



TRENDS IN DIGITAL MARKETING AND INDIAN SMES

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ABSTRACT

Micro, Tiny, and Medium Enterprises (MSMEs) are small enterprises characterised by the size of their investment. They provide a considerable contribution to the economy's output, employment, exports, and so on. It is well acknowledged that the contemporary epoch is one of globalisation and technical advancement. All of our daily activities revolve on technology breakthroughs, and we are motivated by them. The Internet is the ruler, and we place a high value on its proper operation in order to live a normal life. Small, medium, and even large businesses have turned to online marketing to sell their products and services. They believe that the Internet is the best platform for all branding and marketing efforts. This is referred to as 'internet marketing' or 'digital marketing.' Even SMEs (Small and Medium Enterprises) profit substantially from digital marketing tactics.

This article discusses the significance of digital marketing in the sector of SMEs and the benefits of digital marketing for SMEs. SME's may carry out their activities all over the world if they use digital marketing. SME productivity is increased via digital marketing. With the increase in online users in India, most SMEs have understood the value of internet technology in their everyday marketing lives. According to current trends in India, the number of internet users is expanding. As a result, this is a critical chance for SMEs to take steps toward digital marketing and increase sales.

Keywords: *Economy, Employment, digital Marketing, Investment*



INTRODUCTION:-

1.0 Role of Digitalization of Marketing in the MSMEs:

SMEs, often known as small and medium enterprises,' have taken a jump in recent years, with significant improvements in this industry. Most of these small and medium-sized enterprises were founded lately by young and bright entrepreneurs who shifted their business models from old methods of advertising and promotion to current, digital strategies. They seek out new ideas and are willing to take risks. Several SME owners were compelled to join the market with a drop into the web marketing methods, with digital marketing as their primary foundation of achievement.

- A digital marketing strategy frequently incorporates the use of electronic content or Internet resources such as internet sites, databases, software platforms, video files, alerts, social networking sites, digital streaming, e-books, and others to connect with the potential customers all over the world. The various digital marketing technique has greatly benefited SMEs by bringing their products and services to the attention of their target clientele. Digital networks and search engine optimization (SEO) have shown to be effective marketing techniques for small and medium-sized businesses (SMEs). SMEs have profited from digital marketing tactics in the following ways:
- With the use of digital marketing methods, SMEs have been able to hunt for more adaptive potential market in a global environment, which has significantly influenced their sales and profit.
- Because most digital marketing tactics give free services, it is claimed to be the most cost-effective way of reaching out to targeted potential clients.
- Long-term ties are superfluous. Leading digital marketing strategies like CPC (Cost per Click) and PPC (Pay Per Click) may be utilized successfully to help SMEs achieve their goals and boost profitability.
- SMEs may also make direct contact with professionals in this industry who are up to speed on the latest developments or improvements. This allows them to ensure the best possible ROI (Return on Investment).
- The implementation of successful digital marketing tactics also allows SMEs to make the required modifications or reforms in their continuing online marketing efforts as needed.



The following criteria are established by the MSMED Act of 2006 for defining Micro, Small, and Medium-Sized Enterprises (MSMEs): 1) Equipment purchases for companies providing or offering services; and 2) Plant and equipment purchases for companies producing, processing, or preserving commodities.

The original cost of the equipment is what is referred to as the purchase of equipment, minus the cost of any land, buildings, or other assets indicated by the Ministry of Small-Scale Industries in its notice number S.O. 1722 (E) dated October 5, 2006.

The following rules apply to investments in plant, machinery, or equipment as those terms are used in the MSMED Act of 2006:

The Enterprise's Activity Type	Investment in plant and machinery excluding land and building for enterprises engaged in manufacturing or production, processing or preservation of goods	Investment in equipment excluding land and building for enterprises engaged in providing or rendering of services (loans up to Rs 1 crore)
Micro	Not exceeding Rs.25.00 Lakhs	Not exceeding Rs.10.00 Lakhs
Small	More than Rs.25.00 lakhs but does not exceed Rs.500.00 lakhs	More than Rs.10.00 lakhs but does not exceed Rs.200.00 lakhs
Medium	More than Rs.500.00 lakhs but does not exceed Rs.1000.00 lakhs	More than Rs.200.00 lakhs but does not exceed Rs.500.00

1.1 Objectives of the study

The study's aims are as follows:

1. To provide an overview of SMEs and digital marketing
2. Researching the need for digital marketing adaptation
3. To research the difficulties SMEs have while applying digital marketing

1.2 Research Methodology

The significant investigation that the secondary source of information used to create this theoretically oriented article. Online publications, books, and journals are some of the sources. The way businesses conduct business has been transformed by e-business. The impact of the internet on people's lives has changed dramatically in India. From 120 million users in 2011 to 278 million users in 2014, India's internet population doubled. India is on the verge of experiencing a tremendous increase in e-commerce and Internet usage. People's



customary ways of living have altered. Despite having a low overall percentage of the population who use the internet, India has a relatively high absolute number of internet users. With the government of India's "India Digital Plan" for 2019, the future of Digital India is bright. By 2019, the plan aims to provide internet access to 250 000 villages in India, Wi-Fi in all public areas, and smartphones for every Indian. This provides excellent chances for several e-commerce websites to target this market. More than 343 million people utilize the internet, and this expanding user base is directly related to the expansion of the nation's business and industry. Many SMEs are establishing themselves in the Indian market through e-commerce and using the internet as a marketing tool.

