

“A Telangana Case Study of the Impact of Digital Marketing on New Entrepreneurs”

A. Sandhya ¹

Asst Prof of Commerce

Badruka College of Commerce and Arts,

Gmail Id- sandhyabcca@gmail.com

Mr. Shaik Abdul Kareem²

Assistant Professor of Commerce,

Badruka College of Commerce and Arts,

Kachiguda, Hyderabad, Telangana - 500 027.

shaikabdulkareem777@gmail.com

ABSTRACT

Digital marketing has become a cutting-edge instrument for promoting businesses. Smartphones and the internet have become more widely used and deeply ingrained in human civilisation due to their affordability. The COVID-19 pandemic has accelerated the field's growth. However, there is still a very low level of awareness among the public about digital marketing possibilities and their ability to offer other entrepreneurial chances and promote the current one in a better way than before. The goal of the current study is to comprehend how digital marketing encourages individuals to become entrepreneurs. The basic data used in the study was gathered from the Indian state of Telangana. In order to understand how more than 450 local entrepreneurs view digital marketing and how they use it, the survey gathers their replies. The number of business owners who succeeded thanks to digital marketing is determined, and a conclusion is reached.

Keywords: Internet marketing, entrepreneurship, entrepreneurship development, digital marketing, and digital entrepreneurship.

INTRODUCTION

Recently, digital marketing has become one of the most popular and successful marketing strategies worldwide. It is now an essential tool for businesses due to its ease of use, precise targeting, low cost, superior return on investment (ROI), and capacity to deeply penetrate potential customers' mobile devices.

Apart from being a better and highly affordable tool of marketing, various platforms of digital marketing (like social media and search engines, blogs, E-commerce, etc.) have also generated new opportunities for the youth to establish their business from home. New options like affiliate marketing, Content marketing through blogging and vlogging, have emerged. Digital marketing has provided people with the options where they can start working from anywhere, anytime without going out and meeting people. All that is required is a computer or a smartphone with a decent internet connection, and anyone can start his or her own earning right from his her home.

In today's world where access to a Smartphone, computer, and internet is so common and affordable, the point that comes to mind is how easy it is now to be an entrepreneur. A major hurdle of becoming an entrepreneur is the availability of money. While the majority of the investment in the business is consumed by marketing, a considerable part is spent on infrastructure development and office premises. In an economy like India where the largest contribution to GDP comes from the tertiary sector, Digital marketing has brought down the cost of both marketing and Infrastructure.

In such a scenario will be very interesting to find out what impact it has on the entrepreneurial orientation of youth and if the knowledge of Digital marketing options has helped in creating new entrepreneurs on the ground. Various factors which may limit the desired outcome are also a matter of research, to understand the reasons behind the gap and act accordingly to improve the outcome by a complete utilization of the potential.

LITERATURE REVIEW

Dr. C. Kala (2020) in the paper “A Study on Use of Digital Marketing by Entrepreneurs” said that increased use of internet platforms and social media has led entrepreneurs in using them as a medium for converting ideas into brands. He observed the expected increase in the online sales market from \$2.5 billion in 2009 to \$56 billion in 2023. He also concluded that Digital Marketing has opened up new opportunities and options for entrepreneurs to connect and retain their customers during the pandemic period.

Cliff Wymbs (2011) in his paper “Digital Marketing: The Time for a New ‘Academic Major’ Has Arrived” said that the rapid digitalization of the economy and fast-changing world has created the need for evolution of the academic architecture of business and marketing curriculum. He claimed that the use of the internet and social media platforms has changed the way marketing & business is done. He emphasized the start of a new digital marketing major in business and marketing education identifying the challenges and the ways of implementation of the curriculum.

JinHyo Joseph Yun et al (2017) in their paper “Growth of a Platform Business Model as an Entrepreneurial Ecosystem and its Effects on Regional Development” analyzed what affects the platform business model dynamics and how this can be described. They also identified the impact of this business model on regional growth.

Kenzhegul Bizhanova et al (2019) in their paper “Impact of digital marketing development on entrepreneurship” concluded that digital marketing helps in attracting a large audience with better precision and with fewer resources, helping in increasing sales and managing competition.

