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A STUDY ON DIGITAL MARKETING CHALLENGES FACED BY RETAIL SHOPS IN POLLACHI

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ABSTRACT

Digital marketing has become an important tool for customer communication, promotion, and sales growth among retail shops in Pollachi. The study was conducted among 143 retail shop owners using a structured questionnaire and descriptive research design. Statistical tools such as percentage analysis and chi-square test were used for data analysis. The findings reveal that most respondents are aware of digital marketing and mainly use platforms such as WhatsApp, Instagram, and Facebook for business promotion and customer engagement. The study identifies major challenges such as lack of time, financial constraints, high costs, difficulty in handling digital marketing tools, lack of skilled staff, and insufficient training. Many retailers also do not have websites and depend mainly on simple social media platforms. The study suggests providing training programs, improving awareness, and offering affordable digital solutions to enhance digital marketing adoption and support the sustainable growth of retail businesses in Pollachi.

KEYWORDS: *Digital Marketing, Retail Shops, Marketing Challenges, Social Media Marketing, Customer Engagement, Retail Business, Pollachi, Digital Marketing Adoption, Online Promotion, Retail Entrepreneurship*

1. INTRODUCTION

Digital marketing has become an essential part of modern retail business activities by improving customer communication, promotion, sales growth, and brand awareness. Due to the increasing use of internet services, smartphones, and social media platforms, many retail shops in Pollachi are shifting from traditional marketing methods to digital marketing practices. Platforms such as WhatsApp, Instagram, Facebook, and Google Business help retailers improve customer reach and business performance.

Retail shops in Pollachi play an important role in the local economy, but many shop owners face challenges in adopting digital marketing effectively. Problems such as lack of technical knowledge, financial constraints, high marketing costs, shortage of skilled staff, lack of time, and difficulty in handling digital tools affect digital marketing implementation. In addition, many retailers still depend mainly on simple social media platforms and face strong competition from online businesses. Therefore, the study focuses on analyzing the awareness, usage, benefits, and major digital marketing challenges faced by retail shop owners in Pollachi.

2. REVIEW OF LITERATURE

1. T. Sivagnana Selvakumar and R. Balaji Vignesh (2022) studied the issues, challenges, and usage of digital marketing among small and medium enterprises in Coimbatore District. The study found that many businesses face problems such as lack of digital knowledge, financial limitations, and difficulty in implementing effective digital marketing strategies. The researchers emphasized the importance of digital awareness and training programs for business owners.
2. N. Kavitha (2023) analyzed digital marketing adoption among retail businesses and observed that social media platforms such as WhatsApp, Facebook, and Instagram play an important role in customer communication and promotion. The study revealed that small retail businesses mainly depend on simple digital platforms due to low cost and ease of use, while advanced tools such as websites are less commonly used.
3. R. Prakash and M. Suresh (2024) examined customer engagement and sales growth through digital marketing in the retail sector. The study concluded that digital marketing improves customer reach and business visibility, but retailers face challenges such as lack of time, shortage of skilled staff, and difficulty handling digital marketing tools effectively.
4. K. Arun Kumar (2025) investigated the major digital marketing challenges faced by small retail shop owners in Tamil Nadu. The findings indicated that financial constraints, lack of technical skills, high competition from online platforms, and insufficient training are the primary barriers affecting digital

marketing adoption among retail businesses. The study suggested providing affordable digital solutions and practical training programs to improve digital marketing effectiveness among retailers.

3. STATEMENT OF THE PROBLEM

Retail shops play an important role in the economic development of Pollachi by providing goods, services, and employment opportunities to the local population. In the present competitive business environment, digital marketing has become an essential tool for improving customer communication, promotion, sales growth, and business visibility. However, many retail shop owners face several difficulties in adopting and effectively utilizing digital marketing practices. Problems such as lack of technical knowledge, financial constraints, high marketing costs, shortage of skilled staff, lack of time, difficulty in handling digital marketing tools, and limited awareness about advanced digital platforms affect the effective implementation of digital marketing among retailers. In addition, increasing competition from online platforms and changing customer preferences create further challenges for traditional retail businesses. Therefore, the present study focuses on identifying the major digital marketing challenges faced by retail shops in Pollachi and suggests suitable measures for improving digital marketing adoption and business growth.

