



IMPLEMENTATION AND EFFECT OF DIGITAL MARKETING IN A SMALL RETAIL BUSINESS IN POLLACHI

Ms. Thulasimani M¹, Dr. C. Rajalakshmi²

¹MBA Student, Sakthi Institute of Information and Management Studies Pollachi

²Associate Professor, Sakthi institute of information and management studies Pollachi

ABSTRACT

In today's rapidly evolving business environment, digital marketing has emerged as a vital tool for small businesses to enhance their market presence and customer engagement. This study focuses on the implementation and impact of digital marketing strategies in a small retail business in Pollachi, Tamil Nadu. By adopting tools such as social media marketing, Google My Business, and WhatsApp promotions, the business aimed to increase brand awareness, drive customer traffic, and improve sales. Data was collected through interviews with the business owner, customer surveys, and an analysis of online engagement metrics over a three-month period. The findings revealed a significant improvement in customer reach and a moderate increase in sales, highlighting the potential of digital marketing in empowering small-scale enterprises. The study concludes that with minimal investment and strategic planning, small retailers in semi-urban areas can effectively leverage digital platforms to compete in the modern marketplace.

Furthermore, the research highlights how digital marketing enhances customer relationships through direct and real-time communication. It also explores customer preferences and feedback received via digital platforms. The business was able to respond faster to customer needs, which helped improve satisfaction levels. The study emphasizes the need for digital literacy programs to support small retailers in rural and semi-urban areas. Ultimately, the results suggest that embracing digital marketing can lead to long-term growth and sustainability for small businesses.

KEYWORDS: Digital Marketing, Small Retail Business, Pollachi, Social Media Marketing, Google My Business, WhatsApp Promotions, Customer Engagement, Brand Awareness, Sales Growth, Semi-Urban Business Strategy.

INTRODUCTION

The retail industry in India has been undergoing a rapid transformation, driven largely by the rise of digital technology and increasing internet penetration. Digital marketing, once seen as a luxury, has now become a necessity for businesses aiming to remain relevant and competitive in today's market. This shift is not limited to urban centers; it is gradually making its way into smaller towns and rural areas, including Pollachi, a semi-urban town located in Tamil Nadu. Known for its agricultural economy and close-knit community, Pollachi is witnessing a slow yet significant change in how small retailers conduct business. Traditionally, small retail businesses in Pollachi have relied heavily on face-to-face interactions, local reputation, and word-of-mouth to drive sales. However, the emergence of digital tools—such as social media marketing, Google My Business listings, WhatsApp for Business, and local e-commerce platforms—has opened up new opportunities for these retailers to expand their reach beyond local boundaries. The increased affordability of smartphones and mobile data, along with government initiatives promoting digital literacy, have further supported this transition.

Despite these positive developments, the adoption of digital marketing strategies among small retailers in Pollachi remains uneven. Many face significant challenges, including limited digital skills, lack of professional guidance, financial constraints, and skepticism about the effectiveness of online platforms. Moreover, the absence of localized training programs and support networks further hampers their ability to compete with more digitally-savvy businesses.

This study seeks to explore how digital marketing is currently being used by small retailers in Pollachi and what impact it has had on their business performance and customer relationships. It will investigate key digital channels utilized, the level of digital literacy among shop owners, and the barriers preventing full-scale adoption. By analyzing the benefits and challenges experienced by these businesses, the study aims to offer practical recommendations to improve digital participation and bridge the digital divide in small-town retail. Ultimately, the research intends to highlight the transformative potential of digital marketing in boosting economic resilience, enhancing customer engagement, and creating sustainable growth for small retailers in Pollachi and similar regions.

REVIEW OF LITERATURE

1. **Nargiz Vahabzada (2024)**, in her study titled "Assessment of the Impact of Digital Marketing Strategies on Consumer Behaviour of Specialized Coffee Shops", explores how digital marketing shapes consumer preferences among 18 to 34-year-olds in Latvia and Azerbaijan. Her research underscores the power of digital engagement in influencing brand perception and purchasing behavior in niche markets such as specialty coffee.
2. **Gerald L. Sechele (2024)** contributes to the field through his "Systematic Review on SEO and Digital Marketing Strategies for Enhancing Retail SMEs' Performance". This study provides a comprehensive overview of the theoretical and practical implications of Search Engine



Optimization (SEO) and its strategic value in improving visibility, traffic, and ultimately, the performance of small and medium-sized retail enterprises (SMEs).

