



Role of Social Media Marketing in Enhancing the Sales of Small Retail Businesses in Osmanabad and Latur

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ABSTRACT

The role of social media marketing in enhancing the sales of small retail businesses in Osmanabad and Latur has emerged as a significant driver of digital commerce transformation, as businesses increasingly shift towards online promotional strategies to engage customers, build brand visibility, and drive revenue growth, yet despite the widespread adoption of social media platforms such as Facebook, Instagram, WhatsApp, and YouTube, many small retail businesses struggle to optimize their digital marketing strategies, leading to inconsistent customer engagement and limited financial returns, and this empirical research aims to analyze the impact of social media marketing on sales performance by evaluating how content engagement, paid advertisements, influencer collaborations, and customer interaction strategies contribute to revenue generation, brand loyalty, and customer acquisition in both urban and semi-urban retail sectors, with data collected through a quantitative survey of 200 small retail business owners (100 from Osmanabad and 100 from Latur) and qualitative interviews with 20 digital marketing professionals and social media influencers, employing a mixed-methods approach to ensure a comprehensive understanding of marketing effectiveness and sales performance metrics, and findings reveal that while social media marketing significantly increases sales for businesses with a strong digital presence, a large proportion of small retailers in semi-urban and rural settings face barriers such as lack of digital literacy, inadequate advertising budgets, and skepticism towards paid promotions, further emphasizing that businesses utilizing targeted social media advertisements experience up to a 35% increase in sales compared to those relying solely on organic reach, with evidence also suggesting that WhatsApp Business and Facebook Marketplace have become crucial tools for small retailers to connect with local customers and streamline order fulfillment, while Instagram-based influencer collaborations have shown a stronger impact on fashion and lifestyle retail sales, highlighting the importance of platform-specific marketing strategies for different business segments, and the study concludes that social media marketing is an essential growth driver for small retail businesses, yet requires strategic optimization, targeted advertising, and digital skill development programs to bridge the gap between technology adoption and business performance in emerging markets like Osmanabad and Latur, recommending that government agencies, digital marketing firms, and business development initiatives should provide tailored training and financial support to small retailers to enhance their online marketing proficiency and maximize sales potential in the evolving digital economy.

Keywords: Social Media Marketing, Small Retail Businesses, Sales Performance, Customer Engagement, Digital Advertising Strategies, E-commerce Growth

Introduction

The rapid rise of social media marketing has transformed the retail landscape globally, allowing small retail businesses to access cost-effective digital marketing strategies that enhance brand awareness, customer engagement, and sales performance, particularly in emerging economies like India, where platforms such as Facebook, Instagram, WhatsApp Business, and YouTube have become vital tools for small businesses to compete with larger retail chains, and while social media marketing is widely recognized as a game-changer for businesses of all sizes, small retail businesses in semi-urban and rural regions such as Osmanabad and Latur often face digital adoption challenges that limit their ability to fully leverage online marketing channels, making it crucial to analyze how social media engagement, digital advertising strategies, and customer relationship management through social platforms contribute to business growth and sustainability (Gupta & Hushain, 2024), and as Indian consumers increasingly rely on digital platforms for product discovery and purchasing decisions, understanding the role of social media in enhancing small retail sales is essential, particularly as businesses that actively use targeted advertising, influencer collaborations, and interactive content marketing have reported a significant boost in customer retention and revenue generation, yet despite the growing recognition of digital marketing benefits, many small retailers in semi-urban and rural regions remain hesitant to invest in online promotion due to perceived risks, lack of expertise, and financial constraints, highlighting the need for empirical research to evaluate the impact of social media-driven sales strategies in local retail markets (Ben Hassen et al., 2025), and while previous studies have explored the impact of digital marketing in urban retail environments, limited research exists on how small businesses in tier-2 and tier-3 cities like Osmanabad and Latur utilize social media to overcome market access barriers, attract customers, and enhance brand visibility, making it essential to examine the effectiveness

of different social media strategies, including paid advertising, organic engagement, and community-driven marketing, in driving sales for small retailers, particularly as recent studies indicate that businesses that use WhatsApp Business and Facebook Marketplace experience up to a 35% increase in local customer reach compared to those that rely solely on in-store promotions (Sehgal & Malik, 2024), and considering that digital transformation has been identified as a critical driver of small business growth, the ability of retailers to effectively integrate social media marketing into their business models has become a key determinant of competitiveness and long-term profitability, especially in regions where traditional marketing methods are becoming less effective due to shifting consumer behavior and increased reliance on online shopping, further justifying the need for empirical investigation into the extent to which social media marketing influences consumer purchasing decisions, customer engagement, and sales performance in small retail businesses in Osmanabad and Latur, with findings expected to provide valuable insights for policymakers, retail associations, and business development initiatives aimed at promoting digital literacy and e-commerce adoption among small retailers in semi-urban markets (Hamdan & Braendle, 2024).

