



A Study on Role and Growth of Digital Marketing on Entrepreneurship

Ms. Sonu Shah, Dr. Trishna Shah

Student, B.V. Patel Institute of Management, Uka Tarsadia University, Bardoli- Surat, Gujarat, India.

Assistant Professor BBA, Uka Tarsadia University, Bardoli- Surat Gujarat, India.

ABSTARCT:

The article discusses the impact of digital marketing on modern entrepreneurship, as well as the main tasks in the formation of the business structure. At this stage in 21st century, digital marketing is vital for your business and brand awareness. Digital marketing helps you reach a larger audience than you could through traditional methods and target the prospects who are most likely to buy your product or service. Additionally, it's often more cost-effective than traditional advertising and enables you to measure success on a daily basis and pivot as you see fit. The study aimed to study whether digital marketing significantly affect the performance of business. The data was collected through a structured questionnaire from 95 entrepreneurs randomly selected through convenience sampling method belonging to the Surat city. The questionnaire consists of multiple- choice questions and five-point Likert scale. The data in this research study has been analyzed through various statistical tool such as KMO and Bartlett's Test, Factor analysis, Frequency. The collected data were analysed using statistical software SPSS. The study suggested the 4 major factors which affects the performance of the business.

Key words: Business performance (BP), Digital Marketing Application (DMA), Small and medium-sized enterprises (SMEs), Internet access (AI).

1. Introduction:

Today, the development of technology reflects the changes in many aspects of life. In the past, the traditional media including printed and broadcast media, were the main communication channels for the information transmission. The similar situation happens in business field when the business community or entrepreneurs rely entirely on this traditional media to advertise and promote their products. However today, a new phenomenon has emerged, namely marketing through digital media among the entrepreneurs. In fact, the statistics released by Malaysian Communications and Multimedia Commission (MCMC) (2015), more than half of the Malaysians use smartphone to access the Internet (Ahadzadeh & Sharif, 2017; Darwish, Abdo, & AlShuwaiee, 2018). This could be a golden opportunity to society, especially to those who are rely heavily on the Internet access to their daily live routine. By having these facilities of the Internet access, many things have been transformed from analog to digital or online basis. Therefore, entrepreneurs currently moving towards digital platform of marketing and operate their business by online. Digital marketing is basically promoting the brands by using all forms of digital advertising to reach targeted segments such as radio, mobile phones, internet, television and social media. An important argument is on the value and power of digital media marketing for business purposes. For entrepreneurs and business owners, digital media can be seen as a good alternative. As Chaffey et al. (2009) described the internet marketing that achieves marketing objectives is through the usage of digital technology. Today's entrepreneurs should have the creative and innovative entrepreneurial features as technology advances their business products to reach the global market. Indirectly, the digital marketing can enhance the business performance of entrepreneurs if they are inverted with digital knowledge and skills from the outset. In fact, Small and Medium Enterprises (SMEs) is one of the main catalysts for Malaysia's economic growth (Normah, 2007). Almost 99.2 percent of all entrepreneurs in Malaysia are the registered SMEs and contribute about 32 percent of their Gross Domestic Product (GDP) (Ghani & Darawi, 2012). The role and contribution of SMEs in terms of the number of business establishments, employment opportunities and the contribution to GDP among developed and developing countries is seen as enormous (SME Corp. Malaysia, 2009). In line with the 2012/2020 SMEs Master Plan, the World Bank revealed that there are six factors that affect SME business performance. One of these factors is the adoption of technologies such as the low level of ICT usage which is the reason on the low performances among the majority of SMEs (SME Corp. Malaysia, 2012). Thus, the study focuses on digital marketing and its influence on the business performance of small and medium enterprises (SMEs). Specifically, the objective of the study is; To examine the phenomenon of digital media being increasingly seen as an agent and medium for information and marketing as well as to test the impact of its usage on the business performance.

