

A Study on Implementation and Effect of Digital Marketing in a Small Retail Business with Special Reference Coimbatore City

Dr.P.Ramachandran¹, Mr.T.Elavarasan²

¹Assistant Professor, Department of Commerce, Sankara College of Science and Commerce, Coimbatore-641 035

²II-M.Com, Student, Department of Commerce, Sankara College of Science and Commerce, Coimbatore-641 035

Abstract - In today's dynamic business environment, digital marketing has emerged as a powerful tool for small retail businesses to reach a wider audience and enhance customer engagement. This study explores the implementation strategies and the effects of digital marketing practices on small retail businesses in Coimbatore City. Primary data was collected through surveys and interviews with small retail business owners and managers. The findings reveal that while many small retailers have adopted digital marketing tools such as social media platforms, email marketing, and search engine optimization, the extent and sophistication of usage vary widely. Businesses that actively engaged in digital marketing reported improved brand visibility, customer loyalty, and sales performance. However, challenges such as lack of technical knowledge, budget constraints, and measuring return on investment (ROI) were also identified. The study concludes that effective implementation of digital marketing strategies can significantly enhance the competitiveness of small retail businesses in urban markets like Coimbatore, provided adequate training and support mechanisms are in place.

Key Words: Digital Marketing, Small Retail Business, Return on Investment, Brand Visibility, Customer Engagement, Sales Performance, Marketing Challenges

1. INTRODUCTION

Digital marketing has emerged as a pivotal tool for promoting products and services, offering businesses the ability to engage with consumers through diverse digital channels. Unlike traditional marketing methods, digital marketing extends beyond internet-based platforms to include non-internet channels such as SMS, MMS, mobile phones, and even traditional TV and radio. These multi-faceted approaches allow brands to connect with their target audiences in innovative and impact ways.

The digital marketing sector is witnessing exponential growth. By 2020, it was projected to grow at a rate of 27%, crossing the Rs.17,000 core mark in India alone. This growth is fueled by the increasing adoption

of internet services, with the country boasting over 700 million internet users in 2020 a number expected to reach 970 million by 2025. This rapid expansion underscores the immense opportunities for marketers to leverage digital tools and strategies for greater impact.

As internet usage continues to rise, Indians are integrating online platforms into their daily lives for activities such as online learning, social media interactions, streaming content on platforms like Netflix, reading e-books, playing video games, and managing financial transactions. This shift not only highlights the growing reliance on digital tools but also positions India as one of the leading global markets for internet consumption, surpassing even China in some aspects.

While traditional media, like television, remains a dominant entertainment source for 58.7% of the population, digital media is quickly catching up. On average, Indians spend approximately 1 hour and 29 minutes daily on digital platforms, emphasizing the growing prominence of these channels in everyday life.

For small businesses, digital marketing presents a cost-effective opportunity to compete with larger companies. Accessible online advertising tools allow even small firms with limited budgets to build brand recognition and connect with their target audiences. Through digital channels, consumers have unprecedented access to information, empowering them to make informed decisions based on reviews, peer opinions, and independent evaluations.

In conclusion, digital marketing is more than a trend it's a trans-formative force reshaping how businesses engage with consumers. With India's digital sector growing at an annual rate of 20-30%, driven by increasing smart phone adoption and internet penetration, the potential for businesses to capitalize on these trends is boundless. As digital platforms continue to evolve, they will undoubtedly redefine the marketing landscape and create unparalleled opportunities for growth and innovation.

OBJECTIVES OF THE STUDY:

- ❖ To study and analyze the impact of digital marketing on small retail businesses from the customers' perspective.
- ❖ To examine the effectiveness of brand presence on the internet.
- ❖ To explore ways to attract customers through digital marketing.
- ❖ To compare digital marketing with traditional marketing methods.
- ❖ To analyze the best media modes for creating a digital presence.
- ❖ To develop strategies to encourage customers' interest in digital shopping.

SCOPE OF THE STUDY:

This study focuses on finding out the reaction of digital marketing of small businesses. This study also finds out the buying behaviour factors in online and normal shopping that helps to study the interest of customers. Further, this study comes up with suggestions that help to improve better digital marketing campaigns, especially for small businesses.

Need for the Study:

Implementation and effect of digital marketing in a small retail business is an individual's point of view in digital marketing, especially in small business. It helps to find a way to increase sales online via digital marketing. This study will help in reducing unwanted methods of online marketing and give better suited and more attractive methods of digital marketing for customers.