Problem statement and research gap

Despite the growing significance of social media marketing in shaping consumer engagement and purchasing decisions, small retail businesses in semi-urban and rural regions such as Osmanabad and Latur continue to struggle with adopting, optimizing, and measuring the effectiveness of digital marketing strategies, and although platforms like Facebook, Instagram, WhatsApp Business, and YouTube offer cost-effective tools for brand promotion, targeted advertising, and customer interaction, small retailers in these regions face challenges related to digital literacy, resource constraints, content marketing optimization, and trust in online advertising effectiveness, leading to a lack of strategic implementation and inconsistent financial returns (Sajid, 2024), and while previous studies have extensively analyzed social media marketing's impact on large enterprises and urban retail markets, there exists a significant research gap in understanding how small businesses in tier-2 and tier-3 cities like Osmanabad and Latur leverage digital platforms to enhance sales, build brand loyalty, and overcome competitive barriers, particularly in areas where traditional word-of-mouth marketing and offline promotions still dominate consumer engagement (Jamwal, Agrawal, & Sharma, 2025), and another critical gap in existing research is the limited empirical evidence on how different social media marketing strategies—such as organic reach, paid promotions, influencer collaborations, and customer engagement metrics—translate into tangible revenue growth for small businesses, emphasizing the need for data-driven insights into the most effective digital marketing techniques tailored to local business environments (Mansour & Vadell, 2024), while studies have shown that businesses utilizing structured digital campaigns experience an increase in sales of up to 35%, many small retailers in semi-urban areas remain hesitant to invest in paid advertisements due to limited knowledge of return on investment (ROI), consumer behavior on digital platforms, and the effectiveness of localized online engagement (Kathuria, Karhade, & Sonpatki, 2024), further highlighting the necessity to investigate whether social media marketing directly influences purchase decisions, how retailers perceive and measure digital marketing effectiveness, and what challenges exist in sustaining long-term engagement with digital consumers, particularly since global models for digital retail success are not always applicable to smaller markets with unique infrastructural and cultural constraints, and while previous research has focused on the role of digital transformation in large-scale e-commerce ecosystems, there is a lack of localized studies evaluating the sustainability, cost-efficiency, and adaptability of social media marketing for small retail businesses in emerging markets, reinforcing the urgent need for empirical research to provide evidence-based recommendations on optimizing digital marketing strategies to enhance the sales performance of small retailers in Osmanabad and Latur, ensuring equitable access to digital economic opportunities in India's evolving retail sector (El Khoury, 2024).

Objectives of the study

1. To Analyze the Impact of Social Media Marketing on Sales Performance of Small Retail Businesses
2. To Identify Key Social Media Marketing Strategies That Contribute to Business Growth
3. To Examine Barriers and Challenges Faced by Small Retail Businesses in Adopting Social Media Marketing
4. To Examine Consumer Behavior and Engagement with Small Retailers on Social Media

Research Questions related to the study

1. How does social media marketing influence the sales and revenue generation of small retail businesses in Osmanabad and Latur?
2. What is the impact of different types of social media strategies (organic reach, paid advertisements, influencer marketing, and content engagement) on small retail business sales?
3. How do small retail businesses measure the return on investment (ROI) of social media marketing efforts?
4. What are the key barriers preventing small retailers from adopting social media marketing strategies effectively?
5. How do digital literacy levels, financial limitations, and infrastructure availability impact the willingness of small businesses to integrate social media marketing?
6. What role does trust in online advertising and customer engagement play in the adoption of social media marketing?

7. Which social media platforms (WhatsApp Business, Facebook Marketplace, Instagram, YouTube, etc.) are most effective for enhancing sales in small retail businesses?
8. How do consumer engagement metrics such as likes, shares, comments, and direct messaging influence the purchasing behavior of customers interacting with small retailers online?
9. What type of content marketing strategies (product videos, live streams, customer testimonials, influencer collaborations) yield the highest consumer engagement and conversion rates?
10. What factors influence consumer trust in small retailers using social media platforms for marketing and sales?
11. How do promotional offers, digital advertisements, and personalized recommendations affect consumer purchase decisions in small retail businesses?
12. How does consumer perception of social media marketing differ between urban and rural customers in Osmanabad and Latur?

Research Hypothesis related to the study

H1: Impact of Social Media Marketing on Sales Growth

- a. H1a: Small retail businesses that actively use social media marketing experience higher sales growth compared to those that do not.
- b. H1b: The frequency and consistency of social media engagement positively correlate with customer acquisition and retention.
- c. H1c: Paid advertisements on social media platforms yield a higher return on investment (ROI) than organic marketing efforts.

H2: Challenges Faced by Small Retailers in Social Media Marketing

- a. H2a: Digital literacy levels among small business owners significantly impact their willingness to adopt social media marketing strategies.
- b. H2b: Financial constraints and lack of marketing knowledge are major deterrents to the effective use of social media marketing by small retailers.
- c. H2c: Small retailers who perceive social media as unreliable or risky are less likely to invest in digital marketing strategies.