Harmony multimedia Pvt Ltd. is known to satisfactorily cater to the demands of its customer base. The business came into existence in 2000 and has, since then, been a known name in its field. It has earned stamps like Jd Verified, Jd Trusted, Jd Escrow substantiating the credentials of the business. The business strives to make for a positive experience through its offerings. Harmony is a service providing advertising agency. It builds brand beautifully, boldly and brilliantly. Since last 15 years harmony is providing diversified services in the field of advertising communications with specialized functions in advertising media, out of home (OOH), PR (Public Relations), rural, retail, entertainment, events and many more They take feedbacks from their clients as well as the customers and then decide further line of action. They outsource some of their tasks from other organization and rest of they do by

themselves. They make ads, print or advertise them on televisions or other media places, they also manage their client's account and send them monthly report.

This study will reveal the various important factors which an entrepreneur needs to be considered while using digital marketing platform for the growth and progress of entrepreneurship. To extent possible, the study will reveal factors which affect each organization dealing with digital marketing. The study will also examine the percentage of various demographic factors of the respondents along with elements of the enterprise. The project will encourage further researchers who need to review a study related to challenges of the digital marketing and its impact on the success and growth on the enterprise.

Literature review:

(Impact of digital marketing development on entrepreneurship": Kenzhegul Bizhanova[2009]), Objective of the study was the impact of digital marketing on modern entrepreneurship, as well as the main tasks in the formation of the business structure. Research methodology used by the researcher was the Statistical and economic analyses were used as sources of secondary information. Conclusion of the study was that Digital marketing is based on internet channels with the highest frequency of use, which are dynamic, they can change from year to year and are always influenced by market trends.

(Impact of online / digital marketing on startup, sagar pandurang pachore barahate swapnil [2016]), Objective of the study Impact of Online/Digital marketing on startup. To study whether online/Digital marketing is really helping Startup to reach their target customers. To understand how effective, we can use online/Digital marketing tool to succeed our business. Research methodology used by the researcher based on objectives of the study, the following hypotheses are formed. In the data collection we were used primary data collection method. Respondents taken by the researcher was the 50 respondents. Conclusion of the study was that social media marketing is important because it aligns with the way consumers make purchasing decisions.

(Digital Marketing. Effect Have on the Performance of startup, [Lukmon Fasasi \(Author\)](#)[2017]), Objective of the study was to determine the extent of use of digital marketing in firms. Examine the challenges associated with the use of digital marketing and corresponding mitigating strategies. Assess the effect of digital marketing on firms' financial performance. Research methodology used by the researcher was the hypothesis was used to conduct the research. Conclusion of the study serves as a secondary data to future researchers who intend to delve into digital marketing. Companies can experience the execution and maintenance of a sound digital marketing plan. Also, it helps the companies to effectively utilize digital marketing to achieve their business goals like profitability and financial growth which is the reason for their establishment.

(Impact of Digital Marketing as a Tool of Marketing Communication", Ahmad Bin Yamin, Bangladesh, 2017), Objective of the study was to identify the factors that influence entrepreneurs' psychology. To identify the digital media's impact on demography. To measure the relative impact of each promotional tools on entrepreneur. Research methodology used by the researcher. The study will be carried out with both primary and secondary data. This research will conduct qualitative research in order to identify the problem properly by using secondary data from different sources. Conclusion of the study found that the digital marketing contribution in aggregate marketing initiatives among the mass customers, especially on their behavioural and inflecting patters.

(A Study on the role of digital marketing in The Growth and Progress of Entrepreneurship: Prof. Deepali Milind Manjrekar Visiting faculty at Nagindas Khandwala College of Commerce, Arts, and Management Studies [2018]) Objectives of the study is that how internet help Entrepreneurs in growing their business. To identify if internet is effective for Entrepreneurs who function offline. To identify if internet really reduces the work load and helps in better performance of the business. Research methodology used by researcher was the Data collected from primary and secondary sources. Methods: Hypothesis was used to conduct the research. The number of the respondents in the study was 40 entrepreneurs. Conclusion of the study was the Perception of entrepreneurs in the current era is changing and internet has proved to a success key in the growth and success of business.

