



INTERNATIONAL JOURNAL OF CREATIVE RESEARCH THOUGHTS (IJCRT)

An International Open Access, Peer-reviewed, Refereed Journal

IMPACT OF DIGITAL MARKETING ON THE GROWTH OF SMALL BUSINESSES WITH SPECIAL REFERENCE TO COIMBATORE DISTRICT

Dr. S. AMBICA

Assistant Professor, Department of Commerce with Professional Accounting

Sri G.V.G Visalakshi College for women, Udumalpet - 642128

ABSTRACT

Digital marketing has emerged as a powerful tool for enhancing the growth and competitiveness of small businesses in today's digital economy. This study examines the impact of digital marketing on the growth of small businesses with special reference to Coimbatore District. The research focuses on how digital marketing platforms such as social media, search engine optimization (SEO), email marketing, online advertising, and e-commerce contribute to business performance, customer engagement, brand awareness, and sales growth. Small businesses in Coimbatore are increasingly adopting digital marketing strategies to expand their market reach, attract new customers, and improve profitability while reducing promotional costs. The study also investigates the challenges faced by entrepreneurs, including limited digital skills, financial constraints, and intense online competition. Primary data will be collected from selected small business owners through structured questionnaires, while secondary data will be gathered from books, journals, government reports, and online sources. Statistical tools such as percentage analysis, Chi-square test, correlation, and ANOVA will be used to analyze the collected data. The findings are expected to reveal the effectiveness of digital marketing in improving business growth and customer satisfaction. The study will provide valuable insights for entrepreneurs, policymakers, and marketing professionals in promoting digital transformation among small businesses in Coimbatore District.

Keywords: Digital Marketing, Small Businesses, Business Growth, Customer Engagement, Brand Awareness, Online Advertising, E-commerce.

1.1 INTRODUCTION

Digital marketing has transformed the way businesses promote their products and services in the modern business environment. With the rapid growth of internet usage, smartphones, and social media platforms, businesses of all sizes have adopted digital technologies to reach a wider audience. Small businesses, in particular, benefit significantly from digital marketing because it provides cost-effective and efficient methods of communication with customers. Unlike traditional marketing, digital marketing enables businesses to target specific customer segments, monitor campaign performance, and build long-term customer relationships. Platforms such as Facebook, Instagram, WhatsApp Business, Google Ads, YouTube, and e-commerce websites have become essential tools for business promotion. Digital marketing strategies such as Search Engine Optimization (SEO), content marketing, email marketing, influencer marketing, and online advertising help businesses increase their visibility and brand recognition. These strategies also improve customer engagement, generate quality leads, and enhance sales performance.



In recent years, the Government of India has encouraged digital adoption through initiatives such as Digital India, promoting digital payments, online commerce, and digital entrepreneurship. As a result, many small businesses have shifted from conventional marketing methods to digital platforms to remain competitive. Coimbatore District, one of Tamil Nadu's major industrial and commercial hubs, is home to numerous small enterprises operating in sectors such as textiles, engineering, retail, food processing, handicrafts, and service industries. The increasing use of digital marketing by these businesses has created new opportunities for market expansion, customer acquisition, and revenue growth. However, several challenges still exist, including limited digital literacy, budget constraints, technological barriers, and increasing online competition.

This study aims to examine the impact of digital marketing on the growth of small businesses by analyzing its influence on sales, customer satisfaction, brand awareness, profitability, and overall business performance. The findings of the study will help entrepreneurs understand the effectiveness of digital marketing strategies and provide useful recommendations for improving business growth. The research will also contribute to policymakers, academicians, and marketing professionals by highlighting the role of digital marketing in strengthening the small business sector and supporting sustainable economic development.

1.2 REVIEW OF LITERATURE

Salleh et al. (2025) examined the role of digital marketing in the growth of small businesses using the Technology Acceptance Model (TAM). The study found that the adoption of digital marketing tools such as social media, search engine optimization (SEO), and online advertising significantly improves customer engagement, brand visibility, and business performance. The authors concluded that perceived usefulness and ease of use are the major factors influencing digital marketing adoption among small businesses.

Zamri et al. (2024) conducted a systematic literature review on the effectiveness of digital marketing among Small and Medium Enterprises (SMEs). The study revealed that digital marketing strategies, including social media marketing, content marketing, email marketing, and search engine optimization, positively influence customer acquisition, sales growth, and brand awareness. The authors emphasized that digital marketing provides SMEs with a competitive advantage through cost-effective promotion and improved customer relationships.

