.8 TABLE SHOWING THE SOURCE OF MEDIA USED

Particulars	No: of respondents	Percentage (%)
Television	10	20
SMS & MMS	9	18
Whatsapp	13	26
Facebook	18	36
<b>Total</b>	<b>50</b>	<b>100</b>

Source: Primary data

FIGURE SHOWING THE SOURCE OF MEDIA USED

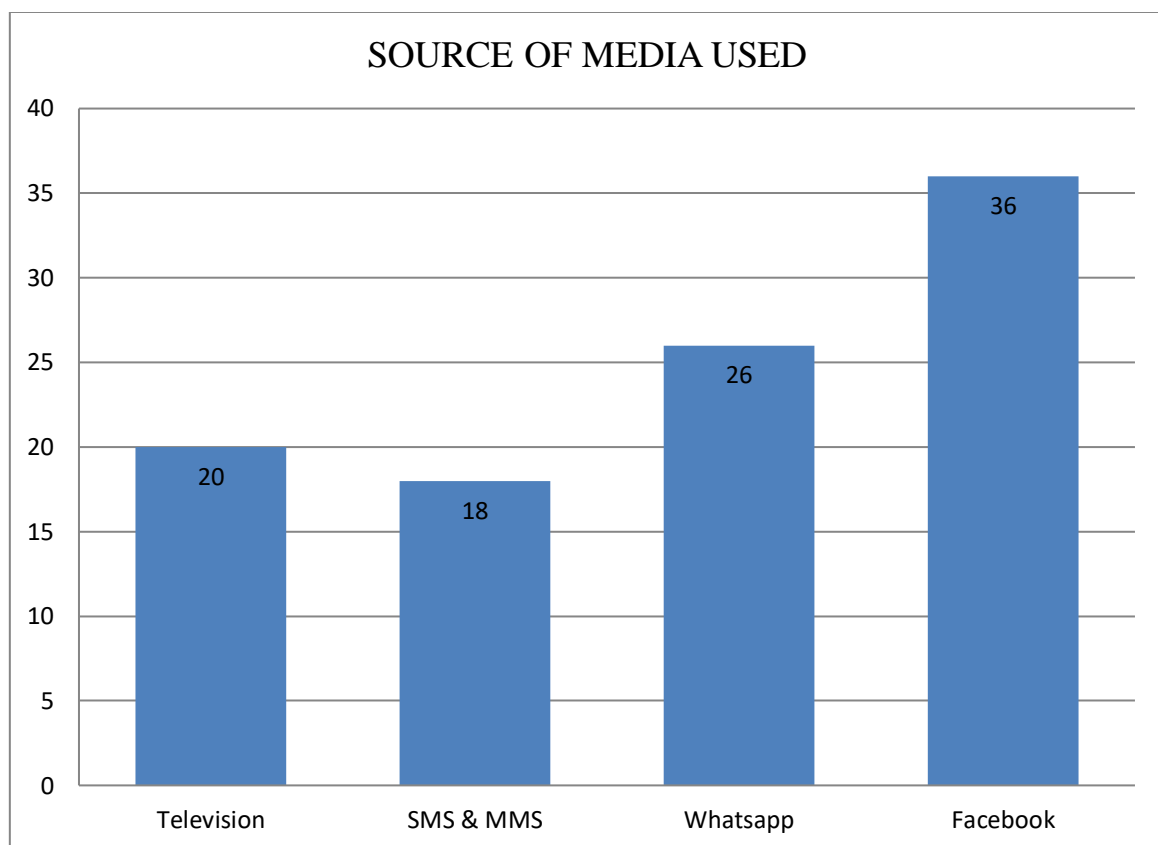


Figure 4.8

**Interpretation:** Figure 4.8 depicts that 20% firms use Television as the source of media, 18% uses SMS & MMS, 26% uses Whatsapp and 36% uses Facebook. Majority of the firms uses Facebook as their source of media for Digital Marketing.

## USES OF DIGITAL MARKETING

### 4.9 TABLE SHOWING THE USES OF DIGITAL MARKETING

Particulars	No: of respondents	Percentage (%)
In sales	19	38
In advertisement	13	26
In human resource/personnel	10	20
Administrative support	8	16
<b>Total</b>	<b>50</b>	<b>100</b>

