

EFFECT OF DIGITAL MARKETING RESOURCES ON THE FIRM GROWTH

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ABSTRACT:

Marketing strategies had altered with the evolvement of digital marketing in the last 10 years. The world has become digital now people around the world are connected with social platforms available. Internet and marketing have become an integral part of all organizational marketing plans now a day. Every firm willing to enhance the performance now days is using strong marketing through possible digital platforms. Opportunities always come with challenges; digital marketing is not an exception. There are challenges in achieving success through digital strategies. This paper discusses the impact of digital marketing on the performance of a firm. The survey of small scale firms is carried out using social media and the conclusions on the findings are presented.

KEYWORDS: Digital Marketing, Performance of firm, Digital Resources, etc.

INTRODUCTION:

Internationally the doors are open for the firms through a digital platform. Transforming the conventional communication to the digital one had resulted in a better performance on financial and customer satisfaction perspective [1]. Digital innovative models were proposed and tested over the period whereas there are many variables to choose a proper model for enhancing the business digitally [2]. Many developing businesses are unable to handle digital marketing in lack of budget; few have not yet understood how to use it properly and others have improved their sales with extremely better management of digital resources [3].

The impact has been proven for the companies in all sectors right from manufacturing services to e-commerce [4]. Collaborating had become easy with e-platform for similar and other niche companies. Organizations have gained attractive business through digital strategies, whereas it depends on several factors like size and tools used for marketing [5, 6].

Competition has made it important to deal with digital presence and marketing. There is no instant solution for business deals and purchases whereas it is a continual process to build the brand [7]. Business opportunities through digital marketing are improved while the selection of tools and their impact is still enigmatic and depends upon the effective implementation of each tool [8].

Social media has been playing a key role as a major tool in marketing now a day. With smartphones in hand, everyone is connected 24x7 to the world, it has given the prime importance in digital tools for marketing [9]. Although a popular tool, still the complete analysis of the tool over the performance of the firm is depended on many variables such as period, uniqueness, budget, and effective implementation of the marketing [10]. The survey of 76 firms was taken to understand their performance and achievements through digital marketing. The discussion on the same is presented in this paper.

Many startups are coming up with innovative ideas over the world. One of the major problems with startups is the low customer base being new in the market and hence there is a need for effective utilization of digital resources. Despite the good product it's difficult to survive in the market without achieving the

sales target. Customer satisfaction and support through the use of a digital platform can make a difference in the performance of the firm. The survey is carried out through social media to collect the opinion of the representatives of the newly started firms and discussion is presented.

Digital Marketing Tools:

The common tools mentioned by the firm representatives are presented below

- Social Media
- Email
- YouTube
- SEO
- Adwords
- Analytics
- Live-chat

All the above tools are used for the marketing of the firms by 78% of firms under survey. Being used by many firms it is challenging to get results through these tools. Depending upon the goals for using these tools and the way of use decides the success of the strategy.

Questioner for the Survey Carried out:

The questioner was designed to understand the impact of firm's performance with implementation of digital marketing.

Group1: General

- Does the firm implements digital marketing strategies?
- Since when it was implemented?
- Do you believe you are implementing it effectively?
- Which are the tools you have used?

Group 2: Implementation Related

- How much is the monthly budget on digital marketing?
- Did you have dedicated team for marketing?
- How many people are working in a digital marketing team?

Group 3: Impact related

- Does your business benefitted with this marketing strategy?
- How much % economic growth is recorded in business after implementing digital marketing?

Results & Findings from the Survey:

Following graphs are representing the outcomes of the questioner carried out through social media platforms.

