



A STUDY ON IMPACT OF DIGITAL MARKETING ON SALES

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ABSTRACT:

This study examines the emergence and impact of digital marketing within Indian firms, focusing on factors driving adoption, challenges faced during implementation, and the overall effectiveness of digital marketing strategies. Through a comprehensive survey of 120 respondents, key insights were gathered regarding the motivations, challenges, and outcomes associated with digital marketing adoption. The findings reveal a strong emphasis on the desire for wider audience reach as a primary motivation for adopting digital marketing strategies, alongside challenges such as limited budgets and technical difficulties.

KEY WORDS : Digital marketing, Effectiveness, ROI (Return on Investment), marketing adoption

INTRODUCTION:

In recent years, the internet user base has surged, with people spending a significant portion of their time online. Key players like Reliance (R-Jio) in the telecom industry have played a pivotal role in driving this transformation. Factors such as the widespread availability of 4G services and continuous technological advancements have fueled this growth. Consumers are increasingly inclined towards online shopping, banking, and entertainment, leading to a surge in online activities.

India witnessed a substantial increase in internet users, ranging from 480 to 570 million in 2018. Projections indicate a further rise to 666.4 million by 2023. Businesses have responded to this digital wave by integrating various digital channels into their operations. The proliferation of smartphones has been particularly instrumental in this shift.

OBJECTIVE OF THE STUDY

PRIMARY OBJECTIVE:

- To Assessing the effectiveness of Digital marketing Strategies

SECONDARY OBJECTIVE:

- To identify factors driving digital marketing adoption company.
- To analyze customer perception towards digital marketing and most effective strategies that impacts on overall sales.
- To measure digital marketing's impact on scale.
- To identify the most effective marketing modes.

REVIEW OF LITERATURE:

- **Wind and Mahajan (2002)** explored the transformative impact of the digital revolution on business dynamics, highlighting its myriad benefits for both customers and companies. They emphasized how digital technology has reshaped consumer behavior, leading to the emergence of the cyber consumer phenomenon. In a separate study,
- **Verma and Munjal (2003)** identified key factors influencing brand choice decisions, including quality, price, availability, packaging, and advertising. They noted that brand loyalty is intricately linked to the behavioral and cognitive patterns of consumers, with demographic variables such as age exerting significant influence on these patterns. However, the study found limited impact from other demographic characteristics such as gender and marital status on consumer decision-making processes.
- **Ganeshmoorthy, Radhakrishnan, and Bhuneshwari (2003)** conducted a study on brand loyalty and the impact of mass media in rural markets. Their research revealed that mass media plays a significant role in promoting sales of select products, with emphasis placed on the quality of the product over factors like price and availability.

- **Himaja (2017)** delved into the profound impact of social media on businesses, noting its transformative effects on human behavior, interactions, and activities. The study undertook extensive research to elucidate the interconnectedness between web-based social networking, business operations, and societal dynamics. It emphasized that social media has become an essential tool for businesses to promote their products and services, highlighting the growing dependence of individuals on technological innovations and its consequential impact on business operations.
- **Toor, Husnain & Hussain (2017):** shed light on the influence of social network marketing on consumer purchase intentions. They highlighted the emergence of new trends in digital technologies, gradually superseding traditional marketing methods. The researchers emphasized the imperative for businesses to adapt to these changes, cautioning that failure to do so could significantly impact business outcomes. They concluded that social network marketing does exert influence on consumers' purchasing intentions, thereby affecting businesses' performance to a certain degree

RESEARCH METHODOLOGY

RESEARCH DESIGN

Methodology is a systematic way of solving a problem. It includes the research methods for solving the problem.

Type of research

Descriptive come Exploratory research

SAMPLE DESIGN

The target population of the study consists of various respondents of Chennai city. This survey will be done by collecting the data from the respondents

SAMPLE SIZE

After due consultation with the company supervisor as well as with the college guide, also keeping in mind the requirements of the company for the research, the sample size that was found to be appropriate for the study will be 120.