Source: Primary data

### FIGURE SHOWING THE USES OF DIGITAL MARKETING

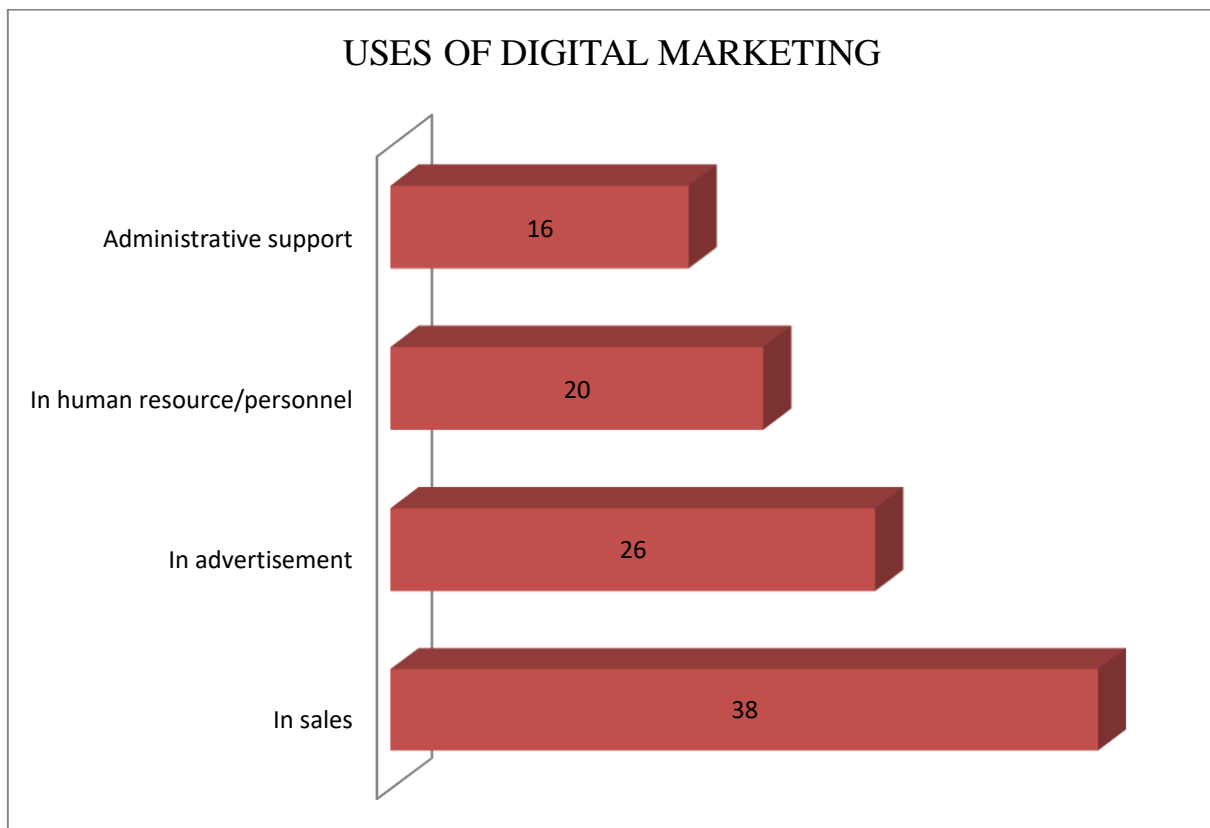


Figure 4.9

**Interpretation:** Figure 4.9 depicts that 16% firms adopts digital marketing for administrative support, 20% for human resource/personnel, 26% for advertisement and 38% for sales. Hence, majority of the firms uses Digital Marketing for Sales.

## DIGITAL MARKETING TECHNIQUE USED BY THE FIRM

### 4.10 TABLE SHOWING THE DIGITAL MARKETING TECHNIQUE USED

Particulars	No: of respondents	Percentage (%)
Website	15	30
Email marketing	20	40
Social media marketing	10	20
Search engines	5	10
<b>Total</b>	<b>50</b>	<b>100</b>

Source: Primary data

### FIGURE SHOWING THE DIGITAL MARKETING TECHNIQUE USED

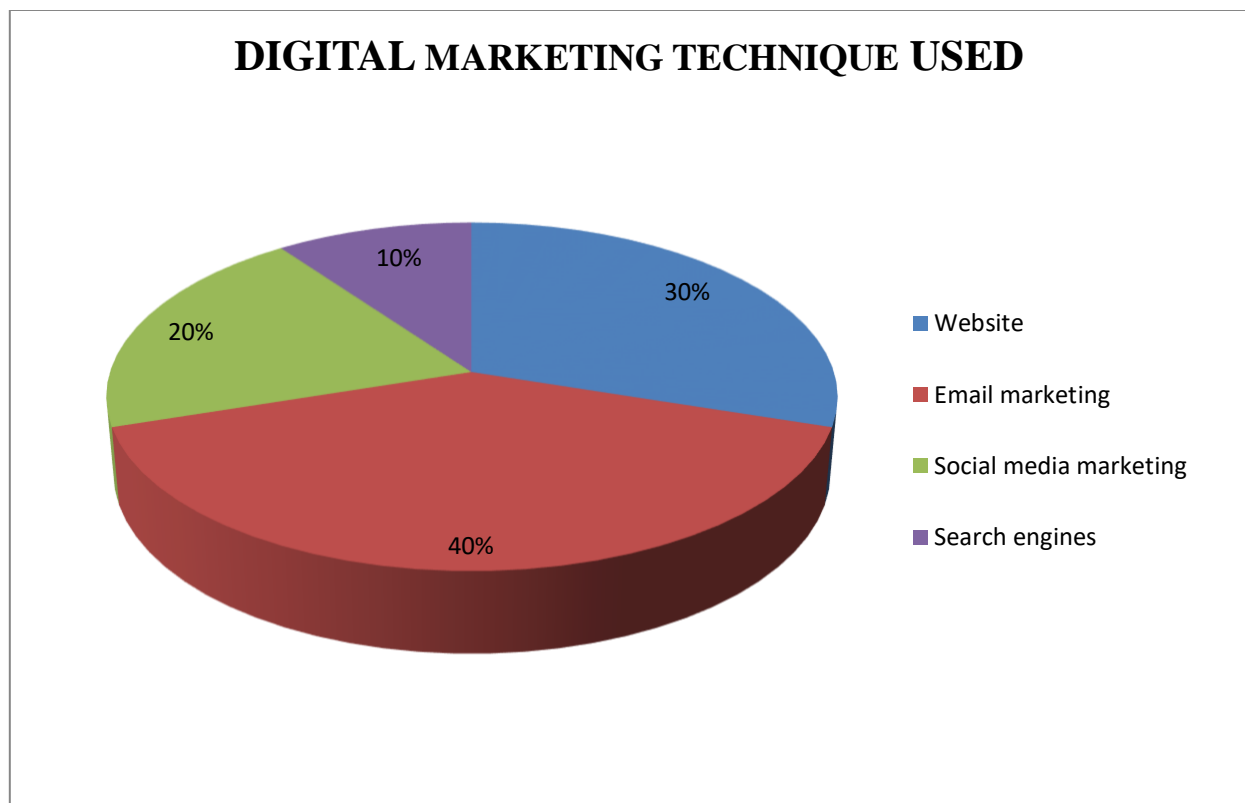


Figure 4.10

**Interpretation:** Figure 4.10 depicts that 20% of MSMEs use social media marketing as their digital marketing tool, 10% uses search engines, 30% uses websites and 40% uses email marketing. That is, majority of the firms select Email Marketing as their Digital Marketing tool.