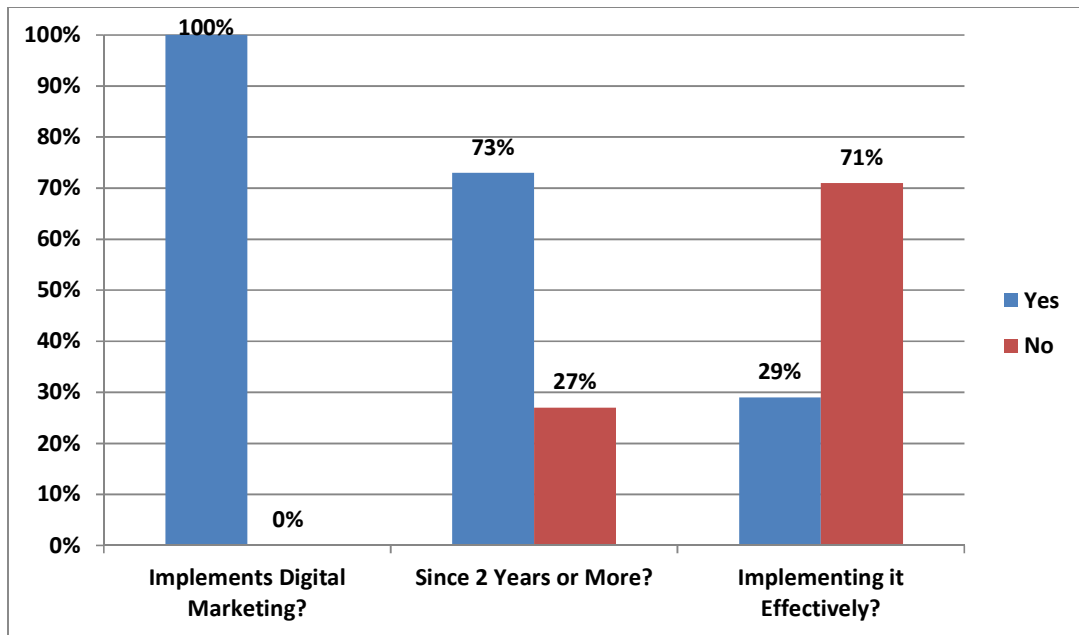


Fig.1: Results of Survey Questioner Group 1

In first questioner it is observed that 72% percent of the companies under survey are implementing the digital marketing since last two or more years. Out of total 72 companies 71% have agreed that they are not implementing it effectively.