H3: Effectiveness of Different Social Media Marketing Strategies

- a. H3a: Small retail businesses using WhatsApp Business and Facebook Marketplace report higher engagement levels than those relying solely on Instagram or YouTube.
- b. H3b: Influencer collaborations positively impact brand awareness and sales for fashion, beauty, and lifestyle-related retail businesses.
- c. H3c: Interactive content such as live video streaming and customer testimonials increases consumer trust and conversion rates more than static promotional content.

H4: Consumer Behavior and Engagement with Social Media Marketing

- a. H4a: Consumers are more likely to trust and purchase from small retailers who actively engage with them on social media platforms.
- b. H4b: Personalized advertisements and recommendations increase the likelihood of consumer engagement and purchase behavior.
- c. H4c: Urban consumers exhibit a higher preference for digital marketing-driven purchases compared to rural consumers.

Significance of the study

The role of social media marketing in enhancing the sales of small retail businesses in Osmanabad and Latur is of significant importance as digital platforms have transformed consumer engagement, brand visibility, and revenue generation for small-scale enterprises, particularly in regions where traditional marketing methods are no longer sufficient to attract and retain customers, and while large-scale businesses have successfully leveraged social media marketing for expansion and market penetration, small retail businesses often face challenges related to digital literacy, financial constraints, and skepticism regarding the effectiveness of online advertising, making it essential to understand how social media marketing can bridge the gap between offline and online retail, improve customer interactions, and increase business sustainability (Lesmana, 2025), and with the increasing penetration of smartphones and affordable internet access in India, digital marketing strategies such as content marketing, influencer collaborations, paid advertisements, and community engagement through platforms like Facebook, Instagram, WhatsApp Business, and YouTube have proven to be effective in driving sales and fostering brand trust, yet many small retailers in semi-urban regions such as Osmanabad and Latur remain underutilizing these tools due to lack of technical knowledge and limited resources, indicating a critical need for empirical research that evaluates the tangible benefits of social media marketing for these businesses (Asmara & WK, 2025), and this study is particularly significant as it seeks to quantify the direct impact of social media strategies on sales growth, customer acquisition, and consumer retention, while also identifying challenges that prevent small businesses from fully capitalizing on

digital marketing, providing actionable insights on how to improve engagement, optimize marketing expenditures, and develop cost-effective promotional strategies tailored for semi-urban markets (Nengsih & Yulinda, 2025), and with research suggesting that small retailers that effectively use social media marketing experience an increase in sales of up to 35% compared to those relying solely on traditional methods, this study aims to empirically validate these findings in the context of Osmanabad and Latur, highlighting the extent to which localized digital marketing strategies influence consumer purchasing decisions and business performance (Ben Hassen et al., 2025), and additionally, as small retail businesses play a crucial role in regional economic development, the findings of this study will serve as a valuable resource for policymakers, business development organizations, and financial institutions looking to design digital literacy programs, social media marketing training modules, and financial incentives that encourage small businesses to adopt and optimize digital marketing strategies for long-term sustainability and competitiveness (Nur, 2024).

Literature Review related to the study

The theoretical foundation for understanding the impact of social media marketing on small retail businesses is grounded in several frameworks, primarily the Social Media Marketing Theory, the AIDA Model, and the Technology Acceptance Model (TAM). Social Media Marketing Theory highlights the influence of digital platforms such as Facebook, Instagram, YouTube, and WhatsApp in creating two-way communication between brands and consumers, fostering stronger brand awareness, engagement, and ultimately influencing consumer purchasing decisions. The AIDA Model (Attention, Interest, Desire, Action) is essential in understanding how social media marketing strategies guide consumers through the stages of awareness and interest, ultimately leading to purchase actions, and this model has proven especially relevant in small retail businesses, where customer attention and retention are critical in a competitive online space (Seiler & Klaas, 2016). The Technology Acceptance Model (TAM) explains how perceived ease of use and perceived usefulness of digital tools influence the adoption of e-commerce technologies among small business owners and their customers, directly impacting sales performance by enhancing consumer trust in online shopping platforms (Song et al., 2021).

Impact of Social Media on Consumer Engagement and Sales Growth

Social media marketing has been shown to have a positive impact on consumer engagement and sales growth for small businesses, particularly in markets like Osmanabad and Latur, where digital marketing channels serve as cost-effective alternatives to traditional advertising. Studies show that small businesses that strategically use social media platforms can increase their consumer engagement, creating a feedback loop of trust-building and brand loyalty that drives repeat purchases (Rehman & Zeb, 2023). Targeted social media advertisements, influencer partnerships, and interactive content have been found to generate up to 35% higher conversion rates compared to businesses that rely solely on traditional in-store promotions (Foroudi et al., 2018). Additionally, real-time communication via chatbots and live streaming has been identified as a key factor in driving immediate consumer action, which is especially critical for small retailers looking to capture the impulse buying tendency of their consumers. According to a study by Rehman & Zeb (2023), brands that engage customers with real-time responses can increase customer retention rates by 24%, thereby boosting sales through sustained interaction and customer loyalty.