## FIRM'S PERFORMANCE AFTER THE IMPLEMENTATION OF DIGITAL MARKETING

### 4.11 TABLE SHOWING THE FIRM'S PERFORMANCE AFTER THE IMPLEMENTATION OF DIGITAL MARKETING

Particulars	No: of respondents	Percentage (%)
Highly satisfied	15	30
Satisfied	25	50
Dissatisfied	8	16
Highly dissatisfied	2	4
<b>Total</b>	<b>50</b>	<b>100</b>

Source: Primary data

### FIGURE SHOWING THE FIRM'S PERFORMANCE AFTER THE IMPLEMENTATION OF DIGITAL MARKETING

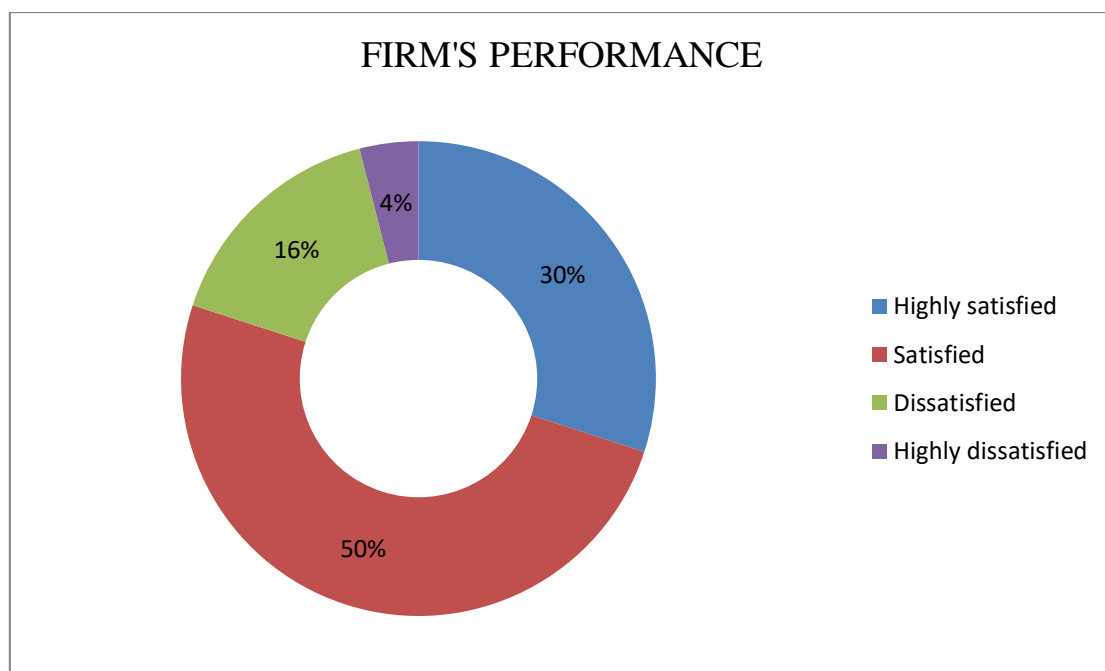


Figure 4.11

**Interpretation:** Figure 4.11 depicts that 30% of the firms are highly satisfied on the firm's performance after the implementation of digital marketing, whereas 50% of the firms are satisfied, 16% are dissatisfied and the rest 4% are highly dissatisfied. Majority of the firms are Satisfied with the firm's performance after the implementation of Digital Marketing.



## EFFECT OF DIGITAL MARKETING ON SALES VOLUME

### 4.12 TABLE SHOWING THE EFFECT OF DIGITAL MARKETING ON SALES VOLUME

Particulars	No: of respondents	Percentage (%)
Strongly agree	17	34
Agree	20	40
Strongly disagree	10	20
Disagree	3	6
<b>Total</b>	<b>50</b>	<b>100</b>