Review of Literature:

MK Peter, C Kraft, J Lindeque - Journal of Strategy and Management, (2020) emerald.com Purpose The purpose of this paper is to capture the collective 28 understanding of digital transformation (DT) across Swiss businesses and establish a reference framework based on the strategic action field (SAF) theory. Design/methodology/approach Several Swiss associations provided their databases for an online survey. The large sample includes 2,590 participants from 1,854 organizations and delivered over 4,200 descriptions of DT, categorized into seven SAFs. A cross-tabulation of SAF combinations by firm size identified.

B Rugova, B Prenaj Academic Journal of Business, (2016) - researchgate.net 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 it is also an important part of marketing strategies in business life.

LA Drags - straconsult.com (2018) this study reveals that SMEs in Mauritius have been coming late in their appropriation of the digital and social media tools for marketing and are still at a low level of engagement for those who have been using the tools.

RESEARCH METHODOLOGY:**Research Design:**

This study adopts a Descriptive Research Design to analyze the implementation and effects of digital marketing in small retail businesses. Descriptive research helps in understanding consumer behavior, preferences, and the impact of digital marketing strategies.

Sampling Technique:

The study employs the Convenience Sampling Method to collect data from respondents. The research focuses on the digital marketing industry in Tamil Nadu, targeting online shoppers who frequently purchase products through digital platforms.

SOURCES OF DATA:**Primary Data:**

Primary data is collected through a structured questionnaire consisting of multiple-choice questions and Likert-scale-based responses. The questionnaire aims to assess customer perceptions, preferences, and satisfaction with digital marketing.

Secondary Data:

Secondary data is gathered from websites, journals, articles, and research papers related to digital marketing trends, e-commerce, and consumer behavior. This data provides additional insights and supports the analysis of the study.

Structure of Questionnaire:

The questionnaire consists of Multiple-choice questions to collect demographic and behavioral insights. Likert scale questions to measure customer satisfaction and perceptions regarding digital marketing.

Sample Size:

The study is conducted on a sample of 130 online customers who frequently purchase products from e-commerce websites in Tamil Nadu.

Period of Study:

The study is conducted over a period of three months, from December 2024 to March 2025.

Hypothesis and Analytical Tools:

To analyze the collected data, the study employs the following statistical tools:

Percentage Analysis:

To understand customer distribution and trends

Correlation Analysis:

To examine the relationship between digital marketing effectiveness and consumer buying behavior

ANOVA:

To compare different groups and assess the impact of digital marketing strategies

Independent T-test:

To analyze differences between two independent groups regarding their perceptions and experiences with digital marketing

**CHAPTER - IV
DATA ANALYSIS AND INTERPRETATION**

**Table 4.1
AGE-WISE CLASSIFICATION OF THE RESPONDENTS**

S. No	Age	No. of Respondents	Percentage
1	Below 20 Years	20	13.33%
2	21-30 Years	73	48.66%
3	31-40 Years	35	23.33%
4	41-50 Years	13	8.66%
5	Above 50 Years	9	6.00%
Total		150	100.00%

Source: Primary Data

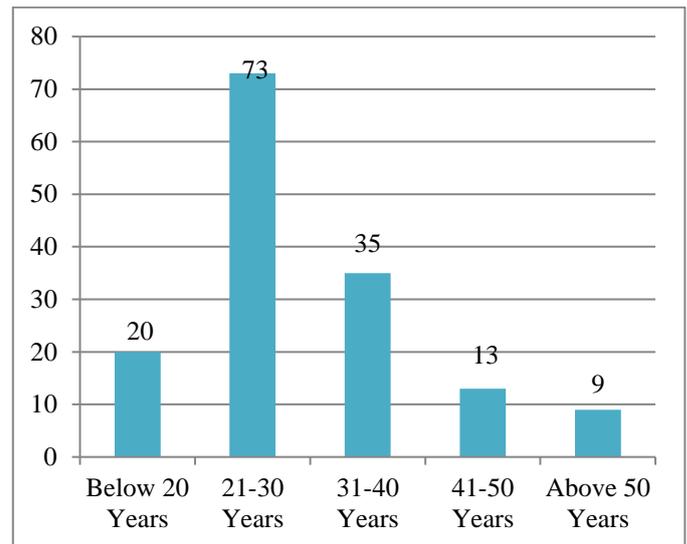
Interpretation:

From the above table, it is interpreted that 13.33% are Below 20 Years, 48.66% are 21-30 Years, 23.33% are 31-40 Years, and 8.66% are 41-50 Years and 6.00% are Above 50 Years respondents.

