

# Adoption of Digital Marketing Practices in Micro Small Medium Enterprises for Inclusive Growth

Datrika Venkata Madhusudan Rao, K.Rajeswari



**Abstract:** India's Micro, Small, and Medium Enterprises (MSMEs) base is the biggest on the planet after China. According to the official appraisals, there are about 63.05 million miniaturized scale businesses, 0.33 million little, and around 5,000 medium undertakings in the nation. The Micro, Small and Medium Enterprises (MSME) part is a profoundly lively and dynamic segment of the Indian economy. It contributes in the financial and social advancement of the nation. MSMEs are encouraging enterprise and creating biggest work openings at relatively lower capital expense, next just to farming. Presently, MSMEs are worked in practically all significant segments in the Indian business, for example, Food Processing, Textiles and articles of clothing, Agricultural data sources, Leather and cowhide merchandise, Sports merchandise, Plastic items, Electro-restorative gear, Computer Software and so on. SMEs assume a crucial job in Indian Economy with their commitment in modern yield, fares, business and creation for Indian and worldwide market. This paper centers on existing advertising media for SMEs in administrations division and searches for extent of internet promoting. With the range of time online media has gain significance in showcasing and it very well may be a perfect mechanism for SMEs accomplishment in promoting. Online media permits securing, sustaining and gathering prompts draw in with them dependent on referrals and proposals. Specialists have likewise indicated that web based showcasing is savvy and aides in widen and oversee client database for SMEs. As Digital Marketing gives colossal advantages to the business, MSMEs is likewise the territory which can get or benefit this stage for offering pace to their advancement. The following are the two motives for doing research in this area. First one is Digital Marketing is a fruitful idea for huge brands in India, what is the impact on neighborhood and little brands in little urban communities? And the second one is what devices and parts ought to be utilized by these nearby and little brands to completely abuse the Digital Marketing?

**Keywords:** Msmes, Digital Marketing Practices, Business, Online Media, Smes Marketing.

## I. INTRODUCTION

This paper explores web based promotional possibilities of SMEs of administrations area in India. Investigates uncover that there are not many examinations on web based showcasing of SMEs searching for point of view to make a passage in worldwide commercial center.

Manuscript received on February 10, 2020.

Revised Manuscript received on February 20, 2020.

Manuscript published on March 30, 2020.

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Advertising of business and endeavor has made some amazing progress from the time of generation to period of relationship promoting. Along these lines web based advertising of SMEs is significant for examine as they are significant wellspring of work, development and economy. Financial advancement of a country really relies on the industrialization with the assistance of satisfactory assets, advances and responsive government strategies. For a creating economy like India, in the late twentieth century with disclosure of web, ventures saw an extreme change in business tasks and promoting by going past value-based advertising and towards relationship showcasing Micro, Small and Medium Enterprises (MSMEs) are one of the most lively, dynamic and delicate parts in Indian economy. The MSMEs are viewed as motor of development everywhere throughout the world. The essentialness of the part is ascribed to its ability of work age, low capital and innovation necessity, utilization of conventional or acquired aptitude, preparation of nearby assets and exportability of items. This division was experiencing an exceptionally ensured territory during the pre-progression period. The primary goal of that security was to protect the Small Scale Industries (SSIs) from showcase rivalry by forcing a few limitations. Be that as it may, with the rise of globalization in Indian economy since 1991, the circumstance changed drastically. Indian market was opened up for outside speculators by decreasing different exchange limitations to advance unhindered commerce all through the world. The MSMEs are one of the significant constituent of our economy and contributes altogether to nearly 7% of the assembling GDP and 31% of the administrations GDP. They produce around 120 million livelihoods and add to around 46% of the general fares from India. MSMEs have an extraordinary job being developed of country India. By producing enormous number of business MSMEs assists with limiting rustic neediness. In rustic region MSME assists with lessening provincial country lopsided characteristics and over reliance of agribusiness. MSMEs have demonstrated as extraordinary instruments being developed of in reverse class individuals and ladies strengthening. MSMEs in India assumes a basic job in the financial improvement of the country through commitment to the assembling yield, expanding remote trade income, arrangement of business openings, sends out, and advancing adjusted monetary advancement. India has around 36 million MSMEs giving around 80 million work openings, adding to about 8% of the (GDP) and about 33% of all out assembling yield (Ministry of Micro, Small and Medium Enterprises, 2018). Indian MSMEs are seeing an amazingly powerful and multi-faceted business situation.

