

Role of Digital Marketing in Business: an Empirical Study for Small and Medium Businesses

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Abstract

The following research review investigates the impact of digital marketing within small and medium-sized businesses (SMBs). Digital marketing (DM) has become an essential part of the modern business landscape, enabling SMBs to connect with their target audiences and build strong online presence. The following literature review also examines a number of advertising maneuvers that SMBs can utilize, such as social media marketing (SMM), search engine optimization (SEO), email marketing (EM), and content marketing (CM), and assesses their effectiveness in driving business growth. It also explores the challenges that SMBs face when implementing digital marketing strategies, such as limited budgets, lack of technical knowledge and expertise, and difficulty in measuring ROI. It explores the relevance of DM strategies for SMBs to compete and succeed in today's digital marketplace. Overall, research on this study highlights the need for SMBs to prioritize DM as part of their business strategy to remain competitive and grow in today's digital era.

Introduction

Within the contemporary digital era, the usage of technology and the internet has become essential for many start-ups in reaching their intended consumer base, and compete in the market. One of the most important tools for businesses in this regard is digital marketing. DM encompasses an array of strategies and techniques that companies may employ to market their items or services digitally.

Small and medium businesses (SMBs) are particularly well-positioned to benefit from digital marketing, as it can help level the playing field with larger companies that have more resources. However, despite the potential benefits of digital marketing, many SMBs are still hesitant to invest in it. This may be due to a lack of understanding of how digital marketing works, a perception that it is too expensive or time-consuming, or simply a lack of knowledge about how to get started. To address these concerns and provide insights into the part DM plays in SMBs, many studies were conducted to investigate the usage of DM strategies among a sample of small and medium businesses. This research aimed to examine the benefits and challenges associated with digital marketing, as well as the specific strategies used by SMBs to advertise and drive up their sales.

Future findings of the study help us understand the role of DM in SMBs. Meanwhile, the literature review suggests that while there are challenges associated with digital marketing,

such as the need for technical expertise and the cost of implementing new strategies, the benefits of digital marketing are significant. These benefits include increased brand visibility, improved customer engagement, and the ability to reach a wider audience. Overall, the research highlights the importance of digital marketing for SMBs and provides practical recommendations for businesses looking to get started with digital marketing. By investing in digital marketing strategies, SMBs can increase their online presence, engage with customers more effectively, and ultimately drive growth and success in today's digital landscape.

Literature Review

De Vries et al. (2012) investigated the brand posting and its accelerated popularity on brand fan pages online. The authors found that the level of engagement with brand posts was influenced by the type of content, the frequency of posts, and the number of fans. The study highlights the importance of creating engaging content and building a strong fan base to maximize the impact of SMM.

Hofacker et al.,'s (2016) study investigates the effectiveness of gamification and mobile marketing for businesses. The authors highlight that gamification can increase engagement and motivation among customers, while mobile marketing can provide new opportunities for communication and engagement. The study finds that gamification and mobile marketing can be effective tools for several companies, especially within the areas of customer enticing and loyalty. However, the authors also note that these strategies require careful planning and execution to be successful, and should be integrated into overall marketing strategies.

Järvinen and Karjaluoto (2015) conducted a study that focuses on the use of web analytics for digital marketing performance measurement. The study shows that web analytics tools can help us fully integrate DM efforts, particularly in measuring website traffic, user behavior, and conversion rates. Kotler and Armstrong (2017) explore the fundamental principles of marketing and how they apply to the digital age. The authors emphasize the importance of understanding the customer journey and building relationships with customers through various channels, including social media, email, and mobile marketing.

Taiminen and Karjaluoto (2015) investigate the usage of digital marketing channels in SMEs, focusing on the factors that influence intake regarding these channels. Authors of this study find that the most commonly used digital marketing channels among SMEs are websites, search engine optimization, and email marketing. They suggest that using social media platforms for the goal of advertising is relatively low amongst SMEs, despite the potential benefits.

Weinberg and Pehlivan (2011) focus on social media marketing, providing a framework for managing the social media mix. The authors argue that SMM requires a planned strategy, with a nuanced knowledge of the intended consumer base and the goals of the marketing campaign. They also suggest parameters that may be utilised to separate essential forms of social media in the social networking combination and link this to strategic advertising implementation. They also emphasise the many natures of online targets, the 'backward'

approach to accomplishing them, and the significance of building a social media 'mission control' as a component of that procedure.

Istvanic et al., (2017) argue that in the current digital age, digital marketing has grown increasingly significant, providing consumers with new options such as personalised messages or responses to search queries. Through their research they also found that SEO, marketing for search engines, banner marketing, influencer marketing, and e-mail marketing are all strategies to promote on the internet. SEO is the most crucial approach for naturally getting a consumer, whereas SEM is the most vital techniques for advertising among a plethora. SEO is the most significant approach for naturally getting a consumer, however SEM is a speedier means of driving traffic to websites.