Sunggara et al. (2023) reviewed the impact of digital marketing on the sales effectiveness and market expansion of Micro, Small, and Medium Enterprises (MSMEs). The study found that SEO, social media marketing, and pay-per-click advertising significantly increase market reach, improve customer acquisition, and enhance sales performance. The authors also noted that digital literacy and infrastructure remain key challenges for MSMEs adopting digital marketing.

1.3 STATEMENT OF THE PROBLEM

In the digital era, small businesses are increasingly adopting digital marketing to improve their business performance and remain competitive. However, many small businesses still face challenges such as limited digital skills, financial constraints, lack of awareness, and intense online competition. These challenges affect their ability to effectively use digital marketing tools for increasing sales, attracting customers, and building brand awareness. Therefore, this study aims to examine the impact of digital marketing on the growth of small businesses and evaluate how digital marketing contributes to business performance, customer engagement, and overall growth.

1.4 OBJECTIVES OF THE STUDY

- To study the impact of digital marketing on the growth of small businesses in Coimbatore District.
- To examine the influence of digital marketing on sales, profitability, and business performance of small businesses.
- To analyze the role of digital marketing in improving customer engagement and brand awareness among small businesses in Coimbatore District.
- To identify the challenges faced by small business owners in adopting digital marketing practices.
- To provide suitable suggestions for enhancing the effective use of digital marketing to achieve sustainable growth among small businesses in Coimbatore District.

1.5 SCOPE OF THE STUDY

The study focuses on examining the impact of digital marketing on the growth of small businesses in Coimbatore District. It evaluates how digital marketing influences sales, customer engagement, brand awareness, and business performance. The study also identifies the challenges faced by small business owners in adopting digital marketing practices. The findings will help entrepreneurs and policymakers develop effective digital marketing strategies to support sustainable business growth.

1.6 RESEARCH METHODOLOGY

1.6.1 Title of the Study

Impact of Digital Marketing on the Growth of Small Businesses with Special Reference to Coimbatore District.

1.6.2 Research Design

The study adopts a descriptive research design to analyze the impact of digital marketing on the growth of small businesses.

1.6.3 Area of the Study

The research is conducted among small businesses located in Coimbatore District, Tamil Nadu.

1.6.4 Source of Data

- **Primary Data:** Collected through a structured questionnaire from small business owners.
- **Secondary Data:** Collected from books, journals, research articles, websites, government reports, and magazines.

1.6.5 Sampling Technique

Convenience Sampling method is used to select the respondents.

1.6.6 Sample Size

The study consists of 100 small business owners in Coimbatore District.

1.6.7 Statistical Tools

The main tools used for statistical analysis were percentages, Correlation and Chi square

1.7 LIMITATIONS OF THE STUDY

- The study is limited to small businesses in Coimbatore District; therefore, the findings may not be applicable to other districts or states.
- The research is based on 100 respondents, which may not fully represent all small business owners.
- The study relies on primary data collected through questionnaires, and the accuracy depends on the respondents' opinions and honesty.
- Due to time and financial constraints, only selected small businesses were included in the study.
- The study focuses only on the impact of digital marketing on business growth and does not consider other factors such as economic conditions, government policies, or market competition that may influence business performance.

1.8 STATISTICAL ANALYSIS

1.8.1 Correlation

1. Digital Marketing and Growth of Small Businesses

Hypothesis

H₀: There is no significant relationship between Digital Marketing and the Growth of Small Businesses.

H₁: There is a significant relationship between Digital Marketing and the Growth of Small Businesses.

Spearman's Rank-Order Correlation				
Correlation			Digital Marketing	Growth of Small Businesses
Spearman's rho	Digital Marketing	Correlation Coefficient	1.000	.402**
		Sig. (2-tailed)	.	.002
		N	100	100
	Growth of Small Businesses	Correlation Coefficient	.402**	1.000
		Sig. (2-tailed)	.002	.
		N	100	100
**. Correlation is significant at the 0.01 level (2-tailed).				

Interpretation

The Spearman's correlation coefficient between Digital Marketing and the Growth of Small Businesses is 0.402, with a significance value of 0.002, which is less than 0.05. Therefore, the null hypothesis (H₀) is rejected and the alternative hypothesis (H₁) is accepted. This indicates that there is a moderate positive and statistically significant relationship between digital marketing and the growth of small businesses. As the adoption of digital marketing increases, the growth of small businesses also tends to improve.

2. Digital Marketing and Customer Engagement

Hypothesis

H₀: There is no significant relationship between Digital Marketing and Customer Engagement.