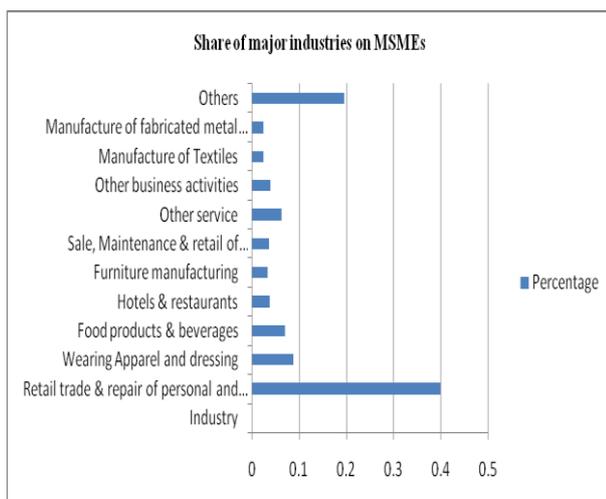
# Adoption of Digital Marketing Practices in Micro Small Medium Enterprises for Inclusive Growth

The inexorably unpredictable cost structures and a stubborn journey of conveying high consumer loyalty are requiring the selection of ICT (Information Communication Technology) devices including the reception of web promoting and web based business to support in the present situation where rivalry is progressively getting worldwide, particularly because of the flood of imports from neighboring China. The focal point of this examination is on the ID of the key determinants which influence the selection of web showcasing channels for the MSMEs. The examination additionally recognizes the unmistakable advertising channels conveyed by these organizations in the Indian situation. The significant issues with the progress to the web advertising channels were from that point explored to create a comprehension about the computerized provokes relevant to the Indian MSMEs. The following table explains the major industries share in MSME.

**Table-1: Share of major industries in MSME**

Sl. No.	Industry	Percentage of share
1	Retail trade & repair of personal and household	39.85%
2	Wearing Apparel and dressing	8.75%
3	Food products & beverages	6.94%
4	Hotels & restaurants	3.64%
5	Furniture manufacturing	3.21%
6	Sale, Maintenance & retail of Automotive	3.57%
7	Other service	6.20%
8	Other business activities	3.77%
9	Manufacture of Textiles	2.33%
10	Manufacture of fabricated metal products	2.33%
11	Others	19.40%

\*Source: Annual Report MSME-2018



**Figure-1: Graphical Presentation of Share of major industries in MSME**

## II. LITERATURE REVIEW

**Sunday and Vera (2018):** ICT helps in effective usage of an arranged and focused on advancement which can help the development of the venture and holds clients for the future result.

**Nikolopoulos and Dana(2017):** The selection of ICT channels, particularly web advertising, by MSMEs is regularly damaged by a few components identified with the absence of essential assets, absence of mindfulness or information, or money related limitations.

**Mbuyisa and Leonard (2017):** Much of the time, it supplements with other customary correspondence modes to build up a satisfactory multi-channel showcasing procedure. The key for organization of a showcasing blend for a venture is to create mindfulness among target clients, improving client information about the item or administration, fabricating the brand value and friends picture to pick up client steadfastness.