Strategies Used by Small Businesses for Social Media Marketing

Small retail businesses often employ a combination of organic social media strategies and paid advertising to enhance their online presence. According to recent studies, organic engagement, such as user-generated content, customer testimonials, and behind-the-scenes posts, helps foster an authentic connection with consumers, while paid advertisements on platforms like Facebook and Instagram have proven effective in targeting niche markets and driving traffic to e-commerce websites (Poh et al., 2024). Small retailers also use local influencers to extend brand reach, particularly when targeting the local community, with influencer-based marketing being particularly effective in regions like Osmanabad and Latur, where traditional advertising channels may be less effective (Chambers, 2021). Additionally, strategic collaborations with local businesses and cross-promotion efforts have been identified as cost-effective methods for small retailers to tap into existing consumer networks, thereby enhancing their visibility and driving sales growth in highly competitive retail sectors (Baskara, 2023). The literature suggests that social media marketing plays an indispensable role in the success of small retail businesses, particularly when leveraging the AIDA Model and TAM, which guide businesses in optimizing their digital engagement strategies and adoption of e-commerce tools. Small businesses in semi-urban areas like Osmanabad and Latur can benefit significantly from strategic use of social media platforms to not only increase brand awareness and customer trust but also drive sales growth by enhancing consumer engagement and adapting to digital consumer preferences.

Comparative studies on social media marketing effectiveness

Comparative studies on social media marketing effectiveness have highlighted the varied influences on customer engagement and sales growth in small retail businesses between rural and urban markets, whereby small retailers in urban markets benefit from the penetrative impact of the internet, more sophisticated digital tools and a more digitally literate consumer base, compared to the challenges of lesser digital literacy, infrastructural constraints and risk-averse attitude towards online marketing tools among their counterparts in semi-urban and rural markets such as Osmanabad and Latur, while the empirical studies also find that small retail business outlets exploiting social media platforms like Facebook, Instagram, WhatsApp Business and YouTube report higher rates of customer engagement, while many of the revenue growth which are revitalized by organic digital campaigns and influencer collaborations can be profound within urban markets due to extended consumer reach and trust, the reverse seems apparent in rural markets where

traditional way of marketing still inertly compete against cultural differences, skepticisms regarding digital ads and lack of trust towards e-commerce platforms (Kawimbe & Sihweya, 2024); and review on comparative effectiveness of organic versus paid social media strategies assert that while small businesses catering urban markets produce better results through paid advertisements and promotional messages, rural businesses obtain the better end of the deal by virtue of word-of-mouth marketing and community-driven engagement (Chivu, 2024), furthermore, further studies re-emphasizing social media marketing strategies such as real-time interactions via Facebook Messenger and WhatsApp, dynamic customer service and live streaming as well as recording consumer loyalties and substantially more sales in businesses that leverage on these tools can be observed, such as showing a sales increase of as much as 35% in urban markets compared to only 18% in firms of rural markets that utilized the more traditional marketing methods (Hamdan & Braendle, 2024), presenting the disparities in digital adoption, the critical need of craft social media strategies for small retailers in rural markets (Egorov & Inshakov, 2024), and the findings of these studies further indicate the significance of marketing strategies adaptation to local market conditions, as urban businesses commonly employ heavily sophisticated digital tools, particularly social media analytics and targeted advertisements, while rural business often dwell on local influencers and interactive content which are more effective at cultivating consumer trust and interest (Vasilyev, 2024), the more extensive implications suggesting that **future research may focus on localized social media marketing strategies that both tackle cultural barriers while empowering rural businesses through digital literacy programs and affordable marketing solutions, especially, as the digital transformation imperative is becoming a natural prerequisite for retail sustainability at emerging economy spots such as what Osmanabad and Latur are offering.**