SAMPLING TECHNIQUE

The sampling technique that adapted to conduct the survey was 'Convenience Sampling' and the area of the research was concentrated in the city of Mumbai. The survey was conducted by visiting different places like colleges, corporate offices, respondent's home etc.

DATA SOURCE

The task of data collection begins after a research problem has been defined. In this study data will be collected through both primary and secondary data source.

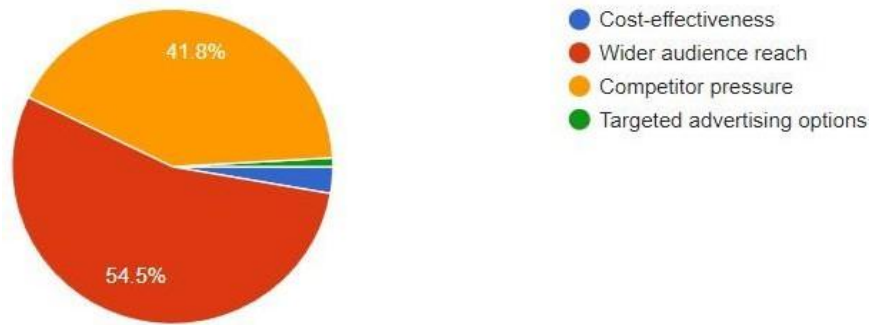
PRIMARY DATA

A primary data is a data, which is collected for gathering information first time and to analyze the problem. In this study the primary data was collected among the consumers using questionnaire.

DATA ANALYSIS AND INTERPRETATION

What motivated your organization to adopt digital marketing strategies?

Total	Cost effectiveness	Wider Audience Reach	Competitor Pressure	Targeted Advertising options
120	3	60	46	1
Percentage	2.7	54.5	41.8	0.9

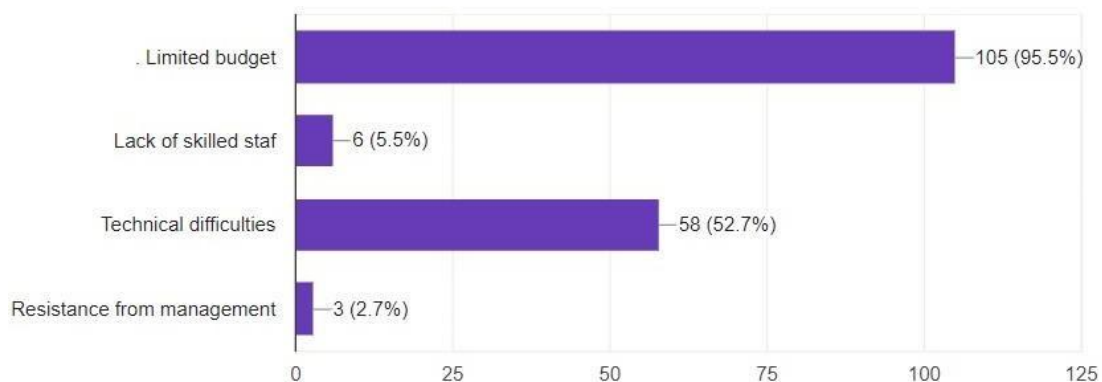


INTERPRETATION

The data reveals that the primary motivation for organizations to adopt digital marketing strategies is the desire for wider audience reach, with 54.5% of respondents indicating this as a key factor. Following closely behind is the consideration of cost-effectiveness, cited by 2.7% of respondents. Additionally, 41.8% of respondents reported adopting digital marketing due to competitive pressure. Interestingly, only a negligible percentage of respondents (0.9%) cited targeted advertising options as a motivating factor. Overall, the findings highlight the importance of reaching a broader audience and staying competitive in the digital landscape for organizations embracing digital marketing strategies.