4 OBJECTIVES OF THE STUDY

- To understand the level of awareness and usage of digital marketing tools among retail shop owners in Pollachi.
- To identify the major challenges faced by retail shop owners in adopting digital platforms such as social media, websites, and online advertising.
- To examine the reasons for the low adoption of digital marketing among small retail businesses.
- To provide suitable suggestions for improving digital marketing practices among retail shops in Pollachi.

5. RESEARCH METHODOLOGY

5.1 Research Design

The study adopts a descriptive research design to analyze the digital marketing challenges faced by retail shop owners in Pollachi. The descriptive research design helps in understanding the awareness, usage, benefits, and problems related to digital marketing practices among retail businesses.

5.2 Area of the Study

The study was conducted in Pollachi, Tamil Nadu. Pollachi is an important commercial town with various retail businesses such as grocery stores, clothing shops, hotels, bakeries, footwear shops, and electronics stores.

5.3 Sources of Data

Both primary and secondary data were used for the study.

1. Primary Data : Primary data were collected directly from retail shop owners through a structured questionnaire.
2. Secondary Data : Secondary data were collected from journals, books, websites, research articles, magazines, and previous studies related to digital marketing and retail business.

5.4 Sampling Technique

Convenience sampling method was used for selecting respondents for the study.

5.5 Sample Size

A total of 143 retail shop owners were selected as respondents for the study.

5.6 Statistical Tools Used

The collected data were analyzed using the following statistical tools:

- Percentage Analysis
- Chi-Square Test
- Ranking analysis
- Tables and Charts

6. DATA ANALYSIS AND INTERPRETATION

6.1 Demographic Profile of Respondents

The study revealed that the majority of respondents were male retail shop owners involved in different types of businesses such as hotels and bakeries, clothing stores, grocery stores, electronics stores, and footwear shops in

Pollachi. Most respondents had completed undergraduate education and operated their businesses as sole proprietors. A significant number of retail shops employed between 1 to 5 workers, indicating that most businesses were small-scale in nature. The study also found that many respondents earned a moderate monthly income and were aware of digital marketing practices. These demographic details help in understanding the background, business nature, and digital marketing adoption level of retail shop owners included in the study.

6.2 Major Digital Marketing Challenges Faced by Retail Shops

The analysis identified the following major digital marketing challenges faced by retail shop owners in Pollachi:

Digital Marketing Challenges	Percentage of Respondents
Lack of Time	76.22%
Difficulty in Handling Digital Marketing Tools	65.03%
Financial Constraints	51.05%
Cost of Digital Marketing	34.27%
Lack of Skilled Staff	44.06%
Competition from Online Platforms	55.24%
Lack of Digital Marketing Training	66.43%

The findings indicate that lack of time is the most significant challenge faced by retail shop owners in adopting and managing digital marketing activities. A majority of respondents also experience difficulty in handling digital marketing tools and lack proper training and skilled staff. Financial constraints and competition from online platforms further affect the effective implementation of digital marketing practices among retail businesses in Pollachi.

6.3 Chi-Square Analysis

The Chi-Square test was applied to examine the relationship between selected demographic variables and digital marketing factors among retail shop owners in Pollachi.

Hypothesis of study

- There is no significant relationship between gender and awareness of digital marketing.
- There is no significant relationship between digital marketing usage and increase in sales.
- There is no significant relationship between level of knowledge and difficulty in handling digital marketing tools.
- There is no significant relationship between financial constraints and willingness to invest in digital marketing.
- There is no significant relationship between training in digital marketing and willingness to learn digital marketing.

TABLE 6.3.1 GENDER VS AWARNESS OF DIGITAL MARKETING

CHI-SQUARE TESTS			
	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	2.311[a]	1	.128
Continuity Correction[b]	1.607	1	.205
Likelihood Ratio	2.222	1	.136
Linear-by-Linear Association	2.295	1	.130
N of Valid Cases	143		

Interpretation

The Chi-Square test results indicate that there is no significant association between gender and awareness of digital marketing, as the Pearson Chi-Square test shows a p-value of 0.128**,** which is greater than the 0.05 significance level. Similarly, the Likelihood Ratio test also produces a p-value of 0.136**,** supporting the same conclusion. The Linear-by-Linear Association test value of 0.130 further confirms that there is no significant linear relationship between the variables. Since all expected cell counts are above 5, the assumptions of the Chi-Square test are satisfied, indicating that the results are reliable.