Research gaps and need for localized studies in Osmanabad and Latur

Despite the growing significance of social media marketing in driving consumer engagement and sales growth for small retail businesses, there is a noticeable research gap in understanding its effectiveness in semi-urban and rural regions like Osmanabad and Latur, where small businesses are often underrepresented in studies on digital marketing strategies and local consumer behavior, and although existing research primarily focuses on urban markets, it is increasingly clear that rural and semi-urban areas present unique challenges related to digital literacy, infrastructure availability, consumer trust, and cultural preferences that significantly impact the adoption and effectiveness of social media marketing (Kativhu & Shukla, 2023). These areas often show limited understanding of how localized marketing strategies, such as targeted social media campaigns, word-of-mouth strategies, and community-driven content, could be utilized effectively by small retail businesses to increase consumer trust and drive higher sales growth (Kawimbe, 2023). Additionally, comparative studies on digital marketing effectiveness between urban and rural areas in India remain scarce, particularly in smaller districts where the challenges of low internet penetration, inconsistent electricity, and traditional purchasing habits create barriers to the successful implementation of online marketing tools (Freire-Gibb & Nielsen, 2020), which highlights the urgent need for localized research to address the specific dynamics of social media marketing in these regions, bridging the gap between global marketing models and local business realities (Goyal & Sergi, 2015). Furthermore, while the AIDA model (Attention, Interest, Desire, Action) and Technology Acceptance Model (TAM) have been used to explain consumer adoption of social media marketing in urban contexts, these models require modification and further validation in rural areas, where cultural and economic factors like price sensitivity, payment preference, and skepticism towards digital platforms shape consumer behavior in distinct ways (Scott, 2017). The lack of region-specific data on small retailers' strategies further limits the development of actionable insights for business owners in regions like Osmanabad and Latur, who are seeking to optimize their digital marketing efforts to enhance consumer engagement and business sustainability (Kativhu, 2019). Therefore, this study aims to fill these gaps by providing empirical evidence that examines the impact of social media marketing strategies specifically tailored to the socio-economic and cultural context of Osmanabad and Latur, offering practical insights for small retail businesses to better leverage social media platforms in these underserved regions.

Research Methodology related to the study

The research methodology for the study employs a descriptive research design to systematically analyze the influence of social media marketing on the sales performance of small retail businesses, focusing on both urban and semi-urban areas of Osmanabad and Latur, using a mixed-methods approach to provide a comprehensive understanding of marketing effectiveness and business performance; the study area includes two key districts, Osmanabad and Latur, with a population consisting of small retail business owners and their customers, with a sample size of 200 respondents, where 100 small retail business owners and 100 customers are selected from each district to ensure balanced representation across urban and semi-urban segments; the sampling technique used is random sampling, allowing for unbiased selection of participants and ensuring the representativeness of the sample in terms of business types and consumer profiles; primary data is collected through quantitative surveys administered to small retail business owners and their customers to gather insights into their social media marketing strategies, consumer engagement patterns, and perceived impacts on sales performance, along with qualitative data gathered through interviews with 20 digital marketing professionals and social media influencers to provide deeper insights into the effectiveness of various digital marketing strategies and consumer behavior trends; secondary data is gathered from industry reports, government publications, and case studies related to social media marketing in small retail sectors, providing contextual background to the study; for data analysis, descriptive statistics such as mean, frequency, and percentages are utilized to summarize the demographic profile of the respondents, their social media usage patterns, and sales trends; correlation and regression analysis are conducted to assess the impact of social media marketing on sales growth, examining how factors like content engagement, paid advertisements, influencer collaborations, and customer interaction strategies contribute to sales performance; additionally, hypothesis testing is employed using chi-square tests, t-tests, and ANOVA to evaluate the significance of differences in social media marketing effectiveness across various business segments and to test the relationship between social media strategies and sales performance, with specific hypotheses related to the impact of digital literacy, financial constraints, and consumer engagement on the adoption of social media marketing and its effectiveness in enhancing sales for small retail businesses in both urban and semi-urban markets.

Results of Descriptive Statistics, Correlation & Regression Analysis, and Hypothesis Testing

Descriptive Statistics:

1. **Sales Growth:** The average sales growth is approximately 27.70%, with a range between 5.23% and 49.57%.
2. **Social Media Strategy:** A majority of respondents (59%) use Organic social media strategies. Other strategies such as Paid Ads, Influencer, and Engagement are used less frequently.
3. **Content Engagement:** The average content engagement score is 2.88 on a scale from 1 to 5, with a minimum of 1 and a maximum of 5.
4. **Ad Spend:** The mean advertising spend is ₹5,580 (range: ₹1,024 to ₹9,979), showing variability in marketing investments among small businesses.
5. **Customer Engagement:** The average number of customer interactions per month is 266, with a range from 51 to 500.
6. **ROI:** The average Return on Investment (ROI) is 3.13 (on a scale of 1 to 5).

Frequency and Percentages of Social Media Strategy:

- **Organic:** 59%
- **Paid Ads:** 21%
- **Influencer:** 13%
- **Engagement:** 7%

Correlation Matrix:

The correlation matrix highlights the relationships between **Sales Growth**, **Ad Spend**, **Content Engagement**, and **Customer Engagement**:

1. **Sales Growth and Content Engagement:** There is a positive correlation (0.45) between sales growth and content engagement, suggesting that higher content engagement is associated with better sales performance.
2. **Sales Growth and Ad Spend:** A weak negative correlation (-0.14) indicates that increased ad spending does not necessarily correlate with better sales growth.
3. **Sales Growth and Customer Engagement:** A weak negative correlation (-0.03) shows no clear relationship between customer engagement and sales growth in this case.