3. **Nor Sheena Andon (2023)**, in her paper “The Adaptation of Social Media Marketing Activities in S-Commerce: TikTok Shop”, discusses the emergence of social commerce platforms, with a focus on TikTok Shop. She emphasizes how creative, short-form video content and interactive features on such platforms have positively influenced marketing outcomes, particularly in engaging younger consumers and driving direct sales through social media.
4. **Anber Mohammad (2022)** investigates the link between digital marketing success and customer loyalty in her study “The Impact of Digital Marketing Success on Customer Loyalty”. She identifies that effective digital content marketing and robust digital marketing capabilities significantly enhance digital marketing performance, which in turn strengthens customer trust and loyalty over time.
5. **Ali Trawnih (2021)**, in “Factors Influencing Social Media Adoption Among SMEs During the Covid-19 Crisis”, examines how SMEs in Jordan navigated digital transformation during a period of disruption. His research integrates Technology-Organization-Environment (TOE) and Technology Acceptance Model (TAM) frameworks to analyze the enablers and barriers affecting social media adoption, highlighting the crucial role of perceived usefulness, ease of use, and external pressures in driving digital uptake.

OBJECTIVES OF THE STUDY

- To Analyze the Current Digital Marketing Landscape of Small Retail Businesses
- To Evaluate the Impact of Digital Marketing on Business Performance
- To Investigate Consumer Behavior and Engagement Through Digital Channels
- To Identify the Effectiveness of Social Media Marketing for Small Retail Businesses

RESEARCH DESIGN

A research design is a detailed blue print used to guide a research study towards its objective. The process of designing a research study involves many interrelated decisions. The most significant decision is the choice of research approach, because it determines how the information will be obtained. The choice of the research approach depends on the nature of the research that one wants to do.

The present study is descriptive research based on the survey method. The methods adopted in the choice of sample, selection of respondents, collection of data and tools of analysis are briefly discussed in this part.

AREA OF THE STUDY

The geographical area of the study chosen for this research is Pollachi, Tamil Nadu

POPULATION OF THE STUDY

The populations of the study are the people who are living in Coimbatore district and effect of digital marketing in small retail business.

SAMPLING TECHNIQUE

A convenience sample is a sample where the respondents are selected, in part or in whole, at the convenience of the researcher. The researcher makes no attempt, or only a limited attempt, to ensure that this sample is an accurate representation of some larger group or population.

SAMPLE SIZE

Since the entire population cannot be taken for the study, the size of the sample was restricted to 178 respondents.

HYPOTHESIS OF THE STUDY

H1: There is a significant association between age group and frequency of online shopping.

H2: There is a significant relationship between income level and online shopping frequency.

H3: There is a significant association between marital status and online shopping behavior.

H4: There is a significant relationship between a person's occupation and their product preferences in online shopping.

DATA COLLECTION

There are several ways of collecting the appropriate data. While deciding about the method of data collection to be used for the study, the researcher should keep in mind, that there are two types of data viz primary & secondary data.

1. PRIMARY DATA

Primary data are those which are collected a fresh and for the first time and thus happen to be original in character. Primary data for the study has been collected through questionnaire and personal interview from the respondents.

2. SECONDARY DATA

Secondary data on the other hand are those which have already been collected by someone else and which have already been passed through the statistical process. In this study secondary data are collected from the online articles, journals, text books, etc.

TOOLS USED FOR DATA ANALYSIS

➤ Percentage Analysis

This is a Univariate analysis where the percentage of a particular factor with different categories is calculated, in order to help one get fair idea regarding the sample and thereby that of the population. The number of responses of each category is summarized to percentage format for the convenience to use other statistical tools namely pie chart and bar diagrams.

$$\text{Percentage} = ((\text{a portion}) / (\text{the whole})) * 100.$$

Statistical Techniques

Using SPSS statistical analysis software, the following tests were conducted to test the hypothesis.