Source: Primary data

### FIGURE SHOWING THE EFFECT OF DIGITAL MARKETING ON SALES VOLUME

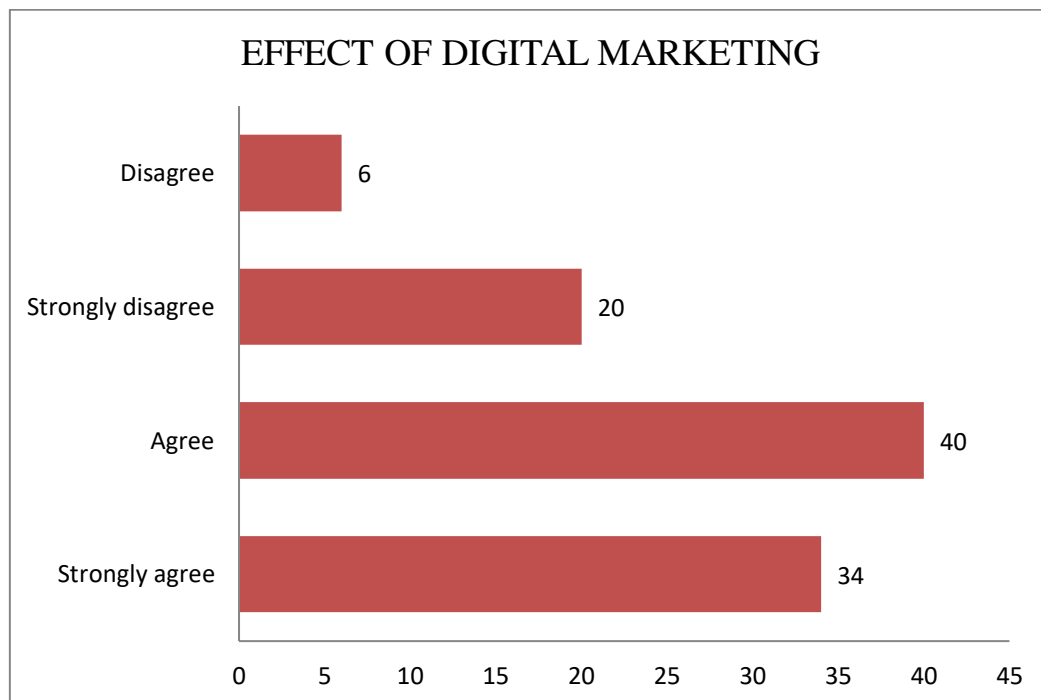


Figure 4.12

**Interpretation:** Figure 4.12 depicts that 34% firms strongly agree on the effect of digital marketing on sales volume, 40% of firms agree, 20% of firms strongly disagree and 6% firms disagree. Majority of the firms Agree on the effect of Digital Marketing on Sales Volume.

## COST EFFECTIVENES OF DIGITAL MARKETING OVER TRADITIONAL MARKETING

### 4.13 TABLE SHOWING COST EFFECTIVENES OF DIGITAL MARKETING OVER TRADITIONAL MARKETING

Particulars	No: of respondents	Percentage (%)
Strongly agree	16	32
Agree	22	44
Strongly disagree	9	18
Disagree	3	6
<b>Total</b>	<b>50</b>	<b>100</b>

Source: Primary data

### FIGURE SHOWING COST EFFECTIVENES OF DIGITAL MARKETING OVER TRADITIONAL MARKETING

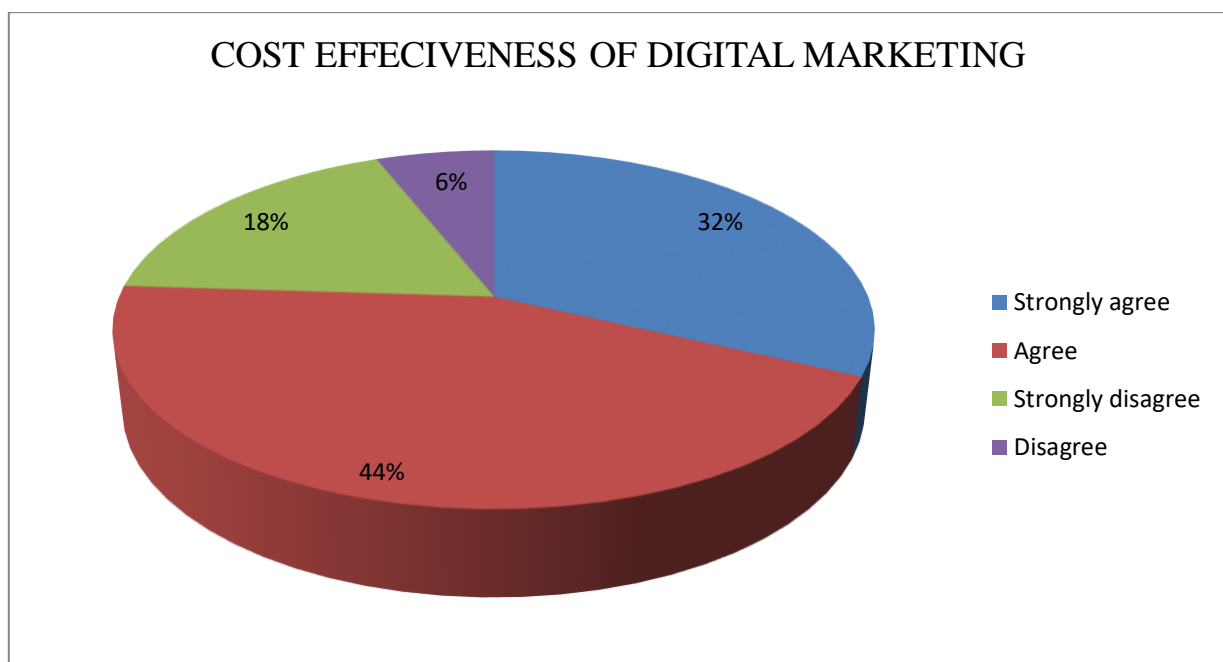


Figure 4.13

**Interpretation:** Figure 4.13 depicts that 32% firms strongly agree on the cost effectiveness of digital marketing, 44% of firms agree, 18% of firms strongly disagree and 6% firms disagree. Majority of the firms Agree on the cost effectiveness of Digital Marketing.