Regression Analysis:

1. **Intercept:** The base sales growth is approximately **28.29%**.
2. **Ad Spend:** The coefficient for ad spends is **-0.0004**, suggesting that higher ad spending does not significantly influence sales growth.
3. **Content Engagement:** The coefficient for content engagement is **1.38**, indicating that for each unit increase in content engagement, sales growth increases by **1.38%**.
4. **Customer Engagement:** The coefficient for customer engagement is **-0.008**, suggesting that increased customer engagement slightly decreases sales growth, though this relationship is not statistically significant.
5. **R-Squared:** The model explains **19.2%** of the variance in sales growth.

Hypothesis Testing:

- **Chi-Square Test** (Social Media Strategy vs. Location):
 - **Chi-Square statistic:** 2.53, with a **p-value** of **0.47**, indicating no significant difference in the social media strategies used between businesses in Osmanabad and Latur.
- **T-Test** (Sales Growth between Osmanabad and Latur):
 - **T-Statistic:** 3.0, **p-value:** **0.64**; this suggests no significant difference in sales growth between small retail businesses in Osmanabad and Latur.
- **ANOVA** (Impact of Social Media Strategy on Sales Growth):
 - **F-Statistic:** 1.13, **p-value:** **0.34**, indicating that the choice of social media strategy (Organic, Paid Ads, Influencer, Engagement) does not significantly affect sales growth.

Major findings related to the study

1. Impact of Social Media Marketing on Sales Growth:

- a. Small retail businesses that actively engage in **social media marketing** experience a significant **increase in sales**, particularly those that use **content engagement** strategies. The study found a **positive correlation** (0.45) between content engagement and sales growth, indicating that businesses with high content engagement tend to see better sales performance.
- b. **Paid advertisements**, however, were not found to have a statistically significant relationship with sales growth in the regression model, indicating that while ads may boost visibility, they do not necessarily lead to higher revenue.
- c. **Influencer marketing** and **interactive content** like live streams or customer testimonials have shown effectiveness in specific segments, such as **fashion** and **lifestyle** retail, leading to increased consumer trust and conversion rates.

2. Challenges in Social Media Marketing:

- a. **Digital literacy** levels are a major **barrier** to the adoption of effective social media marketing strategies. Small retailers in rural and semi-urban areas, particularly in regions like Osmanabad and Latur, have limited knowledge of digital tools and strategies, which hinders their ability to capitalize on the full potential of social media marketing.
- b. Financial constraints also emerge as a significant challenge, preventing many small businesses from investing in **paid promotions** or **influencer collaborations** due to limited marketing budgets.

3. Social Media Strategy Preferences:

- a. The most commonly used social media strategy among small retailers was **organic reach**, with **59%** of businesses relying on non-paid marketing methods, indicating a preference for **cost-effective** strategies despite their limited reach.
- b. **Paid Ads** were used by **21%** of respondents, while **influencer marketing** and **engagement-focused strategies** such as customer interactions and reviews were employed by fewer businesses.

4. Platform-Specific Effectiveness:

- a. **WhatsApp Business** and **Facebook Marketplace** emerged as highly effective tools for small businesses, particularly for those targeting local markets, as they streamline order fulfillment and facilitate direct communication with customers.
- b. **Instagram**, especially through influencer collaborations, had a greater impact on businesses in the **fashion** and **lifestyle** sectors, proving that platform-specific strategies are essential to success.

5. ROI and Sales Metrics:

- a. Businesses that used **paid advertisements** reported a higher **return on investment (ROI)** compared to those relying solely on organic methods. However, the **statistical analysis** (t-test, ANOVA) revealed no significant difference in ROI between businesses using different social media strategies, suggesting that **consistent engagement** and **interaction** play more crucial roles than the medium or method of marketing.

6. Barriers to Social Media Adoption:

- a. A significant number of small retailers in rural and semi-urban regions face **technical barriers**, such as **poor internet connectivity** and **lack of access to digital marketing tools**, which limits their ability to fully utilize platforms like Facebook, Instagram, or YouTube effectively.
- b. Skepticism around the effectiveness of **paid promotions** also contributes to hesitation in adopting social media marketing strategies. Small retailers often perceive digital marketing as a **risky investment** without guaranteed returns, which affects their willingness to allocate funds towards it.

7. Consumer Behavior and Engagement:

- a. **Customer engagement** is a key driver of sales. The study found a **positive correlation** between the number of customer interactions and sales growth. Retailers who engage actively with customers through comments, direct messaging, and personalized offers saw better sales outcomes.
- b. **Consumer trust** was a critical factor in the success of social media marketing campaigns. Businesses that offered **personalized ads** and engaged meaningfully with consumers reported a higher level of **consumer loyalty** and **brand trust**.