Therefore, the analysis concludes that gender does not significantly influence awareness of digital marketing among the respondents.

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TABLE 6.3.2 DIGITAL MARKETING USAGE VS INCREASE INSALES

Chi-Square Tests			
	Value	**df**	**Asymptotic Significance (2-sided)**
Pearson Chi-Square	1.754[a]	1	.185
Continuity Correction[b]	1.271	1	.259
Likelihood Ratio	1.722	1	.189
Linear-by-Linear Association	1.742	1	.187
N of Valid Cases	143		

Interpretation

The Chi-Square test results indicate that there is no significant association between digital marketing usage and increase in sales, as the Pearson Chi-Square test shows a p-value of 0.185**,** which is greater than the 0.05 significance level. Similarly, the Likelihood Ratio test also produces a p-value of 0.189**,** supporting the same conclusion. The Linear-by-Linear Association test value of 0.187 further confirms that there is no significant linear relationship between the variables. Since all expected cell counts are above 5, the assumptions of the Chi-Square test are satisfied, indicating that the results are reliable.

Therefore, the analysis concludes that digital marketing usage does not significantly influence increase in sales among the respondents in the study area

Table 6.3.3 RELATIONSHIP BETWEEN LEVEL OF KNOWLEDGE AND DIFFICULTY HANDLING DIGITAL MARKETING TOOLS

Chi-Square Tests			
	Value	**df**	**Asymptotic Significance (2-sided)**
Pearson Chi-Square	1.267[a]	2	.531
Likelihood Ratio	1.224	2	.542
Linear-by-Linear Association	.484	1	.487
N of Valid Cases	143		

Interpretation

The Chi-Square test results indicate that there is no significant association between the level of knowledge and difficulty in handling digital marketing tools, as the Pearson Chi-Square test shows a p-value of 0.531**,** which is greater than the 0.05 significance level. Similarly, the Likelihood Ratio test also produces a p-value of 0.542**,** supporting the same conclusion. The Linear-by-Linear Association test value of 0.487 further confirms that there is no significant linear relationship between the variables. Since all expected cell counts are above 5, the assumptions of the Chi-Square test are satisfied, indicating that the results are reliable.

Therefore, the analysis concludes that the level of knowledge does not significantly influence difficulty in handling digital marketing tools among the respondents.

7. FINDINGS OF THE STUDY

The major findings of the study are:

1. Most retail shop owners are aware of digital marketing and mainly use WhatsApp, Instagram, and Facebook for business promotion.
2. Digital marketing helps improve customer communication, sales promotion, and customer reach among retail businesses.
3. Major challenges faced by retailers include lack of time, financial constraints, high marketing costs, and difficulty in handling digital marketing tools.
4. Many retail shop owners lack training, technical knowledge, skilled staff, and advanced digital platforms such as websites.
5. The Chi-Square analysis shows no significant relationship between selected demographic variables and digital marketing factors in the study.

8. SUGGESTIONS

Based on the findings, the following suggestions are provided:

1. Digital marketing training and awareness programs should be organized for retail shop owners.

2. Retailers should improve their digital skills and regularly update their knowledge about digital marketing tools.
3. Affordable and user-friendly digital marketing solutions should be provided for small retail businesses.
4. Retail shops should strengthen their online presence through websites and social media platforms such as WhatsApp, Instagram, Facebook, and Google Business.
5. Businesses should allocate proper time, resources, and skilled staff for effective digital marketing management.

9. CONCLUSION

Digital marketing has become an important tool for improving customer communication, promotion, sales growth, and business visibility among retail shops in Pollachi. The study found that retailers mainly use platforms such as WhatsApp, Instagram, and Facebook for business activities and customer engagement. However, major challenges such as lack of time, financial constraints, high marketing costs, shortage of skilled staff, lack of training, and difficulty in handling digital marketing tools affect effective adoption. The study concludes that proper training, awareness programs, affordable digital solutions, and technical support are necessary to improve digital marketing practices and ensure the sustainable growth of retail businesses in Pollachi.

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