**Subrahmanya Bala (2011):** has examined the effect of globalization on the fares possibilities of the little scale undertakings. The examination uncovers that portion of SSI send out in absolute fare has expanded in security period yet stay pretty much stagnated during the progression time frame. Be that as it may, the connection co-effective in progression period is higher than that of assurance period recommending that the connection between the absolute fare and SSI trade has gotten more grounded in advancement period.

**Bhavani T.A. (2010):** features the issue of business age example of Small scale ventures. The investigation uncovers that, work age by the SSIs might be high in quantitative term yet extremely low in quality. Mechanical up degree may lessen that issue and can produce quality business and aptitude.

**Rathod, C. B. (2007):** broke down the significance of little scale industry and its commitment in world economy. The examination additionally find that, SSI division in India has been displaying a striking fare execution and fare had grown up to twofold digit from the most recent ten years.

**Wymer and Regan (2005):** The drivers for ICT utilization and appropriation among the MSMEs can be comprehensively be delegated: business-related elements coming about because of outer challenge, authoritative capacities and expertise and budgetary adequacy of the firm; and innovation related variables which incorporates the IT foundation.

**Reid (2003):** The reception of promoting blend assumes an essential job to create and keep up cozy associations with clients and partners. It assists with recognizing the requirements of clients, in this manner helping ventures to grow better client esteemed items and administrations. It additionally stretches out to the development of the interior assets of the association, in this manner improving its presentation as far as authoritative foundation improvement, key arranging and recognizable proof of target markets and intuitiveness with the clients.

**Scupola (2003):** The arrangement of the ICT devices and applications in the business procedures would help improve the intensity of MSMEs in national and global markets.

This requires the recognizable proof of the objective client groups, advancement of aptitudes in the ICT devices, building up the e-preparation foundation and the customization of ICT applications and arrangements according to the necessities of individual MSMEs.

**Shin (2001):** Web promoting is developing as a promising device for client centered advertising endeavors to gain, keep up and develop associations with clients and different partners.

**Low (2000):** Having an effective promoting blend, including embracing of web showcasing and web based business accompanies a few related advantages to MSMEs, not many of which are:

presentation of items or administrations in the worldwide market, distinguishing proof and comprehension of worldwide gauges, web based business stage for items and administrations, cost and item customization to target potential clients and gaining the center abilities and aptitudes required in worldwide market situating.

**Manickavel, S (1997):** He has contemplated the nearness of any sexual orientation biasness with respect to assessment of credit demands, assent of advance to new business by the business banks. The investigation uncovers that both male and female business visionaries face trouble in getting credit from banks. The issue is, be that as it may, increasingly unmistakable for the female business people.

**Sandesara (1993):** contemplated the exhibition of Small scale enterprises (SSI) creating saved things. The examination look at the presentation of SSI firms creating held class things with that of delivering non-saved things.

### III. METHODOLOGY

The methodology utilized in the investigation is graphic and explanatory in nature and depends on optional data sources gathered from different research papers, notoriety diaries and magazines, library, yearly reports of the Ministry of MSMEs, different registration report led by the Ministry of MSMEs, and other related sites to this issue. The crucial questions in our examination were spun around:

- (1) What are the different kinds of promoting apparatuses utilized by MSMEs in India?
- (2) What variables are answerable for assistance of web advertising and online business among Indian MSMEs?
- (3) What are the significant hindrances or difficulties looked by Indian MSMEs in the reception of web showcasing and web based business channels.