Ashish Gupta et al (2020) in their paper “Impact of digitization on entrepreneurial ecosystems: an Indian perspective” analyzed the impact of Digitisation on the Indian entrepreneurial ecosystem. They identified the role of government and public policy in fostering the growth of sustainable ventures and the need for study of the impact of digitization on not only the new but also the existing organizations.

Jahid Syaifullah et al (2021) in their paper “Social Media Marketing and Business Performance of MSMEs During the COVID-19 Pandemic” noted that MSMEs can improve their performance through better management of social media. The study was done on the use of social media by MSMEs in Indonesia especially during the COVID – 19 Pandemic. They found that the use of social media depends on various factors like perceived use of ease, Cost involved, Compatibility, and other facilitating conditions.

Wanamina Bostan Ali and Sumana Laparojkit (2019) in their paper “The Main Factors Influencing E-Business Technology Adoption of Entrepreneurs in WOW Project Songkhla, Thailand” found that various factors are responsible for the acceptance of the E-Business model, out of which performance expectancy has the highest influence followed by perceived credibility and effort expectancy respectively.

Rukanda, Kaniati & Samsudin (2021) in their paper “Efforts to Strengthen Mental Entrepreneurs Through Online Based Digital Marketing Training for Youth of Productive Age” used descriptive method and qualitative approach to identify the level of use of social media by youth and to determine the process of online digital marketing training for youth. They identified that the training program has helped in improving the standard of living of the people.

Abdul Rashid et al. (2021) in their paper “The Role of Digital Marketing in Assisting Small Rural Entrepreneurs Amidst Covid-19 Movement Control Order (MCO): A Case Study in Peninsular Malaysia” observed that it is very important to understand the role played by digital marketing in forming new business norms for small businesses during the pandemic. They did a quantitative study using the snowball sampling method including 158 small rural entrepreneurs from Penang-Malaysia. They concluded that the small business persons have understood and realized the importance of the use of digital platforms in business activities.

Redondo, Remedios Pitre; de Avila, William Manjarres; Palma, Hugo Hernandez (2018) in their paper “Digital marketing as a promoter of entrepreneurship in the footwear sector in Colombia” identified the impact of Digital marketing on the footwear industry of Columbia combining both the qualitative and quantitative techniques. They concluded that the use of information and communication technology (ICT) in the sector shows growth opportunities and at the same time they also focused on the importance of education and training regarding the same.

Neetu Jalan, Vijayendra Gupta (2020) in their paper “Scope, Opportunity and Challenges to Digital Entrepreneurship” observe that because of the growing competition Digital marketing is no more a trend but a necessity to survive in the market and beat competition.

Christina, I. D., Fenni, F., & Roselina, D. (2019) in their paper “Digital marketing strategy in promoting the product” studied the strategies and roles related to various channels of digital marketing in promoting products. They discussed the uniqueness of the strategy and its importance in Product promotion.

Gartanti, W. T., Triwardhani, I. J., & Putra, R. P. (2020, March) in their research titled “The Development of Village Entrepreneurship Through Digital Marketing Communication’ observed that marketing the products digitally on any platform needs technical skills and ability to design impressive content to communicate well and attract the consumers’ attention

RESEARCH GAP

Considerable research is done on the use of Digital Marketing by existing entrepreneurs, the reasons behind it, and its implications show the utility of digital marketing as a leading tool of marketing with several advantages. Its role in attracting

youth to choose entrepreneurship as a career by addressing their major concern is yet to be clarified. Awareness about digital marketing in the rural areas

OBJECTIVES OF THE STUDIES:

1. To determine how digital marketing affects the decision to pursue entrepreneurship as a career.
2. To learn about the trend of selecting new digital marketing-generated business possibilities (such as blogging or YouTubing).
3. To determine the causes of any discrepancy between the expected and actual outcome.

METHODOLOGY

Research methodology involves the collection of primary data through questionnaire distribution, Personal interviews, and interaction with the people. Around 451 responses were received and analyzed to understand the trends about the perceived impact of digital Marketing on business.