## RESPONSE OF CUSTOMERS

### 4.14 TABLE SHOWING THE RESPONSE OF CUSTOMERS

Particulars	No: of respondents	Percentage (%)
Highly satisfied	7	14
Satisfied	30	60
Dissatisfied	10	20
Highly dissatisfied	3	6
<b>Total</b>	<b>50</b>	<b>100</b>

Source: Primary data

### FIGURE SHOWING THE RESPONSE OF CUSTOMERS

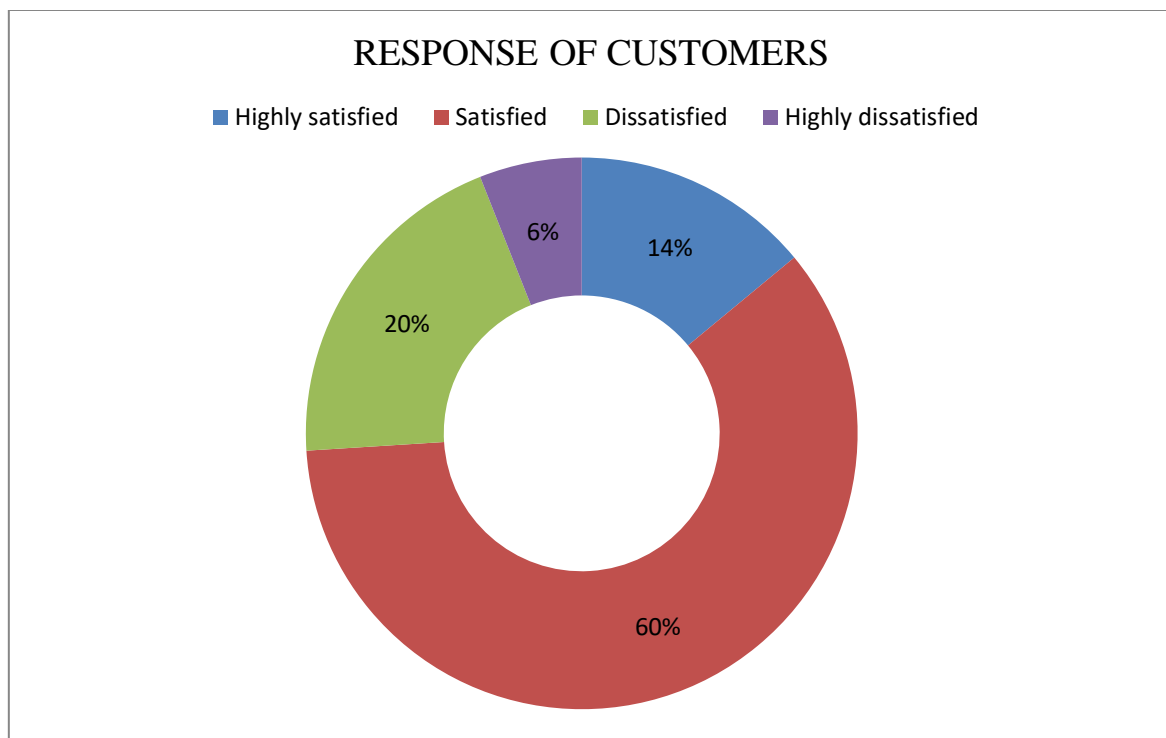


Figure 4.14

**Interpretation:** Figure 4.14 depicts that customers are highly satisfied on 14% of the firms after the implementation of digital marketing, whereas 60% are satisfied, 20% are dissatisfied and the rest 6% are highly dissatisfied. Majority of the customers are Satisfied on the firms after the implementation of Digital Marketing.

## COLLECTION OF DATA & FEEDBACK FROM CUSTOMERS

### 4.15 TABLE SHOWING THE COLLECTION OF DATA & FEEDBACK FROM CUSTOMERS

Particulars	No: of respondents	Percentage (%)
Yes	48	96
No	2	4
<b>Total</b>	<b>50</b>	<b>100</b>