We embraced an expressive research strategy to address the above research inquiries through a cross-sectional investigation of MSMEs as for ICT. It is focused on the distinguishing proof and portrayal of the current situation with the Indian MSMEs in the web and web based business area. To waitlist firms for our examination, we experienced the databases gave by the Indian Chamber of Commerce just as MSME Development Institutes of different Tier I and Tier II urban communities in India. In the principal phase of the examination, we attempted a progression of extensive, face-to-face, semi-organized meetings with MSME administrators/proprietors to more readily conceptualize the issue. The meetings depended on the premises of catching the different components that impact the appropriation of web showcasing and internet business by MSMEs. Accommodation testing was done at this stage dependent on the essential member qualities and dependent on the member's ability to participate the meetings were recorded and later translated to recognize designs among the reactions

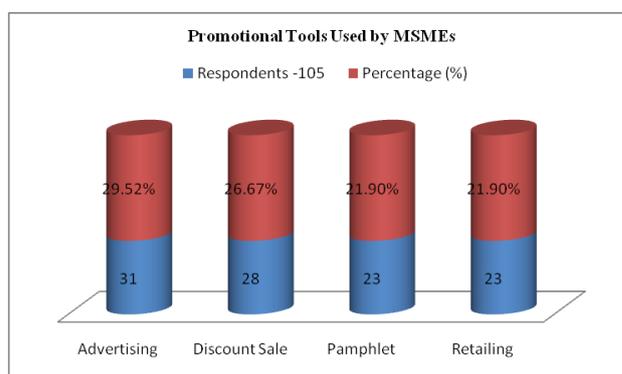
of the members. In light of the reactions from interviews, an overview poll was structured and managed among the proprietors of over a hundred MSMEs working in India. These inquiries were principally identified with the sorts of the promoting blend utilized by the entrepreneurs, the aptitudes required for embracing web showcasing and web based business and the various provokes identified with the appropriation of those channels. Following are the significant discoveries from the study managed among hundred and five MSME proprietors.

## IV. RESULTS

### A. Promotional tools used by MSMEs

**Table-2: Promotional tools used by MSMEs**

Promotional Tools	Respondents (105)	Percentage (%)
Advertising	31	29.52%
Discount Sale	28	26.67%
Pamphlet	23	21.90%
Retailing	23	21.90%



**Figure-2: Promotional tools used by MSMEs**

**Interpretation:** Table-2 introduces the predominant showcasing devices utilized by MSMEs to upgrade their fame and development. The discoveries in Table 1 demonstrate that promoting is favored by 31 respondents (29.52 percent), while rebate deals are supported by 28 (26.67 percent). Handout and individual retail establish the rest of the segments with 21.9 percent each. The Indian MSMEs are likewise seen as depending on more than one method of advancement at a solitary purpose of time. Endeavors have been made right now catch the most pertinent instrument regarding every one of the reviewed firm. There are additionally varieties in the propriety of the favored methods for advancement over the various purposes of time in a year.

### B. Deficiencies related to skills and knowledge in the usage of digital marketing and electronic commerce

**Table-3: Deficiencies related to skills and knowledge in the usage of digital marketing and electronic commerce**

Knowledge	Respondents (105)	Percentage (%)
Lack of awareness	41	39.05%
Not required	34	32.38%
Lack of skills and experience	30	28.57%

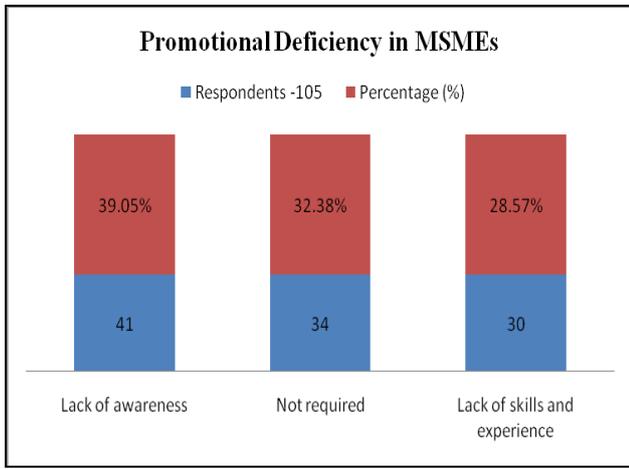


Figure-3: Deficiencies related to skills and knowledge in the usage of digital marketing and electronic commerce