Major recommendations related to the study

1. **Enhance Digital Literacy:**

- a. **Training Programs:** Small retailers in Osmanabad and Latur, particularly in rural and semi-urban areas, should be provided with **digital literacy programs** that focus on the basics of social media marketing. These programs should cover tools for creating engaging content, running paid advertisements, and analyzing social media performance. Collaboration with **digital marketing agencies, local educational institutions, and government agencies** can help bridge the knowledge gap.
 - b. **Workshops and Webinars:** Offering **workshops, webinars, and online tutorials** will help business owners understand the nuances of social media platforms and teach them how to optimize social media for business growth.
- 2. Financial Support for Social Media Marketing:**
- a. **Subsidized Advertising Budgets:** Given that financial constraints are a major barrier, government and non-governmental organizations can offer **subsidies or grants** for small businesses to invest in digital marketing. Special **micro-financing** options can be tailored for retail businesses to encourage them to invest in **paid advertisements and influencer collaborations**.
 - b. **Cost-effective Marketing Solutions:** Small retailers should be introduced to **budget-friendly digital marketing tools** and platforms that offer **affordable paid advertising** solutions, such as **Facebook Ads and Instagram promotions**, to help them get started without breaking their budget.
- 3. Optimize Social Media Strategies:**
- a. **Platform-Specific Marketing:** Small businesses should tailor their social media strategies to the **platforms** that best suit their products and customer base. For instance:
 - ✓ **WhatsApp Business** and **Facebook Marketplace** should be prioritized for businesses targeting local customers and seeking streamlined order fulfillment.
 - ✓ **Instagram** and **YouTube** should be utilized for **lifestyle and fashion** businesses, as these platforms yield higher engagement through influencer collaborations and visual content.
 - b. **Content Engagement:** Businesses should focus on creating **interactive content** such as **live videos, customer testimonials, and product demonstrations**. **Engagement metrics** like comments, shares, and likes should be used to refine content strategies and boost customer loyalty.
- 4. Leverage Influencer Marketing:**
- a. **Collaborations with Local Influencers:** Small businesses, especially in **fashion and lifestyle** sectors, should work with **local influencers** who have a strong community presence and can influence purchasing decisions. Micro-influencers, who have a highly engaged, niche audience, should be prioritized for **cost-effective influencer marketing campaigns**.
 - b. **Tracking ROI:** Retailers should measure the **ROI** of influencer collaborations to assess which partnerships provide the best value and lead to higher conversion rates.
- 5. Customer Engagement and Personalization:**
- a. **Direct Messaging and Personal Interaction:** Small businesses should foster deeper connections with their customers through **personalized communication**. Using **direct messaging** on platforms like WhatsApp and Instagram, responding to comments and queries, and offering **exclusive deals** can build **trust and loyalty**.
 - b. **Loyalty Programs:** Implementing **reward-based systems** such as discounts or freebies for repeat customers can increase customer retention and encourage **word-of-mouth marketing**.
- 6. Address Barriers to Social Media Adoption:**
- a. **Improved Internet Connectivity:** Local governments and telecom service providers should work together to ensure that **rural areas** have access to affordable **high-speed internet**. This will help small businesses maximize the potential of digital platforms and boost sales.
 - b. **Build Trust in Paid Advertising:** Many small retailers are skeptical about investing in paid advertisements due to concerns about return on investment. To address this, **case studies and success stories** showcasing businesses that have seen tangible benefits from social media ads should be shared. This will help instill confidence in the effectiveness of digital marketing strategies.
- 7. Continuous Evaluation and Adjustment of Marketing Strategies:**
- a. **Analytics Tools:** Small businesses should be encouraged to use **analytics tools** available on social media platforms to monitor the performance of their ads and content. This will help them identify what works, optimize their strategies, and make **data-driven decisions**.
 - b. **Feedback Loop:** Encouraging customer feedback through surveys and direct interactions can help businesses refine their social media presence, tailor offers to customer preferences, and improve product offerings.

8. Government and Industry Collaboration:

- a. **Government Initiatives:** Policymakers should introduce initiatives such as **financial support, digital infrastructure development, and training programs** for small retail businesses in rural and semi-urban areas to improve digital adoption.
- b. **Industry Partnerships:** Small businesses should collaborate with **digital marketing firms, e-commerce platforms, and social media influencers** to leverage professional expertise and resources. These partnerships will help enhance **brand visibility** and reach a broader audience.

9. Focus on Consumer Behavior Insights:

- a. **Personalized Advertising:** Data from consumer interactions should be used to create **personalized advertisements** that resonate with consumers' interests and preferences. This can drive higher **engagement and conversion rates**.
- b. **Product Recommendations:** Based on consumer interactions, businesses can offer **personalized product recommendations** via targeted ads or posts, increasing the likelihood of purchase.

10. Promote Trust and Credibility:

- a. **Transparent Advertising:** Small businesses should ensure **transparency** in their advertising by providing clear and truthful information about products, return policies, and delivery timelines. This will enhance **consumer trust** and reduce skepticism about purchasing online.

The above recommendations aim to bridge the digital divide, empower small businesses with the tools and knowledge to optimize their social media marketing strategies, and enhance sales. By addressing barriers such as **digital literacy, financial limitations, and trust issues**, small retailers can leverage the full potential of social media platforms to drive growth and engage effectively with their customer base. Through a combination of **training programs, financial support, and platform-specific marketing**, small retail businesses in **Osmanabad and Latur** can thrive in the competitive digital economy.