Majority of the respondents are 21-30 Years.

Chart-4.1

AGE-WISE CLASSIFICATION OF THE RESPONDENTS



**Table-4.2
TABLE SHOWING PREFERRED PAYMENT IN ONLINE SHOPPING WISE CLASSIFICATION OF THE RESPONDENTS**

S. No	Preferred Payment in Online Shopping	No. of Respondents	Percentage
1	Cash On Delivery	40	26.66%
2	UPI	44	29.33%
3	Debit Card	34	22.66%
4	Credit Card	21	14.00%
5	Others	11	7.33%
Total		150	100

Source: Primary Data

Interpretation:

From the above table, it is interpreted that 26.66% are cash on delivery, 29.33% are UPI, 22.66% are debit card and 7.33% are others respondents.

Majority of the respondents are 29.33 are UPI

Chart-4.2

PREFERRED PAYMENT IN ONLINE SHOPPING WISE CLASSIFICATION OF THE RESPONDENTS

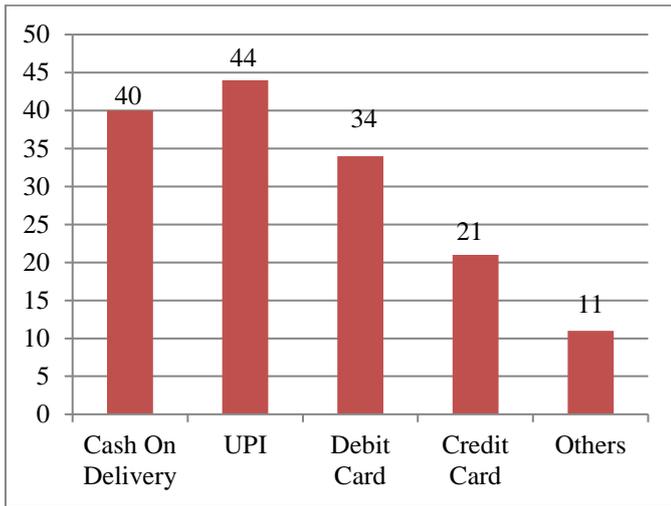


Table 4.3

TABLE SHOWING THE ANALYSIS BETWEEN EDUCATION VS SATISFACTION WITH DIGITAL MARKETING

Descriptive

	N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean		Minimum	Maximum
					Lower Bound	Upper Bound		
School Level	27	2.9630	1.31505	.25308	2.4427	3.4832	1.00	5.00
Diploma	41	2.7805	1.38766	.21672	2.3425	3.2185	1.00	5.00
UG	40	3.0750	1.24833	.19738	2.6758	3.4742	1.00	5.00
4	20	3.0000	.97333	.21764	2.5445	3.4555	1.00	4.00
5	10	2.5000	1.43372	.45338	1.4744	3.5256	1.00	5.00
Total	138	2.9130	1.27570	.10860	2.6983	3.1278	1.00	5.00

ANOVA

	Sum Squares	df	Mean Square	F	Sig.
Between Groups	3.694	4	.924	.560	.692
Within Groups	219.262	133	1.649		
Total	222.957	137			

INTERPERTATION

From the above table, the p-value is 0.692 is greater than 0.05 so the null hypothesis is 1. There is not significant relationship between Education qualification of the respondents and satisfaction with digital marketing.

Table 4.3

TABLE SHOWING THE ANALYSIS BETWEEN OCCUPATION VS SATISFACTION WITH COST IN ONLINE SHOPPING

Descriptive

	N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean		Minimum	Maximum
					Lower Bound	Upper Bound		
Student	35	3.0286	1.27154	.21493	2.5918	3.4654	1.00	5.00
Private	37	2.7568	1.16441	.19143	2.3685	3.1450	1.00	5.00
Public	36	2.7500	1.20416	.20069	2.3426	3.1574	1.00	5.00
4	19	3.2105	1.51213	.34691	2.4817	3.9394	1.00	5.00
5	12	2.9167	.90034	.25990	2.3446	3.4887	1.00	4.00
Total	139	2.8993	1.22944	.10428	2.6931	3.1055	1.00	5.00

ANOVA

Are you satisfied with cost in Online Shopping

	Sum Squares	df	Mean Square	F	Sig.
Between Groups	3.983	4	.996	.652	.626
Within Groups	204.607	134	1.527		
Total	208.590	138			

INTERPERTATION

From the above table, the p-value is 0.626 is greater than 0.05 so the null hypothesis is 1. There is not significant relationship between Occupation of the respondents and satisfaction with cost in online shopping.

