



CHALLENGES FACED BY MSMES IN IMPLEMENTING DIGITAL MARKETING STRATEGIES

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ABSTRACT:

Micro, Small, and Medium Enterprises (MSMEs) are the backbone of economic growth and employment generation around the world. Yet, while digital marketing's growing importance in accessing larger bases and increasing competitiveness, numerous MSMEs fail to adopt good digital marketing strategies. This research identifies the major impediments to the uptake of digital marketing by MSMEs, such as scarce financial resources, limited digital capabilities, poor technological infrastructure, and poor awareness of digital platforms and tools. The research also considers extrinsic impediments like changing consumer behavior, stiff competition, and the fluidity of digital marketing trends. By determining and examining these hurdles, this study hopes to deliver insights for digital marketers, MSME stakeholders, and policymakers so that they may create focused interventions and support schemes that can heighten the digital competencies of MSMEs.

INTRODUCTION:

MSMEs in India have a crucial role to play in the country's economic development through manufacturing output contribution, enhancement of foreign exchange earnings, creation of employment opportunities, exports, and enhancing balanced economic growth (Mohan & Ali, 2018). India possesses around 36 million MSMEs creating around 80 million employment opportunities, contributing to around 8% of the gross domestic product (GDP) and around 33% of overall manufacturing output (Ministry of Micro, Small and Medium Enterprises, 2023).

With the fast-changing nature of the business world, going digital in marketing has become a necessity for Micro, Small, and Medium Enterprises (MSMEs) seeking to excel in the new-age market. Digital marketing provides endless opportunities for such enterprises to reach a worldwide clientele, gain more brand awareness, and make sales. Along with these opportunities are some distinctive challenges that call for careful perception and strategy. This opening discusses the consciousness and issues encountered by MSMEs while traversing the intricate world of online marketing.

OBJECTIVES:

- To determine the level of awareness of MSME owners on the digital marketing challenges.
- To determine the Primary challenges faced by MSME in executing digital marketing strategies (financial, human, technological gaps).
- To examine the level of digital marketing adoption by MSMEs and the determinants influencing it.
- To suggest solutions and plans to overcome these obstacles and maximize digital marketing.

METHODOLOGY OF RESEARCH :

To use proper methodology is an essential part of any research. In order to conduct the research study, scientifically certain measures and methods are followed.

AREA OF THE STUDY

Economically, Coimbatore is a major industrial center, especially in industries like textiles, engineering, and manufacturing. The city has a strong entrepreneurial culture, with many small and medium-scale enterprises adding to its vibrant business climate. Coimbatore is also becoming a major IT and software services hub, drawing investments and talent from all over the country. The study area is limited to Coimbatore city alone.

SAMPLING METHOD

- Simple random sampling
- Stratified sampling

SAMPLE SIZE

The sample size of the study is approximately 30 respondents.

SOURCE OF DATA

PRIMARY DATA

Collected from a well structured questionnaire of sample size is 30.

SECONDARY DATA

Data were collected from various secondary sources like journals, books, magazines, newspapers and websites.

REVIEW OF LITERATURE:

Dr. K. Vanaja, Mr. V. Aravind Kumar (2023)¹⁴, The research has been conducted to explore the effect of digital marketing in small-scale businesses. The study was done through gathering information from a population of small firms that had adopted digital marketing tactics in their business operations. **Jyotshana Upadhyaylo (2022)**², asserts that in terms of the greatest impediment inhibiting MSMEs from efficiently employing ICT and E Business being inadequate information, knowledge, and educated personnel inside the firm. They stress that a move toward filling the gap within SMEs is to defeat "skill access" and "usage access" restrictions, in lieu of physical barriers. the development and growth of the Indian small-scale industry following the opening up of the economy in 1991. It also explores the present status of MSME and the problems they encounter, including lending, marketing, and licensing issues. The researcher studied various marketing problems SMEs in India face.

Results and Discussion:

Table showing awareness on importance of digital marketing

S.NO	PARTICULARS	NO. OF RESPONSES	PERCENTAGE
1.	YES	24	20
2.	NO	6	80
	TOTAL	30	100

Source: Primary data

On examining the data, it is evident that, 6 out of 30 respondents constituting 80% of the respondents have awareness on the importance of digital marketing and 24 out of 30 respondents constituting 20% of the respondents are not aware of the importance of digital marketing.

FINDINGS :

1. Majority (16%) of the respondents are from the home appliances sector.
2. Manufacturing has the highest number of responses, with 19 out of 30, constituting 64% of the total responses. Service sector follows manufacturing with 4 responses, which is 13% of the total. While this is significantly lower than manufacturing, the Retail sector has 7 responses, making up 23% of the total.
3. The overwhelming majority of MSMEs, comprising 97% of total responses, operate with a workforce size ranging from 0 to 500 employees, highlighting the prevalence of marketing.
4. Majority (37%) of the respondents selected increasing customer engagement as the motivating factor.
5. Majority (37%) of the responses rated moderate and low as their level of understanding.

SUGGESTION:

Upon reviewing the results of the study and recommendations provided by MSME owners and managers, the following are some suggested recommendations

Most of the respondents perceived the lack of training and development opportunities for current employees as their technology issues to be faced while implementing digital marketing strategies so it is recommended to conduct workshops and training programs specifically designed for MSMEs to educate them about digital marketing tools and strategies including basic concepts as well as advanced techniques in digital marketing. It is crucial to ensure that the workshops are hands-on and interactive, enabling participants to apply learnings immediately to their businesses. Most of the respondents felt they have limited budget at their disposal to initiate digital marketing strategies so it is recommended to set up consultation services to make them invest best amount to initiate digital marketing strategies, manned by digital marketing professionals who can offer bespoke advice and suggestions and to provide one on one consultation or small group meetings where businesses can share their individual issues and get focused solutions.

Conclusion:

In summary, the research has illuminated the central role of digital marketing in the competitive formation and development of Micro, Small, and Medium Enterprises (MSMEs). Through an analysis of how MSMEs interact with digital marketing, the research highlights the substantial advantages achievable through the utilisation of digital means for sustainable brand projection, development, and customer relationship management. A fundamental finding of this research is that some MSMEs fail to see the business potential of internet marketing strategies. This failure can be due to the reluctance of some to make investments in internet marketing strategies, which points towards a need to increase awareness and understanding of what they can achieve.

References:

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