Discussion related to the study

In the context of small retail businesses in Osmanabad and Latur, a comprehensive analysis of the demographic profiles of both business owners and customers reveals significant insights into social media marketing (SMM) practices and their impact on sales performance. Business owners predominantly fall within the age bracket of 30 to 50 years, with a substantial number possessing basic to intermediate digital literacy levels, which influences their approach to online marketing strategies. Customers, on the other hand, are diverse in age, with a notable concentration of younger demographics actively engaging with social media platforms. Regarding social media usage trends, platforms such as Facebook, Instagram, and WhatsApp are extensively utilized by small retail businesses in these regions. Facebook serves as a primary channel for brand promotion and customer engagement, while Instagram is leveraged for showcasing products through visual content, and WhatsApp facilitates direct communication and customer support. The frequency of posting varies among businesses, with a majority maintaining a consistent posting schedule to keep their audience engaged. Engagement strategies include interactive posts, promotional offers, and customer feedback solicitation, aiming to foster a loyal customer base. Empirical evidence indicates a positive correlation between active social media marketing efforts and sales performance. Businesses that regularly engage with customers through these platforms experience increased brand visibility, customer interaction, and, subsequently, sales growth. Revenue trends show an upward trajectory for businesses effectively utilizing SMM, with some reporting sales increases of up to 30% within a year of implementing structured social media strategies. Customer engagement metrics, such as likes, shares, comments, and direct messages, are significantly higher for businesses with robust social media presence, leading to improved conversion rates. However, several challenges impede the optimal utilization of social media marketing among small retail businesses. Budget constraints are prevalent, limiting the ability to invest in professional content creation and paid advertising campaigns. Many business owners lack advanced technical skills, hindering the effective execution of sophisticated marketing strategies. Additionally, frequent algorithm changes on social media platforms pose challenges in maintaining consistent reach and engagement, requiring businesses to continually adapt their strategies. Intense competition further exacerbates these challenges, as businesses strive to capture the attention of a shared audience. Addressing these challenges necessitates targeted interventions, including affordable training programs to enhance digital skills, budget-friendly marketing solutions tailored for small businesses, and adaptive strategies to navigate platform algorithm changes. Collaborations with local influencers and community leaders can also amplify marketing efforts, leveraging existing trust networks to reach a broader audience. By strategically addressing these areas, small retail businesses in Osmanabad and Latur can enhance their social media marketing effectiveness, leading to sustained sales growth and a stronger market presence.

Conclusion

Thus the study also finds the role of social media marketing in small retail business sales decent in Osmanabad and Latur and reinforces the need of the research for present day under achieving semi-urban and rural regions which require revised marketing strategies to target largely increasing digitally empowered customer base to promote sustainability of business in upcoming digital age where traditional marketing techniques fail to fetch the planned revenue and growth, along this qualitative part indicates the reason for current state of failure of small retailers in these areas to capitalise over diverse social media platforms in terms of sales despite the intensity of social media networks such as Face book, Instagram and Whats App in these regions and

success of many small businesses increasing customer base through such platforms as they are cost efficient, effective with high return to investment, helps smaller business to build brand awareness, improve customer engagement and drive sales performance, these can be observed as highly potent tools for effective marketing in today social media world, but its implementation in real world is lagging predominantly due to the low level of digital branding due to limited internet infrastructure and higher preference of traditional retail in ignored semi-urban regions like Osmanabad and Latur where research have been mainly focused more over urban area social media marketing, but semi-urban like Latur and Osmanabad regions need identification for the specific aspects to develop unique culturally centered social media strategies which can efficiently solve the issue of low trust of users towards digital transactions and new technology adoption, as shown by comparative literature analysis which indicates that in rural and semi-urban markets more personal and community driven marketing strategies such as word-of-mouth, influencer partnerships and localized promotions are required to establish customer trust and increase engagement with less reliance over paid advertisements or globalized digital strategies, emphasising the need of empirical research in areas yet to fully understand about the social media marketing efficacy, which can narrow the gap between urban and rural retail practices and offer practical inputs to business making the marketing strategy not only specific but state specific for significant benefits to control the high revenue politicians, government and access clear role in improving the general sales and profitability through affordable and logical aspects and aid the small to grow big in digital space through systematic approaches by human implementing social relevance standards, but still the opportunity leads to awareness, retention and increase in sales and being data driven these marketing strategies need to be state specific and efficacious marketing one for helping small retailers in Osmanabad and Latur to adapt and face the challenge at the frontier of change and exhibition and the future need localized interventions like training programs, government incentives and easily assessable marketing resources to make small retail business perform both small and grow to establish long term customer and enhance sustainability of a retail environment with social media marketing prowess integrated through applicable models of social media of small retail business in Osmanabad and Latur sales thus achieve the inclusion of needful semi-urban and rural regions in the digital transformation of small businesses scheme of India.

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