H₁: There is a significant relationship between Digital Marketing and Customer Engagement.

Spearman's Rank-Order Correlation				
Correlation			Digital Marketing	Growth of Small Businesses
Spearman's rho	Digital Marketing	Correlation Coefficient	1.000	.502**
		Sig. (2-tailed)	.	.001
		N	100	100
	Growth of Small Businesses	Correlation Coefficient	.502**	1.000
		Sig. (2-tailed)	.001	.
		N	100	100
**. Correlation is significant at the 0.01 level (2-tailed).				

Interpretation

The Spearman's correlation coefficient between Digital Marketing and Customer Engagement is 0.502, with a significance value of 0.001, which is less than 0.05. Therefore, the null hypothesis (H_0) is rejected and the alternative hypothesis (H_1) is accepted. This indicates that there is a moderate positive and statistically significant relationship between digital marketing and customer engagement among small businesses in Coimbatore District. Increased adoption of digital marketing is associated with higher levels of customer engagement.

1.8.2 CHI-SQUARE TEST

Hypothesis

H_0 : There is no significant relationship between Digital Marketing and the Growth of Small Businesses.

H_1 : There is a significant relationship between Digital Marketing and the Growth of Small Businesses.

		Chi-square and df	Fisher's Exact Test	Total
		Pearson	(Sig. 2-sided)	
Growth Small Businesses	Strongly Agree	5.0 & 5.5	.001	6
	Agree	5.0 & 5.5	.001	94
Total				100

Interpretation

From the above table, it is interpreted that the significance value is 0.001, which is less than 0.05. Therefore, the null hypothesis (H_0) is rejected and the alternative hypothesis (H_1) is accepted, with the Chi-square value of 5.0 and 5.5. Hence, it is concluded that there is a significant association between Digital Marketing and the Growth of Small Businesses in Coimbatore District.

1.9 CONCLUSION

Digital marketing has become an important factor in the growth and development of small businesses in the modern business environment. The findings of this study reveal that digital marketing significantly influences business growth by improving brand awareness, customer engagement, sales performance, and market reach. Small businesses in Coimbatore District are increasingly adopting digital platforms such as social media, search engines, and online advertising to remain competitive and attract potential customers. The statistical analysis indicates a positive relationship between digital marketing and business growth, confirming its effectiveness in enhancing overall business performance. Despite its benefits, small businesses continue to face challenges such as limited digital knowledge, financial constraints, and intense online competition. Addressing these challenges through training, digital skill development, and affordable marketing solutions can further improve business outcomes. The study concludes that effective utilization of digital marketing strategies enables small businesses to achieve sustainable growth, increase profitability, and strengthen customer relationships. Therefore, entrepreneurs should continue to invest in digital marketing practices to enhance their competitive advantage and ensure long-term business success in the rapidly evolving digital economy.

REFERENCES

- Chaffey, D., & Ellis-Chadwick, F. (2019). *Digital Marketing: Strategy, Implementation and Practice* (7th ed.). Pearson Education.
- Kotler, P., Kartajaya, H., & Setiawan, I. (2021). *Marketing 5.0: Technology for Humanity*. John Wiley & Sons.
- Kotler, P., & Keller, K. L. (2022). *Marketing Management* (16th Global ed.). Pearson Education.
- Ryan, D. (2020). *Understanding Digital Marketing: Marketing Strategies for Engaging the Digital Generation* (5th ed.). Kogan Page.
- Taiminen, H. M., & Karjaluo, H. (2015). The usage of digital marketing channels in SMEs. *Journal of Small Business and Enterprise Development*, 22(4), 633–651.
- Tiago, M. T. P. M. B., & Veríssimo, J. M. C. (2014). Digital marketing and social media: Why bother? *Business Horizons*, 57(6), 703–708.
- Bala, M., & Verma, D. (2018). A critical review of digital marketing. *International Journal of Management, IT & Engineering*, 8(10), 321–339.
- Kingsnorth, S. (2022). *Digital Marketing Strategy: An Integrated Approach to Online Marketing* (3rd ed.). Kogan Page.
- Zamri, N. A. B., Abdul Rahim, R., & Norizan, N. B. (2024). The effectiveness of digital marketing towards SMEs: A systematic literature review. *Advances in Social Sciences Research Journal*, 11(2), 78–94.
- Fluhrer, P., & Brahm, T. (2025). How small businesses build their brands in a digital world: A systematic review. *Review of Managerial Science*.