**Interpretation:** Table 3 displays the insufficiencies looked by MSMEs on the aptitudes and information required to receive web promoting and online business. Absence of mindfulness was shown by 41 (39.05 percent) respondents as the most noteworthy issue. This is trailed by the conviction that these channels are not required (32.38 percent) and afterward absence of abilities and experience (28.57 percent). There are additionally some minor variables, for example, semantic imperatives, inclinations towards innovation, and so forth. One significant perspective that rises up out of these discoveries is the requirement for commitment programs for the MSMEs. This commitment could be filled in as an engaged gathering to measure the significance of the web showcasing and web based business for the independent ventures in the light of the developing worldwide challenge.

**C. Practical hurdles in implementing Internet Marketing and E-Commerce practices**

Table-4: Practical hurdles in implementing Internet Marketing and E-Commerce practices

Factors	Respondents (105)	Percentage of Respondents
Market Competition	37	35.24%
Financial/Capital	26	24.76%
Macroeconomic Factors	34	32.38%
Infrastructure	8	7.62%

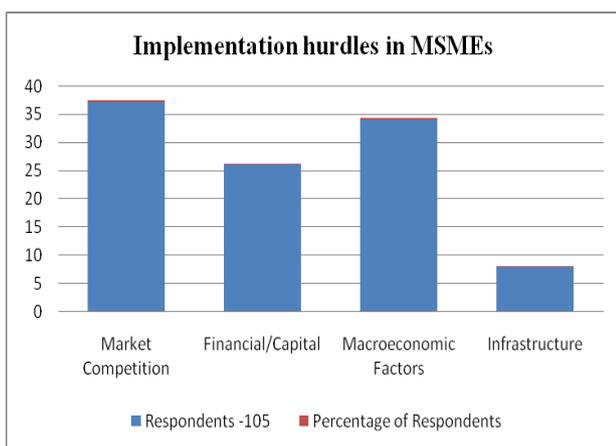


Figure-4: Practical hurdles in implementing Internet Marketing and E-Commerce practices

**Interpretation:** Table-4 mirrors the significant difficulties looked by MSMEs on the utilization of web advertising and web based business. 37 respondents (35.24 percent) felt the risk of market rivalry as the major testing factor that influences the utilization of web advertising and online business by MSMEs. The following most significant factor was macroeconomic issues demonstrated by 34 respondents (32.38 percent), trailed by budgetary (24.76 percent) and framework (7.62 percent) issues. The MSMEs are frequently occupied with fruition with their nearby partners. This goes about as an obstruction for them to concentrate on extending their client base through web and internet business channels. The market rivalry is likewise connected with fake items as a subordinate factor. The accessibility of less expensive results of standard or crummy quality may dishearten clients from purchasing certified items. The MSMEs in India are frequently confronted with the issue of the accessibility of accounts. These money related holes emerge because of the absence of insurances for the getting bank advances, together with significant expense related with different methods for deliberate credit. The significant subsidizing for undertaking a development or advancement exercises is frequently gotten through chaotic wellsprings of capital, which can seriously influence the long haul productivity of the Indian MSMEs.

**V. DISCUSSIONS**

A few qualities of Indian MSMEs warrant consideration if we somehow happened to value the difficulties they looked in the selection of web promoting and web based business channels. Initially, the auxiliary qualities of the MSMEs assume a significant job in the presence of a correspondence technique. MSMEs are little by their inclination, with most of them being possessed by people or families. They are dependent upon inward just as outer limitations with respect to their improvement and development. Inner issues incorporate absence of skillful work force, constrained accessibility of capital, absence of innovative intensity to embrace ICTs, and so forth. Outside elements incorporate market powers, for example, request changes, macroeconomic and political elements, send out issues, and so forth. Our examination uncovered that lion's share of the Indian MSME proprietors are not persuaded about the requirement for web advertising and internet business for their organizations. Comparable outcomes have been seen in other developing economies too. This could be extensively credited to an absence of mindfulness about the potential advantages, absence of assets, the nearness of outside elements or a blend of these variables. There is likewise no all encompassing correspondence program for firms in the majority of the cases and little exertion is placed into actualizing the equivalent. This features the constrained achievement of the MSMEs in valuing the essentialness of the ICTs to positively affect their clients. The utilization of ICTs in this manner depends on destinations and enthusiasm of explicit associations, especially that of the administration/proprietors. The second trademark among the respondents rises as far as essential drivers identified with the appropriation of web advertising as a way to mark relationship the executives.