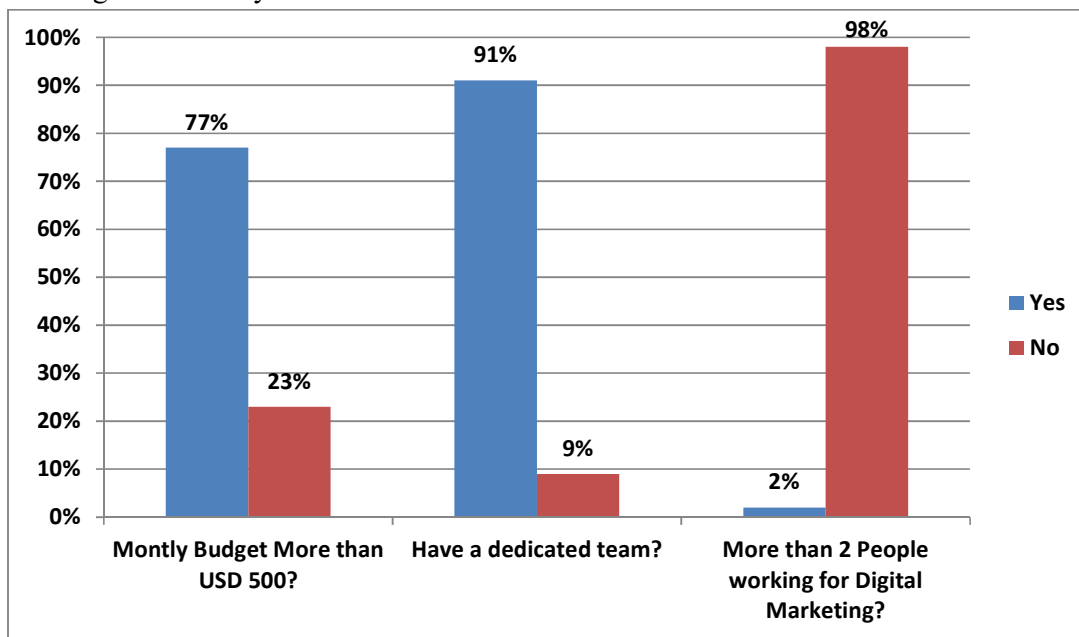


Fig.2: Results of Survey Questioner Group 2

In the second set of questions, it is noted that only 23% of companies are having a monthly budget of more than USD 500 per month. Out of total small companies, only 9% have dedicated teams for digital marketing others have outsourced the work. Out of 9 % of the total, only 2% of companies have a team of more than 2 people others are operating only with one or two people for digital marketing.

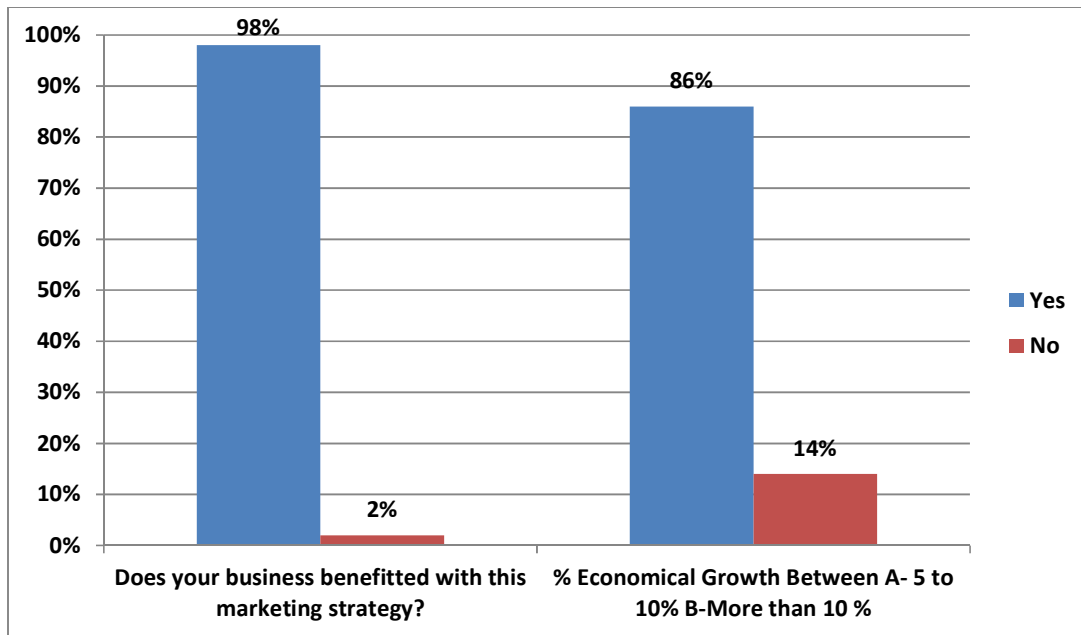


Fig.2: Results of Survey Questioner Group 3

Despite the problems with the budget, it is observed that 98% have agreed that their business is improved with digital marketing. 86% of companies have got economic growth between 5 to 10% yearly while 14% have grown at a rate of more than 10%. It is to be noted that, all these are the small companies that started their firms in the last 4 years.

CONCLUSION:

From the above discussion, we conclude that digital marketing has an impact on the growth of a firm. It, directly and indirectly, helps in improving the business. Many small scale industries started in the last 4 years have developed fast with the implementation of digital marketing. It is to be noted that, most of the companies have preferred to outsource marketing work and got good results. The budget allocated was not sufficient still marketing on digital platforms has turned in to business growth. For a brand building of the startups, it is important to implement digital marketing.

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