Vinerean et al., (2013) explore the online behaviours of 236 internet users by recognising various categories of individuals, segmenting these users, and using a linear model to investigate the way various indicators associated with the use of social networks influence how they responded to online advertisements. The results assist in determining how to tailor the advert to different kinds of customers with the goal to maximise the impact of the internet advertising plan. Stephan (2016) discusses how because of the rising usage of technology digital consumer behaviour research is expanding and that social media information has a huge influence within consumer decision making. He explores how major of an emphasis is placed on word of mouth; future studies should look into other behaviours, and consumers' digital surroundings should be studied to see how they affect them. The author also notes that important consumer problems like privacy are understudied. Odoom et al. (2017) investigate the motives and performance benefits of networking engagement across SMEs in a developing country. They hypothesise that interaction, compatibility, and cost efficiency are performance-enhancing motives. The suggested a theoretical model that was analysed using structural equation modelling on a collection of 210 SMEs data. According to the findings, SMEs which produce material items are hugely veering towards cost-effective reasons, and on the other hand, utility SMEs are more inclined to regard interaction as a primary driver. Yasmin et al. (2015) aimed to determine the effectiveness of DM strategies in challenging business environments. The authors utilized survey data from 150 firms, and 50 other sample respondents and analyzed the results using descriptive statistics. They found that digital marketing needs to be driven up by prioritising consumer needs.

Zhou et al. (2013) conclude that considering the expanding business and research focus on social business, there is still an incomplete conceptual grasp of the key concerns, and much less solid empirical foundation on how the internet and networking sites might be used to improve e-commerce. According to the authors, they would want to stimulate more study into how social networking-enabled skills would enable e-commerce to better utilise current resources, exploit unique organisational talents, and foster valued customer connections.

Roy et al. (2014) stated that the goal of the research is to look at how SMEs in middle Arkansas use social media to run their day-to-day operations. Another purpose is to look at the SM channels that these SMEs utilise to reach out to clients. According to the findings of

this study, these SMEs in central Arkansas utilise social media in a number of ways to sustain their enterprises.

Objectives of the study:

To find the role of digital marketing in business

Research Methodology:

This study nature is empirical. 190 respondents were approached to give their view on the role of digital marketing in business. The data was analysed through frequency distribution and data was presented with the help of pie charts.

Data Analysis and Interpretation:

Table 1 DM helps businesses earn impressive ROI

Particulars	Agree	Disagree	Can't Say	Total
Respondents	167	17	6	190
% age	88.0	9.0	3.0	100

Table 1 represents the statement **DM helps businesses earn impressive ROI** and 88.0% respondents admit with this statement.

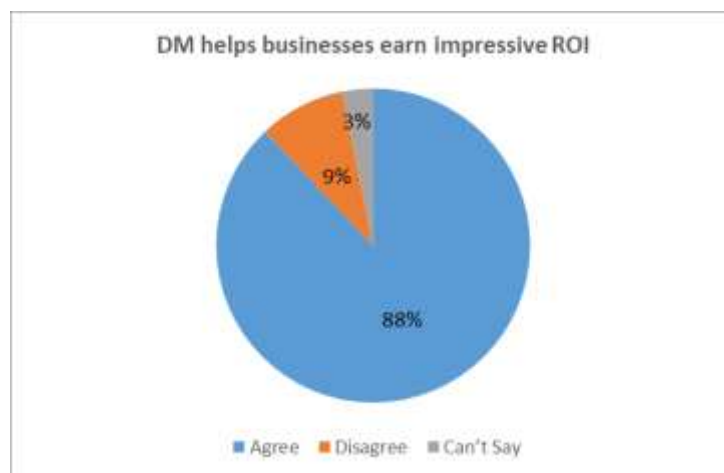


Figure 1 DM helps businesses earn impressive ROI

Table 2 DM helps businesses to reach its customers where ever they are

Particulars	Agree	Disagree	Can't Say	Total
Respondents	173	14	3	190
% age	91.0	7.0	2.0	100

Table 2 represents the statement **DM helps businesses to reach its customers where ever they are** and 91.0% respondents admit with this statement.

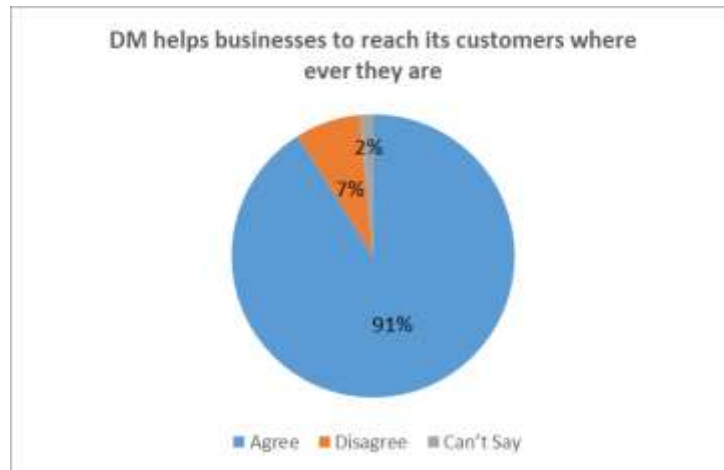


Figure 2 DM helps businesses to reach its customers where ever they are

Table 3 DM allows businesses to track its effectiveness

Particulars	Agree	Disagree	Can't Say	Total
Respondents	162	19	9	190
% age	85.0	10.0	5.0	100

Table 3 represents the statement **DM allows businesses to track its effectiveness** and 85.0% respondents admit with this statement.