➤ Chi-Square Test

Chi-Square test can be used to determine if categorical data shows dependency or the two classifications are independent.

$$\chi^2 = \sum \{(O_i - E_i)^2 / E_i\}$$

Applying Yates correction:

$$\chi^2 = \sum \{(|O_i - E_i| - 0.5)^2 / E_i\}$$

DATA ANALYSIS AND INTERPRETATION

Chi-Square Tests-1

H₀: There is no significant association between age group and frequency of online shopping.

H₁: There is a significant association between age group and frequency of online shopping.

	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	19.288	16	.254
Likelihood Ratio	19.565	16	.240
Linear-by-Linear Association	.057	1	.812
N of Valid Cases	178		

Calculated χ^2 Value: 19.288

Degree of freedom: 16

Significance level: .254

INTERPRETATION

The Chi-Square test results indicate no significant association between the variables. The Pearson Chi-Square value is 19.288 with 16 degrees of freedom and a p-value of .254, which is greater than the standard significance level of .05. Similarly, the Likelihood Ratio test yields a value of 19.565 with a p-value of

.240, supporting the same conclusion. The Linear-by-Linear Association test also shows no significant trend between the variables ($p = .812$). These findings suggest that any observed differences in the data are likely due to chance.

Chi-Square Tests-2

H₀: There is no significant association between marital status and online shopping behavior.

H₁: There is a significant association between marital status and online shopping behavior.

	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	5.001	2	.082
Likelihood Ratio	5.202	2	.074
Linear-by-Linear Association	1.829	1	.176
N of Valid Cases	178		

Calculated χ^2 Value: 5.001

Degree of freedom: 2

Significance level: .082

INTERPRETATION

A Chi-Square test of independence was conducted to examine the association between the two categorical variables. The results showed a Pearson Chi-Square value of 5.001 with 2 degrees of freedom and a p-value of 0.082. Since the p-value is greater than the standard significance level of 0.05, the null hypothesis cannot be rejected. This indicates that there is no statistically significant association between the two variables being tested. The Likelihood Ratio test also supports this

finding, with a value of 5.202 and a p-value of 0.074. Additionally, the Linear-by-Linear Association yielded a value of 1.829 with a p-value of 0.176, suggesting no significant linear relationship between the variables. The analysis included a total of 178 valid cases. Overall, the results suggest that the relationship between the variables is not statistically significant.

ANOVA

H₀: There is no significant relationship between income level and online shopping frequency.

H₁: There is a significant relationship between income level and online shopping frequency.

Annual Income Level					
	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	9.863	5	2.466	1.903	.112
Within Groups	224.159	173	1.296		
Total	234.022	178			

INTERPRETATION

The ANOVA results indicate that there is no statistically significant difference in annual income levels among the five groups analyzed. The F-statistic is 1.903 with a corresponding p-value (Sig.) of 0.112, which is greater than the commonly used significance level of 0.05. This means that the variation in income observed between the groups is not large enough to conclude that the group means differ significantly from one another. Therefore, we fail to reject the null hypothesis and conclude that any differences in average income among the

groups could likely be due to random chance rather than a true effect.

FINDINGS

- Most respondents are young, with 42.7% aged 21–30. Over 86% of the sample is under 40, indicating a predominantly young group.
- majority of respondents are male (52.8%), followed by females (34.8%) and 12.4% who chose not to disclose their



gender. This shows a predominantly male sample with a notable female representation.

3. A majority of respondents are highly educated, with 35.4% holding a postgraduate degree and over 60% possessing at least an undergraduate or postgraduate qualification.
4. A significant portion of respondents (68%) are unmarried, which may reflect a younger demographic or a focus on individuals not yet in marital relationships.
5. Most respondents (56.7%) come from rural areas, followed by 27% from suburban areas and 16.3% from urban areas, indicating a rural-based sample.
6. The most common occupations are students (24.2%), self-employed individuals (22.5%), and private-sector employees (20.2%), reflecting a mix of job types, with a notable number of students and self-employed individuals.
7. The majority of respondents earn under ₹1 lakh or between ₹3-5 lakh annually (28.1% each), with most falling within the lower to middle-income ranges.
8. The majority of respondents (51.1%) use the internet for 2–3 hours or more than 4 hours daily, indicating regular internet use.
9. Product popularity (33.1%) and online offers (28.7%) are the primary drivers for online shopping decisions, with ads playing a secondary role.
10. Personalized targeting (37.1%) is the most attractive feature of online marketing, followed by direct offers (23%) and the uniqueness of online marketing (21.3%).
11. UPI (35.4%) is the most preferred method for online shopping payments, followed by Cash on Delivery (28.7%) and debit cards (24.2%).
12. Clothing (41.6%) is the most purchased product online, followed by electronics (25.8%) and food (17.4%).
13. A combined 56.2% of respondents either agree or strongly agree that online marketing is attractive, but a significant portion remains neutral (29.8%).