1.3 Why should SMEs use Internet marketing?

Delivering a message to SMEs is the primary goal of traditional marketing media like newspapers, news websites, radios, and television. Online marketing quickly receives, exchanges, and transmits messages as well as impressions and ideas. The current situation for SMEs in India has altered, and the difficulties presented to the businesses by the business climate are much more intense than previously. Small businesses that export may now gain from Internet marketing in the age of globalization.

Has your target audience stopped reading printed newspapers or magazines because of changes in people's conventional lifestyles? Do they still assemble as a family on Sunday mornings to watch that one well-liked programme? Then, where are they? On the internet, whether like or sharing a Facebook post, asking about lodging on Twitter, leaving a comment on a blog post about a movie, repinning a stunning clothing design they spotted on their pin board, or viewing a YouTube advertisement.

1. Cable and satellite TV households are now outnumbered by internet users in India. The average amount of time spent online is rising along with the number of users.
2. Compared to traditional media, the costs are lower.
3. You are your own publisher; thus, you are not reliant on an outside media. As a result, you have more influence over the time and content.
4. It moves quickly. The days of planning months in advance to issue an advertising are long gone. Ads are now produced in a matter of hours, and occasionally even minutes.
5. India is a young country. Two thirds of its 1.2 billion inhabitants are younger than 35 and more than half are under 25. 85 percent of India's youth use one or more social networking sites regularly.



6. You have a huge amount of potential to manage your reputation. You may keep a watch on what is being said about you generally, promptly reply to concerns, and encourage people to share their positive experiences with your business.

1.4 Benefits of Internet marketing for Indian SMEs:

1. Worldwide Trade

The Internet also offers fresh approaches to enhancing customer service and is regarded as the most cost-effective marketing tool since it eliminates running offices, cuts down on staffing, and minimizes paperwork.

2. Efficiency and productivity gains

Using online marketing and increasing productivity, SMEs may streamline their operations.

3. Increasing information about the market and the customers (e-marketing)

Through online marketing, SMEs and customers may both obtain increasing amounts of information quickly and simply.

4. Practical Businesses

E-commerce has given companies the capacity to transact with virtual enterprises. A virtual business is a modular structure made up of several independent business entities connected online.

5. Inferior search costs

Low search costs and significant pricing transparency are expected characteristics of the Internet. It is feasible to create search engines that will track prices across several websites when participants only disclose their pricing on the Internet. The Internet has not only changed the perception of every component of the marketing mix, but it has also introduced a brand-new strategy for reaching out to potential clients in a way that is exciting, original, and economical.

6. Effects on environment

Online sales not only save a significant number of money by cutting down on shop running expenses, but they also significantly reduce the amount of gasoline needed for traditional sales, which helps the environment preservation programme.

1.5 Initiatives by the Government to reduce the Digital skill gap



- The "National Manufacturing Competitiveness Programme" promotes SMEs to use information and communication technology tools and applications. The government has already launched programmes to support SMEs in developing and hone their digital capabilities. It entails tasks like creating online portals, offering regional software solutions, educating staff members in e-literacy, and setting up e-readiness centres. This programme also aids SMEs in obtaining international quality certification and sensitises them to the usage of energy-efficient technology.
- The "Assistance to Training Institutions" project offers national level training institutions operating under the Ministry of MSME a capital grant in order to improve their facilities and establish programmes for the development of entrepreneurial skills. This initiative's major goal is to motivate individuals, particularly rural young, to pursue self-employment in the SME sector.

1.6 Challenges in adoption of Internet marketing by SMEs:

Some of the difficulties SMEs have while using online marketing include:

1. Threats to security and trust.
2. A lack of education.
3. A lack of computer literacy.
4. Internet technologies are being adopted slowly.
5. The initial cost of Internet technologies is high.
6. Small businesses based in rural regions lack knowledge about web marketing.
7. The government's incapacity to support and train SMEs.
8. The financial payback on internet technology investments.
9. A big majority of SMEs show little interest in web-based apps and sales platforms.
10. Lack of ICT skills.

CONCLUSION

Both the government and businesses in the private sector are taking many actions to solve the issues with infrastructure and finances, which call for expensive solutions. The obstacles



associated with digitalization are numerous. To close the digital skill gap, these can be addressed through technological knowledge transfer, a method in which professionals transmit technology to interested parties or organisations. SMEs are encouraged to become digitally literate and train their workforce to acquire the requisite digital skills through current governmental programmes like Digital India and Skill India.

Small and medium-sized businesses (SMEs) should be aware of the benefits that the Internet may provide them, including interactive chances to connect with current clients and draw in new ones. Businesses will continue to hone their online marketing strategies as the Internet develops, reaching more prospective customers than ever.

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