

# Dynamics of Innovations and Value Creation in Small Business by Diffusion of Digital Marketing



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**Abstract:** *The digital arena is now seeing a swift transformation into a platform for marketing and communication, with an increasing number of apps scouting for ways to bridge the gap between brands and audience. The marketers thus have to focus on right sources that can help them to reach their target audience optimally, even in the gaming space. The study focused on the impact of digital marketing to influence the successful revenue generation of small business in different cities of Odisha. 342 respondents were selected for the study and stratified random sampling was used. The respondents belong to the food, handicraft, jewelry, mobile shop and coaching centers business group. The findings suggested digital marketing had an impact on revenue generation as well as effectiveness in acquisition of new customers as well as retaining the customer base.*

**Keywords :** *Digital Marketing, Local Business, Brand awareness, social platforms*

## I. INTRODUCTION

Late 2000 saw a dramatic shift in the marketing sphere with the development in Digital marketing and it has changed the way brands and businesses use technology for marketing. But with time the digital platforms are increasingly gathered importance and incorporated it into marketing plans and made it a part of everyday life, and this got further lift as people today are using digital devices instead of visiting physical shops, digital marketing campaigns are becoming more prevalent and efficient. Digital marketing in India is growing faster than any other medium. Some estimates project the growth to be above 30 per cent. The digital arena is now seeing a swift transformation into a platform for marketing and communication, with an increasing number of apps scouting for ways to bridge the gap between brands and audience. Digital marketing has now gone beyond social platforms and Google adverts. The emergence of technological innovation and ever-increasing competition has created the demand for disruption in digital branding. The

different methods of digital marketing are SEO(Search Engine Optimization),Content Marketing, Social Media Marketing, Affiliate Marketing, Native Advertising, Marketing Automation, Email Marketing:

## II. LITERATURE REVIEW

Business to Business businesses use social media in their marketing efforts and the purpose of using social media was enhancement of company reputation, more customer interest, customers awareness and acquiring new customers Those businesses are not using social media didn't find any effectiveness of their marketing efforts. Still there lack knowledge among businesses to increase knowledge of how to effectively integrate the social media withier marketing strategy [1]. Digital marketing is a vital tool for businesses for attracting customers, knowing customers preferences and building a strong customer relationship. The study focused on using digital marketing tools for building customer relationship and the knowledge of digital tool have a great impact on the firms digital marketing and their success [2]. Consumer creativity exerts positive impact on brand attitudes by affecting their attitudes towards the creative activity itself [3]. The study examined the factors affecting adoption of digital marketing channels in SMEs and found SMEs had not used fully the potential of digital tools and are not able derive the benefits from it [4] . There is a formal relationship between digital loyalty cards and the informal nature of business market orientation[5].AIDA model was applied for using digital marketing tool as a strategy and AIDA model has been widely used for online marketing strategy and model was used as a strategy weapon. Social media is a marketing tool for guiding small businesses on how to strategically use social media for marketing [6].Studied the economic impact of internet and by the use of social media websites it will include increased awareness and good relationship with customers and also in acquiring new customers[7].Digital marketing is an effectively widely accepted technology because they often have low resource availability and thus reduces the margin of error[8].Digital revolution has the greatest impact on small and medium sized businesses[9].Social media has a strong influence on brand awareness and brand trust and which turn had a strong influence on customer acquisition and customer retention[10]. Social media is an important decision support model for successful social media adoption by small businesses [11].Implemented the content marketing and integrated with high marketing theory from a business model innovation perspective [12].

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Social media was used as an effective tool in the Industrial B2B sector [13]. Social media impacts financial, operational and corporate social performance. Followers and likes positively influence a organizations share value.

Twitter is a considered as powerful tool than the face book as powerful tool[14].social media are transforming the the ways how customers communicate with businesses regarding service failure.[16].

### III. RESEARCH OBJECTIVES

1. To test the impact of digital marketing to influence the successful revenue generation of small business in different cities of Odisha.
2. To test the effectiveness of digital marketing on small business Odisha to acquire and retain the customer base.

### IV. RESEARCH METHODOLOGY

The area selected for the research is Odisha as a whole. The four cities those were considered for sample survey are Bhubaneswar, Cuttack, Berhampur and Rourkela. The respondents in this case constitutes the following Hypotheses:

1. Ho: There is no significant impact of digital marketing in influencing the revenue generation of small business in different cities of Odisha.

H1: There is a significant impact of digital marketing in influencing the revenue generation of small business in different cities of Odisha.

2. Ho: The digital marketing adopted by Odisha based small business is not effective in acquiring and retaining the customer base.

H1: The digital marketing adopted by Odisha based small business is effective in acquiring and retaining the customer base.