On collection and analysis of data we were able to derive the following results:

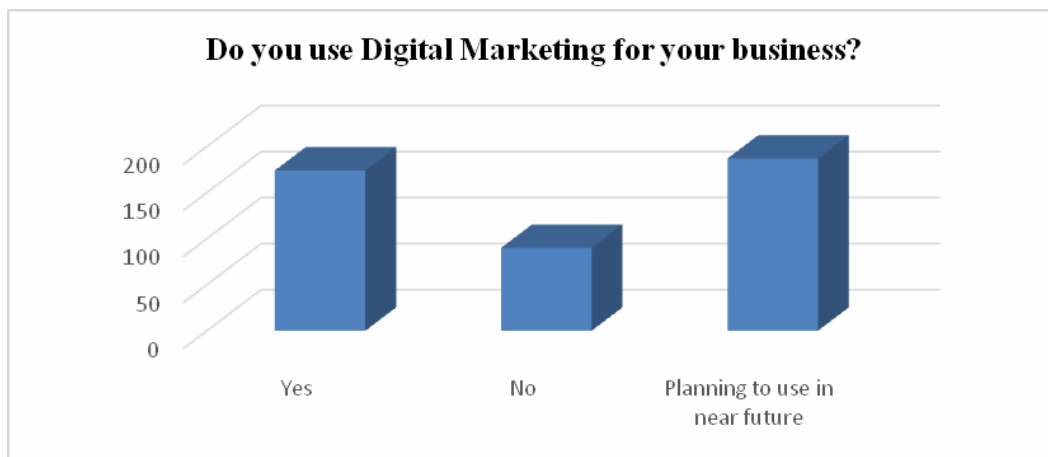


Figure -1 Number of Entrepreneurs using Digital Marketing

Out of the 451 responses received 174 entrepreneurs use digital marketing to promote their business while 187 of them are still in the planning phase for the same.

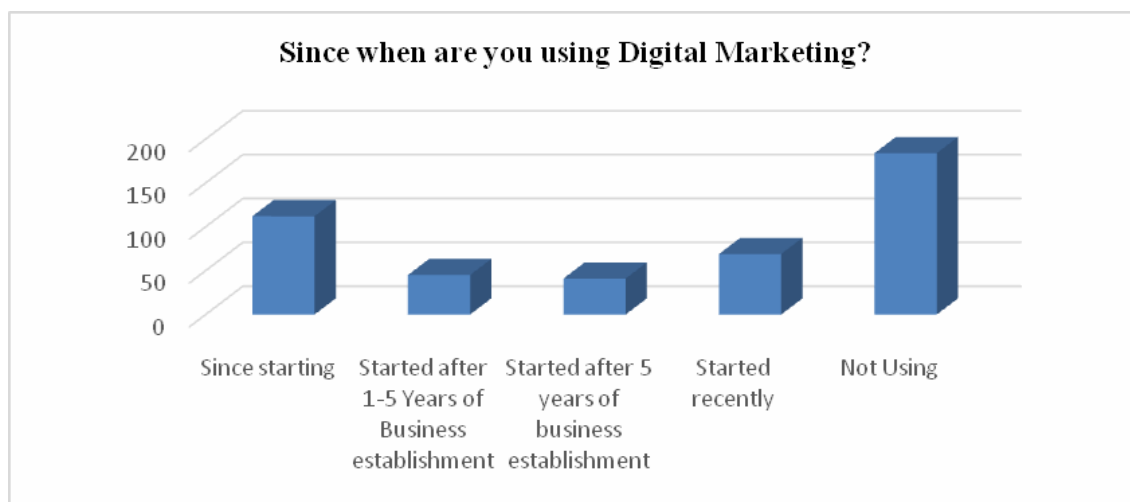


Figure -2 When did the entrepreneurs start using Digital marketing

In their responses, 112 entrepreneurs said that they are using digital marketing since the beginning. Around 86 of them admitted that they started a business with the help of digital marketing as it lowered the cost of start-up. Around 69 of them have started using digital marketing recently and some 86 of them have started using it after 1 year of establishment of their business. Out of those who started using it recently are mostly those who were hit by the COVID-19 pandemic. Still, 184 out of 451 are not using Digital marketing till today.