Source: Primary data

### FIGURE SHOWING THE COLLECTION OF DATA & FEEDBACK FROM CUSTOMERS

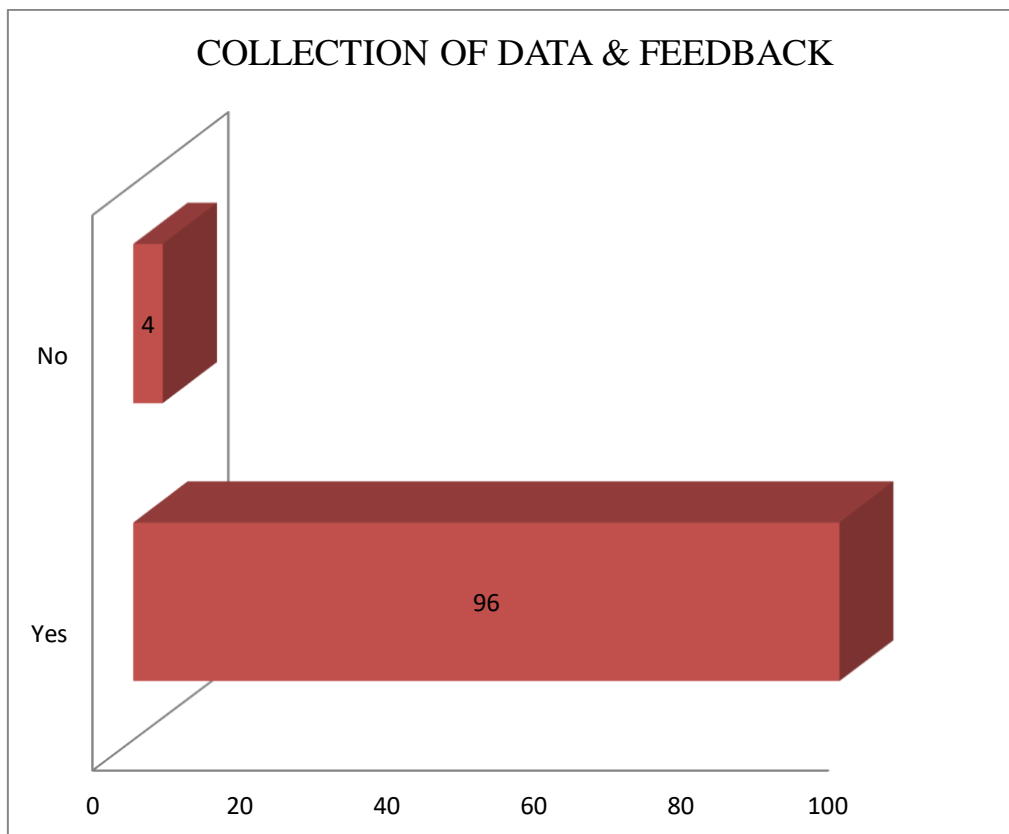


Figure 4.15

**Interpretation:** Figure 4.15 depicts that 96% of the firms are favourable towards the collection of data & feedback from the customers, whereas 4% are not satisfied. That is, majority of the firms are favourable towards the collection of data & feedback from the customers.

## CHALLENGES FACED WHILE USING DIGITAL MARKETING

### 4.16 TABLE SHOWING COST EFFECTIVENES OF DIGITAL MARKETING OVER TRADITIONAL MARKETING

Particulars	No: of respondents	Percentage (%)
Lack of adequate awareness	22	44
Quality of products & services	10	20
Lack of modern technology	10	20
Insufficient training & skill development	8	16
<b>Total</b>	<b>50</b>	<b>100</b>

Source: Primary data

### FIGURE SHOWING THE CHALLENGES FACED WHILE USING DIGITAL MARKETING

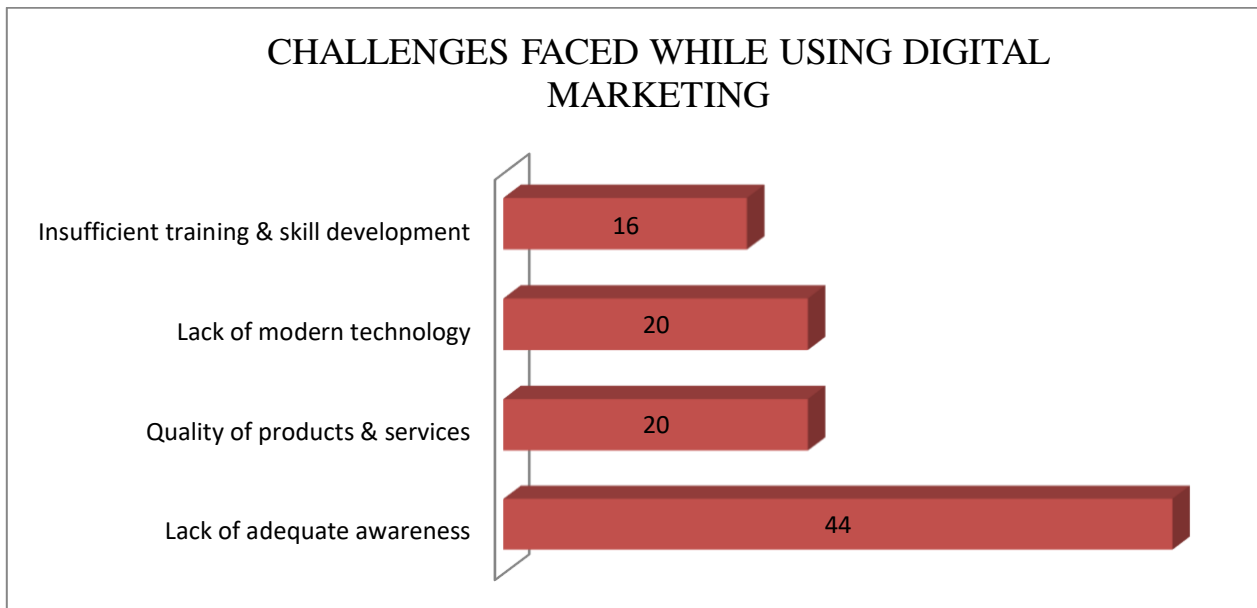


Figure 4.16

**Interpretation:** Figure 4.16 depicts that 44% firms consider lack of adequate awareness as challenge while using digital marketing, 20% firms consider quality of products & services, 20% firms consider lack of modern technology and the rest 16% consider insufficient training & skill development as a challenge. Majority of the firms consider Lack of adequate awareness as a challenge while using Digital Marketing.

## REVIEW ABOUT DIGITAL MARKETING

### 4.17 TABLE SHOWING REVIEW ABOUT DIGITAL MARKETING

Particulars	No: of respondents	Percentage (%)
Yes	34	68
Maybe	14	28
No	2	4
<b>Total</b>	<b>50</b>	<b>100</b>