### V. DATA ANALYSIS AND RESULTS

**Table-1 Classification of Respondents**

Cities Covered	Respondents type					TOTAL
	F	H	J	M	C	
Bhubaneswar	21	9	16	29	19	94
Cuttack	14	24	18	21	16	93
Berhampur	8	7	9	18	8	50
Rourkela	11	8	5	20	5	49
Sambalpur	6	14	11	17	8	56
<b>TOTAL</b>	<b>60</b>	<b>62</b>	<b>59</b>	<b>105</b>	<b>54</b>	<b>342</b>

F=Food,H=Handicrafts,J=Jewellery,M=Mobile Shops,C=Coaching Centres

On the basis of requirement of the research the stratified random sampling method was undertaken grouped into five (5) categories of business. The sample covered the business segments those contributes the largest sections of the small and unorganised business. An administered questionnaire was circulated to selected owners of the business in order to collect first-hand information. 342 respondents who are the owners of the small business operating and they cons in the five prominent cities of Odisha and it constitutes the total population for the survey. The source of data in this case is

owners of the small business units that come under Food, Handicraft, Jewellery, Mobile Shops, Coaching Centres. The data are collected from the owners who own the small business units in Bhubaneswar, Cuttack, Berhampur, Rourkela, Sambalpur areas.

### Demographic Analysis

In the process of obtaining the result for the objectives taken by the researcher, he has taken the response from three categories of respondents. The researcher has used the Likert type 5 point scale method to bring out his objectives. Below the researcher has used scales in the following way. In this section the analysis of the responses are carried out based on the basic information received from the respondents.

**Table- 2 Gender of the respondents**

Gender	Number	Percentage
Female	72	21.05
Male	270	78.95
Total	342	100.00

The following table-2.1 provides information on the Years of ownership in the organisation.

**Table-2.1 Years of involvement in the business**

Years of experience	Number	percentage
Less than 1 year	62	18.13
1 yr.-3 yrs.	93	27.19
3 yrs.-6 yrs.	83	24.27
6 yrs.-9 yrs.	48	14.04
above 9 yrs.	56	16.37
	342	100.00

24.27% of respondents were of 3-6 years experience in adopting digital marketing for their business followed by less than 1 year experience in adopting digital marketing for their business which constitute 18.13% of the total.

**Table-3 Awareness of Impact of Digital Marketing on Local Business**

Awareness of Welfare Facility	Number	percentage
Yes	280	81.87
No	62	18.13
<b>Total</b>	<b>342</b>	<b>100.00</b>

**Table-4: Impact of Digital Marketing on Local Business**

level of Welfare Facility	Number	Percentage
Excellent	165	48.25
Good	69	20.18
Fair	61	17.84
Bad	47	13.74
	<b>342</b>	<b>100</b>

. Based on the nature of the data collected it is concluded that the ANOVA is the best suited statistical method that can very well be used to test the hypothesis.

The reliability of data is obtained with the help of Cronbach's alpha where the value in first case is 7.852 and in the second case 6.936

**HYPOTHESIS-1:**

**Null Hypothesis Ho:** There is no significant impact of digital marketing in influencing the revenue generation of small business in different cities of Odisha.

**Alternate Hypothesis H<sub>1</sub>:** There is a significant impact of digital marketing in influencing the revenue generation of small business in different cities of Odisha.

Here it is to test the hypothesis, "There is no significant impact of digital marketing in influencing the revenue generation of small business in different cities of Odisha". To test this hypothesis the response of 342 respondents were undertaken for which questionnaires were distributed among the respondents from five cities and it constitutes the categories i.e. Food, Handicraft, Jewellery, Mobile Shops, Coaching Centres. The details of responses were represented in the following table and further the ANOVA test was used to test the hypothesis. The following table represents the responses received from the respondents who agreed that there is no significant impact of digital marketing in influencing the revenue generation of small business in different cities of Odisha. The Cronbach's alpha value in this case is 7.852 which is well above the required value. It is observed that total 307 respondents who said digital marketing do not put significant impact in influencing the revenue generation of small business of Odisha. This shows 89.76% of the respondents said yes "digital marketing do not put significant impact in influencing the revenue generation of small business of Odisha".

**Table-5: Opinion of the respondents towards the impact of digital marketing**

Cities Covered	Respondents type					TOTAL
	F	H	J	M	C	
Bhubaneswar	12	9	16	16	19	72
Cuttack	11	17	18	21	16	83
Berahampur	8	7	9	18	8	50
Rourkela	11	8	5	18	5	47
Sambalpur	6	14	11	16	8	55
<b>TOTAL</b>	48	55	59	89	56	307

**Table-6: Summary table**

Groups	Count	Sum	Average	Variance
Food	5	48	9.6	6.3
Handicraft	5	55	11	18.5
Jewellery	5	59	11.8	27.7
Mobile Shops	5	89	17.8	4.2
Coaching Centres	5	56	11.2	35.7

Source: Researcher's own findings

**Table-7 ANOVA Result**

Source of Variation	SS	df	MS	F	P-value	F crit.
Between Groups	203.44	4	50.86	2.752	0.057	2.866
Within Groups	369.6	20	18.48			

Total	573.04	24				
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Source: Researcher's own findings

The ANOVA literature says that if the calculated F value is less than the F critical value then in such cases the null hypothesis is accepted. From the above ANOVA table -1.4 it is observed that the tabulated value at 4 degree of freedom at 5% level of significance is 2.866 i.e. F critical value. But the result of ANOVA at 4 degree of freedom is 2.752 which is lower than the tabulated value, i.e. the calculated 'F' value is less than the tabulated 'F' value i.e. 2.752 < 2.866. Since the calculated 'F' value here is less than the 'F' critical value the null hypothesis i.e. "There is no significant impact of digital marketing in influencing the revenue generation of small business in different cities of Odisha", is accepted. Thus it is to reject the alternative hypothesis.