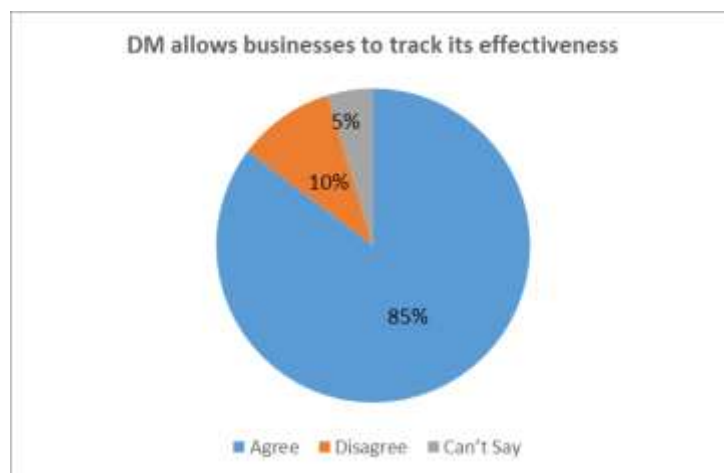


Figure 3 DM allows businesses to track its effectiveness

Table 4 DM gives every business an equal opportunity

Particulars	Agree	Disagree	Can't Say	Total
Respondents	170	15	5	190
% age	89.0	8.0	3.0	100

Table 4 represents the statement **DM gives every business an equal opportunity** and 89.0% respondents admit with this statement.

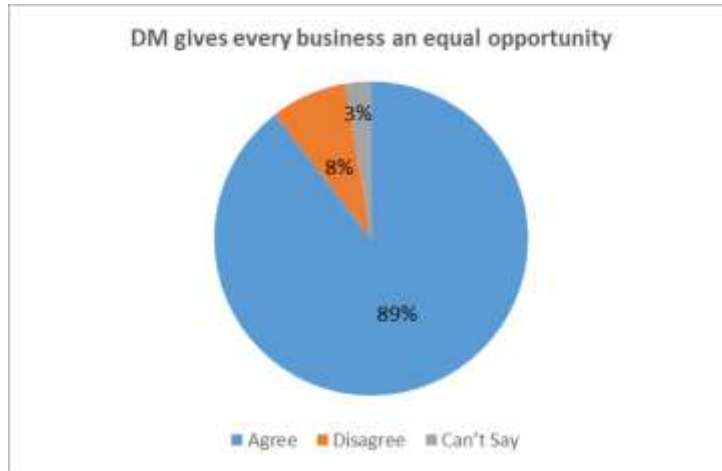


Figure 4 DM gives every business an equal opportunity

Table 5 DM helps in better trust building among the customers

Particulars	Agree	Disagree	Can't Say	Total
Respondents	177	11	2	190
% age	93.0	6.0	1.0	100

Table 5 represents the statement **DM helps in better trust building among the customers** and 93.0% respondents admit with this statement. Considering all the responses of the statements, it was found that to a good percentage, the respondents have agreed which means that digital marketing plays an important role in businesses.

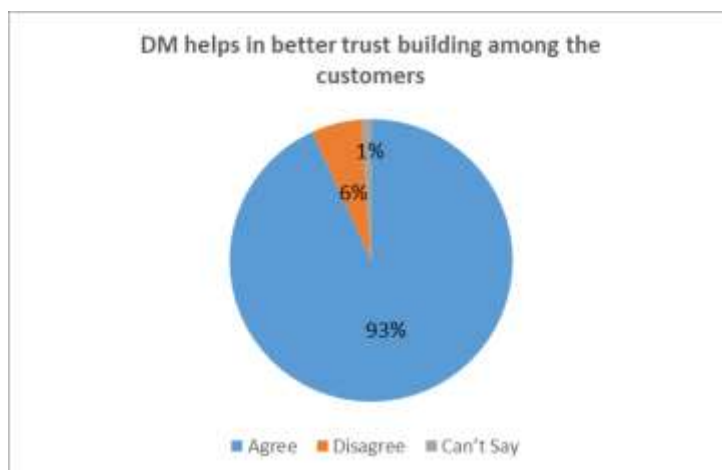


Figure 5 DM helps in better trust building among the customers

Conclusion

Overall, the literature suggests that SMEs can benefit from adopting DM strategies, such as social media, to increase brand visibility and engage with customers. However, SMEs may face challenges such as the lack of technical expertise and a perceived lack of relevance. By educating SMEs on the benefits of digital marketing and providing technical support, businesses can overcome these challenges and optimize their digital marketing efforts. Additionally, the literature emphasizes the importance of data-driven approaches and engaging content to maximize the impact of digital marketing.

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