Source: Primary data

### FIGURE SHOWING THE REVIEW ABOUT DIGITAL MARKETING

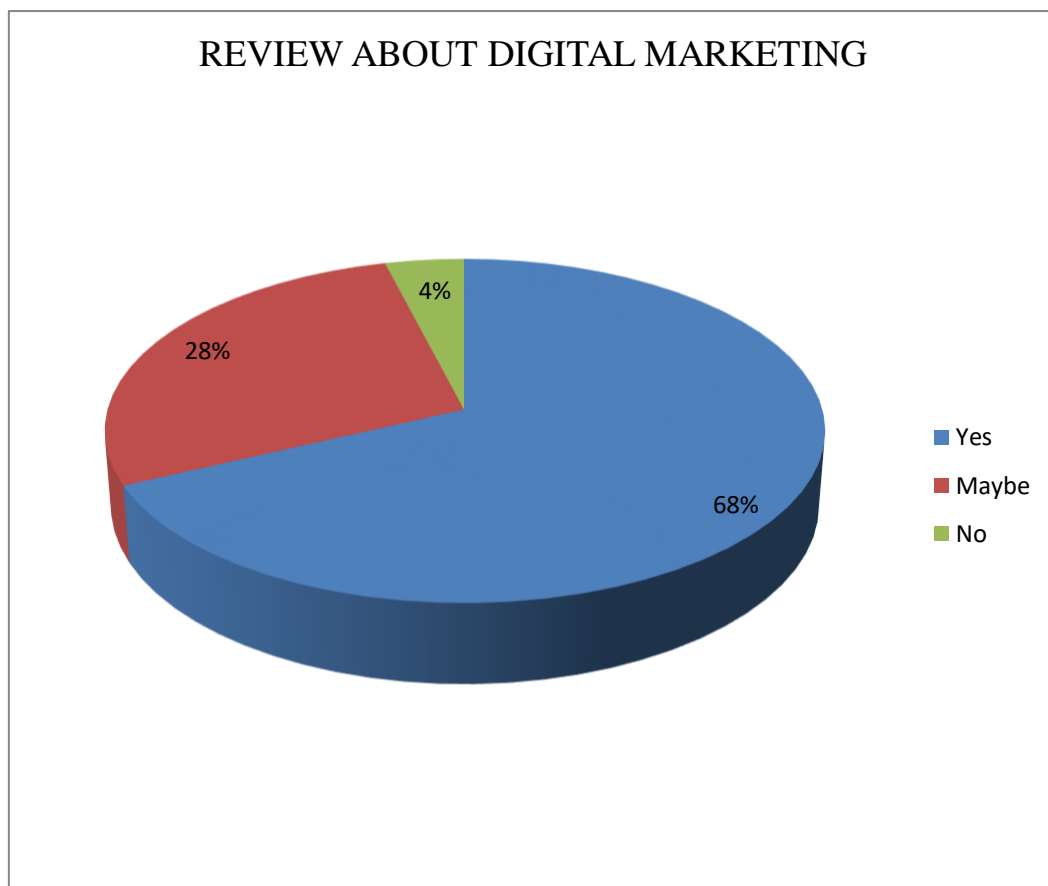


Figure 4.17

**Interpretation:** Figure 4.17 depicts that 68% of firms suggest digital marketing for other companies, whereas 28% firms maybe suggest digital marketing and 4% does not suggest digital marketing. Majority of the firms suggest digital marketing for other companies.

**CHAPTER 5**  
**FINDINGS, CONCLUSIONS AND SUGGESTIONS**

## 5.1 FINDINGS OF THE STUDY

Micro, small and medium enterprises form the majority of the business enterprises in Kerala. In today's digital era, having an online presence for a business is a critical requirement. A lot of MSMEs try implementing various online marketing strategies such as email and social media according to their needs and capabilities. In the digital marketing world, continuous innovation and consistency are required as no one knows which combination will success. This study is investigated the factors that affect the adoption of digital marketing in micro, small and medium enterprises in Kerala. After thorough review of literature, a conceptual framework was developed that captures the important dimensions of adoption of digital marketing.

## 5.2 MAJOR FINDINGS OF THE STUDY

### ➤ **Type of the enterprise**

The survey result shows that, out of the 50 MSMEs taken for the survey, 60% of the firms are in Secondary and 40% are in the Tertiary enterprises, i.e., 30 from the secondary and 20 from the tertiary.

### ➤ **Type of the sector**

The study exhibit that 48% of MSMEs taken for the study is under Medium sector, 24% under Small sector and rest 28% under Micro sector.

### ➤ **Adoption of digital marketing**

The study shows that 92% of MSMEs under the study adopts Digital Marketing i.e., 46 out of 50 enterprises and 8% does not adopt Digital Marketing i.e., 4 out of 50 enterprises.

### ➤ **Duration of digital marketing**

From this study it is found that, 50% of the MSMEs adopt Digital Marketing for a period below 1 year, 32% in between 1 – 5 years and 18% above 1 year. It is clear that among the 50 enterprises, 25 adopts Digital Marketing for a period below 1 year, 16 adopts Digital Marketing for a period in between 1 – 5 years and 9 adopts Digital Marketing for a period above 1 year.

### ➤ **Reason for the adoption of digital marketing**

The study reveals that, 30% of the firms adopt Digital Marketing for Cost effectiveness, 36% of the firms for Sales performance, 20% of the firms for Customer satisfaction and 14% of the firms for the building up of Brand popularity.

### ➤ **Attitude towards digital marketing**

Majority of the firms i.e., 44% of the MSMEs are Very much favourable towards Digital Marketing, 24% of the MSMEs are Favourable, 18% of the MSMEs are Unfavourable and



14% of the MSMEs are Very much unfavourable

➤ **Benefits achieved after the implementation of digital marketing**

Based upon the study, majority of the MSMEs i.e., 40% implement Digital Marketing for Increase in sales performance, 36% of the MSMEs for Company image and the rest 24% for Increase customer relationship.

➤ **Source of media used**

Most of the MSMEs use Facebook as their source of media than uses Whatapp, SMS & MMS and Television.

➤ **Uses of digital marketing**

From this study it is found that, majority of the MSMEs, i.e., 38% uses Digital Marketing in Sales, 26% in Advertisement, 20% in human resource/personnel and 16% in Administrative support.