What are the main challenges your organization faced during the adoption of digital marketing? (Select all that apply)

Total	Limited budg	Lack of skill staff	Technical difficulties	Resistance fro management
120	105	6	58	3
Percentage	95.5	5.5	52.7	2.7



INTERPRETATION

The findings reveal that 95.5% of respondents faced limited budget as a primary challenge, while 52.7% encountered technical difficulties. Additionally, 5.5% noted a lack of skilled staff, and 2.7% reported resistance from management. The results indicate that the majority of organizations struggled with financial constraints and technical issues, highlighting the significant hurdles encountered during the adoption of digital marketing strategies.

STATISTICAL ANALYSIS (ONE WAY ANOVA)

The study is based on the following hypotheses:

To find the relationship between demographic variable of the respondents such as Annual Income, and their perception toward the job satisfaction, and relationship between Reward & Recognition of the employees and their perception toward the Retention in the Organization.

HYPOTHESIS 1

Hypothesis H0: There is no significant relationship between the age of the employee and their perception towards impact of digital marketing in organization's sales.

Hypothesis H1: There is significant relationship between the age of the employee and their perception towards impact of digital marketing in organization's sales.

INTERPRETATION:

The computed p value is .000 which is less than 0.05. So we reject the null hypothesis and accepted the alternative hypothesis. There is significant relationship between the age of the employee and their perception towards impact of digital marketing in organization's sales.

Table 4.2.1 Impact on Digital Marketing

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	28.463	1	28.463	257.504	.000
Within Groups	11.938	108	.111		
Total	40.400	109			

HYPOTHESIS 2

Hypothesis H0: There is no significant relationship between the gender of the employee and their perception towards factors influence digital marketing initiatives decision.

Hypothesis H1: There is significant relationship between the gender of the employee and their perception towards factors influence digital marketing initiatives decision.

Table 4.2.2 Decision Making

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	27.536	1	27.536	498.682	.000
Within Groups	5.964	108	.055		
Total	33.500	109			

INTERPRETATION:

The computed p value is .000 which is less than 0.05. So we reject the null hypothesis and accepted the alternative hypothesis. There is significant relationship between the gender of the employee and their perception towards factors influence digital marketing initiatives decision.

FINDINGS

1. Majority of the respondents are from the age group of 18 – 28.
2. Majority of the respondents are female
3. Majority of the respondents both are married and unmarried
4. Majority of the respondents of 52.7% are actively involved in digital marketing
5. Majority of the respondents 54.5% are wider audience reach in to adopt digital marketing strategies

SUGGESTIONS

1. Tailor digital marketing strategies to resonate with the substantial response from the 18-28 age group, representing the majority of survey participants.
2. Emphasize wider audience reach as a key motivation for adopting digital marketing, aligning strategies with this objective to maximize impact.
3. Capitalize on the effectiveness of search engine optimization (SEO) and social media marketing, identified by respondents, to drive results.
4. Focus on interactive content and personalized approaches to enhance customer engagement and conversion rates, leveraging insights from the study.
5. Develop cost-effective strategies and explore alternative funding options to overcome budget limitations, addressing a primary challenge faced by organizations.

LIMITATIONS OF THE STUDY

1. Limited Historical Data Lack of extensive historical digital marketing data may restrict the ability to conduct thorough trend analysis.
2. Resource Constraints Limited budget and human resources may constrain the scope and depth of the study, impacting the comprehensiveness of findings.
3. Sample Size The study's findings may be influenced by the size and representativeness of the sample population used for data collection and analysis.

CONCLUSION

In conclusion, this comprehensive study provides valuable insights into the current state of digital marketing adoption and its impact on Indian firms. The findings underscore the growing significance of digital platforms in reaching broader audiences, with a substantial portion of respondents highlighting the desire for wider audience reach as a key motivation for adopting digital marketing strategies. Despite facing challenges such as limited budgets and technical difficulties, organizations reported significant increases in sales, indicating the effectiveness of digital marketing in driving business outcomes.

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