**HYPOTHESIS-2:**

**Null Hypothesis Ho:** The digital marketing adopted by Odisha based small business is not effective in acquiring and retaining the customer base.

**Alternate Hypothesis H<sub>1</sub>:** The digital marketing adopted by Odisha based small business is effective in acquiring and retaining the customer base.

Here it is to test the hypothesis, "The digital marketing adopted by Odisha based small business is not effective in acquiring and retaining the customer base". To test this hypothesis the response of 342 respondents were undertaken for which questionnaires were distributed among the respondents from five cities and it constitutes the categories i.e. Food, Handicraft, Jewellery, Mobile Shops, Coaching Centres. The details of responses were represented in the following table and further the ANOVA test was used to test the hypothesis. The following table represents the responses received from the respondents who agreed that the digital marketing adopted by Odisha based small business is not effective in acquiring and retaining the customer base. The Cronbach's alpha value in this case is 6.936 which is well above the required value. It is observed that total 292 respondents who said digital marketing adopted by Odisha based small business is not effective in acquiring and retaining the customer base. This shows 85.38% of the respondents said 'yes' "digital marketing adopted by Odisha based small business is not effective in acquiring and retaining the customer base".

**Table-8: Opinion of the respondents towards the impact of digital marketing**

Cities Covered	Respondents type					TOTAL
	F	H	J	M	C	
Bhubaneswar	8	9	14	20	12	63
Cuttack	11	15	18	17	14	75
Berahampur	7	9	9	16	10	51
Rourkela	7	8	7	18	7	47
Sambalpur	6	14	11	16	9	56
<b>TOTAL</b>	39	55	59	87	52	292

Source: Field Survey





Table-9: Summery table

Groups	Count	Sum	Average	Variance
Food	5	39	7.8	3.7
Handicraft	5	55	11	10.5
Jewellery	5	59	11.8	18.7
Mobile Shops	5	87	17.4	2.8
Coaching Centres	5	52	10.4	7.3

Source: Researcher’s own findings

Table-10 ANOVA Result

Source of Variation	SS	df	MS	F	P-value	F crit
Between Groups	249.44	4	62.36	7.251	0.001	2.866
Within Groups	172	20	8.6			
Total	421.44	24				

Source: Researcher’s own findings

The ANOVA literature says that if the calculated F value is less than the F critical value then in such cases the null hypothesis is accepted. From the above ANOVA table –1.7 it is observed that the tabulated value at 4 degree of freedom at 5% level of significance is 2.866 i.e. F critical value. But the result of ANOVA at 4 degree of freedom is 7.251 which is more than the tabulated value, i.e. the calculated ‘F’ value is higher than the tabulated ‘F’ value i.e. 7.251 > 2.866. Since the calculated ‘F’ value here is more than the ‘F’ critical value the null hypothesis i.e. “The digital marketing adopted by Odisha based small business is not effective in acquiring and retaining the customer base”, is rejected. Thus it is to accept the alternative hypothesis.

Summery Table of Testing of Hypothesis:

CASE-1: Since the calculated ‘F’ value is less than the critical ‘F’ value i.e. 2.752 < 2.866, the Null hypothesis, “There is no significant impact of digital marketing in influencing the revenue generation of small business in different cities of Odisha”, is accepted.

CASE-2: Since the calculated ‘F’ value is more than the critical ‘F’ value i.e. 7.251 > 2.866, the Null hypothesis “The digital marketing adopted by Odisha based small business is not effective in acquiring and retaining the customer base”, is rejected. The above findings are explained in the following tabular form:

Table-10: ANOVA Test

SL.No.	Hypothesis	Statistic used	Calculated value	Result
1	There is no significant impact of digital marketing in influencing the revenue generation of small business in different cities of Odisha.	ANOVA	2.752	Accept
2	The digital marketing adopted by Odisha based small business is not effective in acquiring and retaining the	ANOVA	7.251	Reject

customer base.			
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VI. CONCLUSIONS

The research has successfully come out with the two different findings. To test the hypotheses ANOVA method has been primarily used. In the first case when the responded were asked about the impact of digital marketing in influencing the revenue generation, they accepted no significant impact. But at the same time when the respondents were asked about the digital marketing’s effectiveness in acquiring the customer base, they agreed there is an effect in acquiring and retaining the customer base. This research paper highlights that there is no significant impact of digital marketing that influences the revenue generation of small business in different cities of Odisha. Since this research is conducted taking Odisha in to consideration, the result will not be used for any other states. It is to be considered that this kind of research is not always adopted due to the geographical limitations.

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