(Effect of digital literacy toward entrepreneur behaviors towards enterprise, N N Islami [2018]), Objective of the study aims to examine empirically the causal relationship between two variables, namely digital literacy (computer literacy and internet literacy) on entrepreneurial behaviors, and entrepreneurial intentions. This study is explanatory research to find and explain causal relationships between variables. Research methodology used by the researcher was the primary method is being used for the research here questionnaire is been used for the interview. Method of the study used by the researcher was hypothesis is been used for the research to identify the factors affecting the entrepreneurs while using the digital marketing. Conclusion of the study was found that the digital literacy of students in economic education study programs in Jember was still limited to influence the intention of entrepreneurship, especially on entrepreneurial behaviors.

(Digital Marketing and its effects on Start-up business" Ali Akeel Manisha Gubhaju [Year 2020]), Objectives of the study is to examine whether digital marketing can significantly affect the development of start - up businesses, raise brand recognition, create customer trust and enhance customer relationships. Research methodology used by the researcher was the Primary method was used to conduct the research which includes the Interview. The interview design contained 18 open-ended questions, enabling the participant to respond in depth. Inductive Method, Qualitative Method was also used to conduct the research. Respondents used by the researcher was the 13 entrepreneurs. Conclusion of the study demonstrates that most start-up companies do not perceive digital marketing strategy when implementing their business plan.

Research objective:

To study whether digital marketing significantly affect the performance of business.

Research methodology / approach:

Sampling frame: Surat city

Sampling size: In this study, sample size can be taken is 95 Entrepreneurs from the city of Surat for the survey purpose.

Sampling: Non probability, frequency, KMO and bartlett's and Factor analysis.

Sources of information: Primary Data

Data collection method: Questionnaire & Interview

Data analysis:**Demographic Interpretation:**

As per the analysis, researcher can easily interpret that majority of the respondents are Male that is 60% and rest 40% are Female. This can be concluded that out of total respondents 95 majority of them are males. Researcher can also evident that most of the respondents fall into the age category of 26 -36 years of age group that is 53.7%, 29.5 % of respondents falls under the category of 18 -25 years of age group, 16.8% of respondents falls under the category of 36 – 50 years of age group. Researcher can also interpret that majority of the respondent's education qualification is Bachelor's degree that is 48.42%, 17.89% of the respondents fall under the category of education qualification is high school, 13.68% of the respondents fall under the category of education qualification is less than high school, 8.42% respondents fall under the category of education qualification is No degree, 1.05% of the respondents fall under the category of education qualification is others.

Other details:

As per the analysis researcher can interpret that most of the respondent's nature of business that is 41.05% is sole proprietorship, 17.89% of the respondent's nature of business is partnership, 16.84% respondents' nature of business is private.ltd, 9.47% of respondent's nature of business is others, 9.47% respondents' nature of business is one person company, 5.26% respondents' nature of business is public.ltd. This can be concluded that most of the entrepreneurs prefers to do business in single ownership. Researcher can also identify that 40% respondents has less than 5 number of employees in their enterprise, 27.37% respondents have employees in the range of 5-10 employees in their enterprise, 18.95% respondents have the employees in the range of 11-30 of employees in their enterprise, 13.68% respondents have employees in the range of more than 30 employees in their enterprise. Researcher can also state that 41.05% enterprises have completed 3-10 years of its establishments, 31.58% enterprises have completed less than 3 years of its establishments, 15.79% enterprises have completed 11- 20 years of its establishments, 11.58% enterprises have completed more than 20 years of its establishments. Researcher can also state the all the respondents that is 95 respondents uses digital marketing for the growth and success of its enterprise. Researcher can also indicate that 78% respondents use the Instagram as platform for their digital marketing, 55% respondents use Facebook as the platform for their enterprise awareness, 29% respondents out of 95 respondents uses their own application for digital marketing of their enterprise, 27% respondents use the search engine like their own websites as digital marketing platform, 15% respondents use YouTube as channel for digital marketing. Researcher can also evident that 47.37% respondents use the digital marketing and it helped them through their customer retention, 29.47% respondents to use the digital marketing and it helped them through sales of the company, 20.00% respondents use digital marketing and it helped them through the profitability of the company, 3.16% respondent uses the digital marketing and it helped the enterprise in upgrading the efficiency of digital team. Researcher also indicate that 82.11% respondents agreed that using the digital marketing platform helped them in enhancing the performance of the company, 17.89% respondents disagree that the digital marketing doesn't help them in enhancing the performance of the company. Researcher can also state that 58.95% respondents agreed that digital marketing is not the only factor for success of the enterprise, 41.05% respondents agreed that digital marketing agreed that digital marketing is the only factor for the success of the business.