These drivers are basically identified with the achievement of high client connection level through inputs, accomplishing vital consistency over the different useful levels and improvement of cross-utilitarian capabilities. MSMEs frequently like to gather their interests in correspondence to just a solitary sort of correspondence, as they send explicit correspondence modes in quest for accomplishing higher deceivability in the engaged commercial center to improve relational connections. Correspondences in such cases are regularly specialized and are connected to the conduct of its rivals. The third trademark is about their interior structure and correspondence forms. MSMEs conveying different correspondence modes regularly have issues identified with formalization of choices. This is identified with an absence of between utilitarian contribution, mindfulness, monetary and budgetary imperatives, and so on. In this way, the organizations regularly characterize their spending limit as for the chose correspondence action to be received. MSMEs with huge productivity and incomes frequently lean toward various methods of correspondence. At the end of the day, the appropriation of serious correspondence procedure could be credited to higher incomes and inward elements.

## VI. CONCLUSION

Utilization of web advertising/digital marketing and internet business could fill in as a key empowering agent to increase an upper hand as far as separation through an improved item and administration conveyance, or a brought down expense. It can assume a basic job to help reshape the plans of action of MSMEs by improving their serious elements. By and by, the low interest from Indian MSMEs for web advertising and online business has restricted the contributions of items and administrations custom fitted to suit the requirements of individual MSMEs in the market. This is owing to an absence of dynamism between the organizations offering web promoting administrations and MSMEs in the Indian situation. There is a hole sought after and supply which restricts the MSMEs to embrace web advertising and internet business channels. Subsequently, we propose that the administration and the business should cooperate to encourage the spread of ICT mindfulness and related ability improvement in the MSME area. This examination subsequently bears suggestions for policymakers. By sensibly utilizing components and impetuses accessible available to them, policymakers should cooperate with MSMEs to reduce a portion of the significant difficulties looked by MSMEs in the selection of web showcasing and online business. This would not simply help in the household organizations of MSMEs, yet in addition in their worldwide effort, both contributing toward bigger financial possibilities of the economy. This examination additionally gives a way to professionals and MSME proprietors to look at their authoritative practices with other little and medium-sized firms. The difficulties in the selection of web promoting and internet business should be appropriately evaluated in the light of particular authoritative culture and structure. Among others, the nonattendance of satisfactory aptitudes and expertise was distinguished as one of the key difficulties for MSMEs in their reception of web showcasing

and online business for their organizations. Thus, we propose that supervisors/proprietors of MSMEs ought to put satisfactorily in ability improvement/securing to effectively accomplish commercialization and showcasing of their ventures over web and computerized channels. Being among the novel examinations on the difficulties looked by Indian MSMEs in embracing web showcasing and web based business, this investigation sets an establishment for future analysts to dig into more profound inquiries. We additionally propose comparable examinations to be reproduced in various settings to differentiate and relate what all difficulties looked by Indian MSMEs are widespread as well as novel to the bigger institutional setting. One of the confinements of the investigation is the moderately little example size of respondents in the examination that can restrain sum up of the discoveries. Be that as it may, as we've followed a two-advance procedure, for example an underlying round of subjective meetings was trailed by a review study; we accomplished a type of triangulation inside the investigation itself. We prescribe future researchers to explore comparative inquiries with a bigger dataset.

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