FINDINGS:

- ❖ Majority of the respondents are male.
- ❖ Majority of the respondents are 21-30 Years.

- ❖ Majority of the respondents are 30.00% are UG.
- ❖ Majority of the respondents are 52.00% are unmarried.
- ❖ Majority of the respondents are 33.33% are students.
- ❖ Majority of the respondents are 33.33% are 3-5 Lakhs.
- ❖ Majority of the respondents are 31.33% are 2-3 hours.
- ❖ Majority of the respondents are 37.33% are popularity of the product.
- ❖ Majority of the respondents are 28.66% are Individual targeting respondents

SUGGESTIONS:

- ❖ High shipping fees or additional online costs can deter potential customers. Conduct a cost-benefit analysis to identify areas where you can minimize these charges without compromising service quality. Offering free or discounted shipping for orders over a certain amount can also incentivize larger purchases.
- ❖ Many customers prefer the security of paying upon receipt of goods. Implementing a COD option can attract these shoppers, especially in regions where trust in online payment systems is still developing. Ensure that your logistics can handle COD efficiently to maintain cash flow.
- ❖ Leverage data analytics to understand your target audience's preferences and behaviors. Create personalized advertisements that resonate with specific customer segments. Platforms like Facebook and Google Ads offer sophisticated targeting tools to help deliver these tailored messages effectively.
- ❖ Video content is highly engaging and can effectively convey your brand story and product benefits. Develop short, compelling videos highlighting your

3. CONCLUSIONS

Digital Marketing has become an indispensable component of business strategies, offering cost-effective and efficient methods for companies of all sizes to promote their products and services. By leveraging various digital channels such as social media, search engine optimization (SEO), video content, and email marketing businesses can reach a global audience without the constraints of traditional marketing boundaries. This approach not only enhances brand visibility but also allows for personalized customer experiences, which are crucial for building loyalty and

driving sales. However, the dynamic nature of digital marketing necessitates a commitment to continuous learning and adaptation. Companies must prioritize understanding user needs and be willing to experiment with innovative strategies to identify the most effective paths for improving their digital marketing performance. By doing so, businesses can stay competitive in the ever-evolving digital landscape.

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BIOGRAPHIES (Optional not Mandatory)



Dr. P. Ramachandran, M.Com., M.Phil., MBA., MA., Ph.D., is a highly accomplished Academic and Professional with a rich background in marketing, finance, and public administration. He is currently serving as an Assistant Professor at Sankara College of Science and Commerce (Autonomous), Coimbatore-641 035, where he specializes in marketing strategy, consumer behavior, and financial management. With a commitment to fostering excellence in education, Dr. Ramachandran has over a decade of teaching experience across various prestigious institutions. He holds a Ph.D.

in Marketing from Bharathiar University (2024). His academic journey reflects a strong foundation in both the theoretical and practical aspects of business and commerce. He has contributed significantly to the academic community through numerous Publications, Conference Papers, and active participation in Seminars, Skill Development, Faculty Development Programme, Webinars and workshops.

He has authored several Research Articles published in International Journals, focusing on the Impact of Social Media on Consumer Buying Behavior, Corporate Social Responsibility, Digital Payment Systems, and Traditional Marketing Strategies. He regularly attends and presents papers at National and International Conferences, staying updated with the latest trends in Marketing, Finance, and Education.

He is a recipient of several awards, including the Best Teacher Award at Sankara College of Science and Commerce for the academic year 2021-2022. His leadership extends beyond the classroom Placement Coordinator, NSS Coordinator, and Board of Study Member, contributing to the holistic development of students.

In his personal and professional life, Dr. Ramachandran has actively participated in Social Initiatives, including Road Safety Awareness Programs, and is a recognized volunteer in NCC and NSS. He is also a member of the NAAC accreditation team for his college, ensuring academic quality and compliance with national standards. His passion for teaching and research, combined with his dedication to professional development, makes him a valuable resource for students, academics, and organizations alike. He is committed to using his expertise to help shape the future of marketing education and contribute to the growth of the industry.