FACTOR ANALYSIS:**KMO and Bartlett's Test**

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.766
Bartlett's Test of Sphericity	Approx. Chi-Square	399.767
	df	105
	Sig.	.000

The KMO and bartlett's test display the result for interpreting the adequacy of data for factor analysis. Kaiser Meyer- Olkin (KMO) is a measure of sampling adequacy and its value should be greater than 0.6 for the sample to be adequate for undertaking factor analysis. Also, the P-value of Bartlett's test of sphericity should be less than 0.05. In this study the value of KMO test is 0.776 (higher than 0.6) and P-value of Bartlett's test is 0.000 (less than 0.05), factor analysis can be undertaken using this datasheet.

Rotated component matrix:

	Component			
	1	2	3	4
Huge visibility exposure	.131	.818	.153	.011
Creates brand awareness	.435	.653	-.203	-.034
Provide opportunity to lead	.657	.169	-.045	.096
Correct and accurate targeting	.691	.140	-.005	-.057
Helps in higher engagement	.488	.218	.322	-.553
Helps in customer loyalty	.036	.658	.227	.085
Helps in ROI	.347	.231	.177	.774
Helps in cope up with trends	.525	.098	.351	.170
Helps in creative skills	.357	.587	.096	-.030
Helps retain customer	.415	.186	.505	.000
Helps reduce competition	-.097	.139	.774	.114
Helps to keep information confidential	.038	.592	.215	.056
Helps reduce workload	.327	.220	.575	-.107
Helps increase sales	.669	.084	.287	.151
Helps performance of company	.569	.185	.435	-.150

Total variance table:

Component	Initial Eigenvalues			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	4.835	32.234	32.234	2.939	19.590	19.590
2	1.348	8.985	41.219	2.525	16.836	36.426
3	1.182	7.877	49.097	1.888	12.584	49.011
4	1.015	6.768	55.865	1.028	6.854	55.865
5	.936	6.242	62.107			
6	.871	5.807	67.914			
7	.823	5.486	73.400			
8	.760	5.067	78.467			
9	.727	4.846	83.313			
10	.638	4.252	87.565			
11	.555	3.697	91.262			
12	.435	2.899	94.161			
13	.342	2.280	96.442			
14	.296	1.971	98.413			
15	.238	1.587	100.000			

The total variance explained table displays the total variances, percentage variance and cumulative percentage variance for both – unrotated and rotated components. The first half of the table shows details of unrotated components and the second half shows the detail of rotated component. The cumulative variance for both the unrotated and rotated component is 55.865 per cent. However, for unrotated components, the first component explains the maximum variance, followed by declining variance of the second and third component, where as in rotated components, the variance is uniformly distributed. Component 1 accounts for 19.50 percent of total variance in the world, the component 2 accounts for 16.836 percent and component 3 accounts for 12.584, component 4 accounts for 6.854. The cumulative percentage of variance of unrotated factors.

Name of the extracted factors:

By performing factor analysis, the following major factors were extracted which affects the challenges faced by the entrepreneurs while using digital marketing.

Efficiency in performance
Brand awareness and increase the loyalty
Decrease the workload and competition level
Increase the ROI

Also, it was observed that there is no relationship between the number of years of enterprise establishment and the challenges faced by the entrepreneurs while using the digital marketing.

Conclusion:

The purpose of this study was to show the role of digital marketing in growth and progress of entrepreneurship. It was a research study that looked at various factors being identified and researched upon.

By performing Factor analysis test on the responses obtained by physical questionnaire 4 set of variables were extracted. The entire study was done on these 4 factors only. Through which it has been found that whether a particular factor possesses a significant relationship with certain demographic factors. Other Demographic details was being analyzed by performing frequency analysis. A thorough knowledge about each product offering by the company was being studied by the researcher first-hand. Important outcomes were coming by the research study which will be helpful to the firm.

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