SUGGESTIONS

1. Small retail businesses should enhance their presence on Instagram, as it is the most preferred platform for consumers to see advertisements, offering higher visibility and engagement.
2. Personalized digital marketing strategies, such as targeted ads and direct offers, should be prioritized to attract and retain customers, as these elements are perceived as the most appealing features.
3. Businesses should focus on offering competitive online deals and highlighting product popularity, as these factors significantly influence consumers' decisions to shop online.
4. To increase customer interaction and brand loyalty, small retailers should invest in engaging content like behind-the-scenes posts and social media contests, which have proven to be highly effective in capturing consumer interest.

CONCLUSION

The study on the implementation and impact of digital marketing in small retail businesses in Pollachi reveals significant insights into how digital strategies influence business performance, consumer behavior, and engagement.

The findings underscore the transformative role of digital marketing in enhancing the visibility and competitiveness of small enterprises in the region.

Digital marketing has proven to be a cost-effective tool for small retail businesses, enabling them to reach a broader audience, engage with customers more effectively, and drive sales growth. Strategies such as social media marketing, search engine optimization (SEO), and online advertising have been particularly effective in attracting and retaining customers. These digital channels provide businesses with valuable insights into consumer preferences and behaviors, allowing for more personalized and targeted marketing efforts.

REFERENCE

1. Andon, N. S., & Annur, S. N. S. (2023). The adaptation of social media marketing activities in s-commerce: tiktok shop. *Information Management and Business Review*, 15(1), 176-183.
2. Prasadhyia, I. B. G., Putri, Y., Mulya, D. N., & Ama, A. U. T. (2022). Implementation Of Instagram 'My Rise Clothing Store' Marketing Strategy Based On Aida Model. *Jurnal Mantik*, 6(2), 1620-1629.
3. Trawnih, A., Yaseen, H., Al-Adwan, A. S., Alsoud, R., & Jaber, O. A. (2021). Factors influencing social media adoption among smes during Covid-19 crisis. *Journal of Management Information and Decision Sciences*, 24(6), 1-18.
4. Vahabzada, N., & Anderson, I. (2024). Assessment of the Impact of Digital Marketing Strategies on Consumer Behaviour of Specialized Coffee Shops. In *Proceedings of World Multi-Conference on Systemics, Cybernetics and Informatics, WMSCI* (pp. 170-176).
5. Faruque, M. O., Chowdhury, S., Rabbani, G., & Nure, A. (2024). Technology adoption and digital transformation in small businesses: Trends, challenges, and opportunities. *International Journal For Multidisciplinary Research*, 6(10.36948).
6. Faruque, M. O., Chowdhury, S., Rabbani, G., & Nure, A. (2024). Technology adoption and digital transformation in small businesses: Trends, challenges, and opportunities. *International Journal For Multidisciplinary Research*, 6(10.36948).
7. Fajri, I., Rizkyanfi, M., & Smaya, R. (2021). The Effect Of Social Media Marketing On Purchase Decisions With Brand Awareness As An Intervening Variables In Praketa Coffee Shop Purwokerto. *The Journal Gastronomy Tourism*, 8(2), 97-110.
8. Novytska, I., Chychkalo-Kondratska, I. R. Y. N. A., Chyzhevska, M., Sydorenko-Melnyk, H., & Tytarenko, L. (2021). Digital marketing in the system of promotion of organic products. *WSEAS Trans. Bus. Econ*, 18(53), 524-530.