➤ **Digital marketing technique used by the firm**

The study reveals that, 40% of the MSMEs use Email marketing as Digital Marketing technique, 30% use Website, 20% use Social media marketing and 10% use Search engines.

➤ **Firm's performance after the implementation of digital marketing**

Based upon the study, 50% of the MSMEs are Satisfied, 30% are Highly satisfied, 16% are Dissatisfied and 4% are Highly dissatisfied on the firm's performance after the implementation of digital marketing

➤ **Effect of digital marketing on sales volume**

The study reveals that, 40% of the MSMEs Agree towards the Sales volume on the effect of Digital Marketing, 34% firms strongly agree, 20% of firms strongly disagree and 6% firms disagree.

➤ **Cost effectiveness of digital marketing over traditional marketing**

The survey result shows that majority of the firms, i.e., 32% firms strongly agree on the cost effectiveness of Digital Marketing, 44% of firms agree, 18% of firms strongly disagree and 6% firms disagree.

➤ **Response of customers**

The study exhibit that customers are highly satisfied on 14% of the firms after the implementation of digital marketing, whereas 60% are satisfied, 20% are dissatisfied and the rest 6% are highly dissatisfied.

➤ **Collection of data & feedback from customers**

From this study it is found that, 96% of the firms are favourable towards the collection of data & feedback from the customers, whereas 4% are not satisfied.

➤ **Challenges faced while using digital marketing**

The study shows that, 44% firms consider lack of adequate awareness as challenge while using digital marketing, 16% consider insufficient training & skill development as a challenge.

➤ **Review about digital marketing**

From this study it is found that, 68% of firms suggest Digital Marketing for other companies, whereas 28% firms maybe suggest digital marketing and 4% does not suggest digital marketing.

### **5.3 CONCLUSION**

Digital Marketing can be viewed as a new philosophy and a modern business practice involved with marketing of goods, services, information and ideas via the internet and other electronic means. The rise of digital technologies has transformed the digital marketing concept. Micro, Small and Medium industry has been one of the major plants of India's economic development strategy. The MSME sector contributes significantly to the manufacturing output, employment and exports of the country and thus it occupies a strategic position in the Indian economic structure. With an increasing usage of digital media by consumers, more companies are using digital marketing to reach their target markets. The Government of India has encouraged this sector through various policy initiatives.

The digital marketing is a very cost effective promotional medium for MSMEs in Kerala and adoption of the digital marketing tools can bring significant benefits to the business and help achieve the growth objective of the organisation as well as achieve a global presence. The MSME sector in Kerala should use digital marketing for formulating more effective and transparent marketing strategy to enable them to scale new heights in trade and industry entrepreneurships. To expand the horizon of foreign trade and also to reach out to new clients, digital marketing techniques on social media, web marketing and mobile marketing is highly essential. Kerala has to adopt new strategies in the ease of doing business to make it more investment, industry and trade friendly when compared to other states.

In conclusion, it's handy to appreciate the significance of digital marketing for any company in today's day and age. With the support of digital marketing, any trade can reach the right audience. The dimensions of the corporation do not matter. Whether it's a multinational organization or a budding entrepreneur or a skilled businessman, digital marketing can enhance the company and deliver in more trade.

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## **APPENDIX**

# QUESTIONNAIRE

## TOPIC: DIGITAL MARKETING IN THE MSME SECTOR OF KERALA

Dear respondents,

We are the students of St. Paul's College, Kalamassery conducting a project on the topic 'DIGITAL MARKETING IN THE MSME SECTOR OF KERALA'. The purpose of our study is to know your opinion about the respective topic. Your reply will be treated in strict confidence and it will be a great support for our study. Kindly co-operate with us, for the same.

1. Name of the company:

2. Address:

3. Year of commencement:

4. Type of enterprise:

- Secondary
- Tertiary

5. Type of sector:

- Micro
- Small
- Medium

6. Have you adopted digital marketing in the field?

- Yes
- No

7. If yes, how long are you implemented digital marketing in the field?

- Below 1 year
- 1-5 years
- Above 1 year

8. Why did you adopt digital marketing?

- Cost effective
- Sales performance
- Customer satisfaction
- Builds brand popularity

9. What is your overall attitude towards digital marketing?

- Very much favourable
- Favourable
- Unfavourable
- Very much unfavourable

10. What are the benefits you achieve after the implementation of digital marketing?

- Increase in sales performance
  - Company image
  - Increase customer relationship
  - Others, please specify
  -
- 

11. Please specify the source of media that you've chosen for digital marketing?

- Television
- SMS & MMS
- Whatsapp
- Facebook

12. What are the uses of digital marketing in your company?

- In sales
- In advertisement
- In human resource/personnel
- Administrative support

13. Which of the following digital marketing technique does your company use?

- Website
- Email marketing
- Social media marketing
- Search engines

14. How do you rate your company's performance before and after the implementation of digital marketing?

- Highly satisfied
- Satisfied
- Dissatisfied
- Highly dissatisfied

15. Do you think that digital marketing helps in increasing the sales volume?

- Strongly agree
- Agree
- Disagree
- Strongly disagree



16. Is digital marketing more cost effective than traditional marketing?

- Strongly agree
- Agree
- Disagree
- Strongly disagree

17. What is the response from the customers towards digital marketing?

- Highly satisfied
- Satisfied
- Dissatisfied
- Highly dissatisfied

18. Is digital marketing helps to collect data and feedback from the customers?

- Yes
- No

19. What are the challenges faced while using digital marketing?

- Lack of adequate awareness
- Quality of products & services
- Lack of modern technology
- Insufficient training & skill development

20. Do you suggest digital marketing for other companies?

- Yes
- Maybe
- No