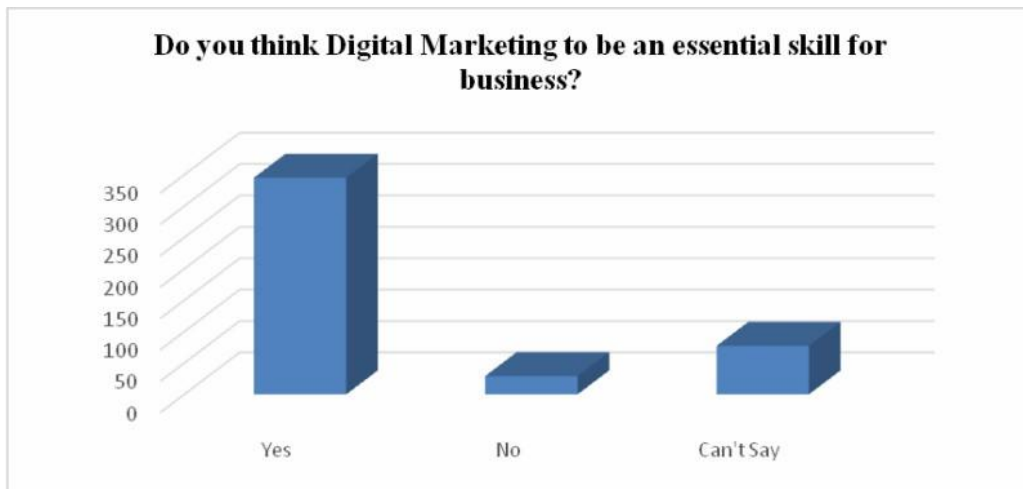


Figure -3 Entrepreneurs considering Digital marketing to be essential for business

When asked about the essentiality of digital marketing for business success 345 out of 451 admitted that it is an essential tool today while 21 still consider it to be a dispensable tool. 77 respondents were not very sure about it.

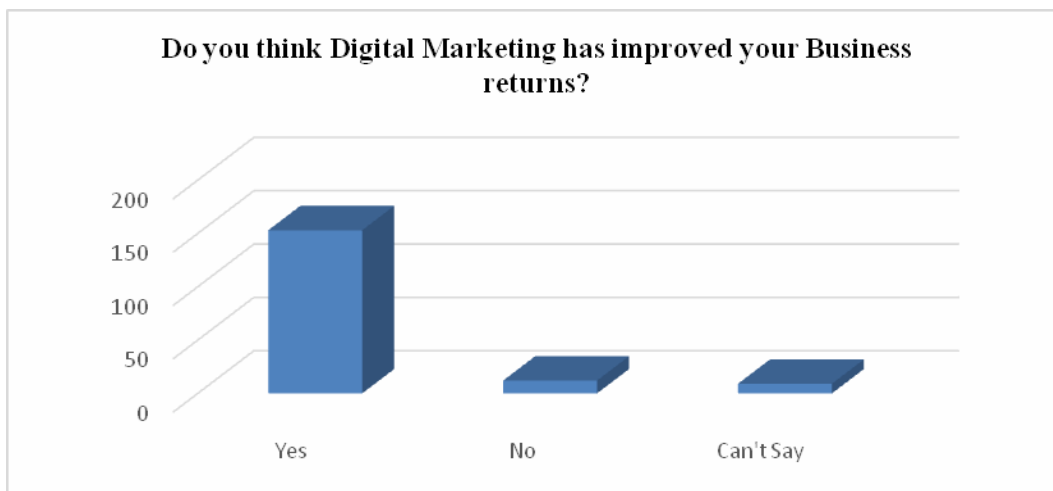


Figure -4 Entrepreneurs considering Digital marketing have improved their business returns.

When talking about the impact of digital marketing on their business 153 respondents of those who use digital marketing options admitted that it is an effective tool and has improved their business performance while some 12 of them were having the opposite picture in their mind. The remaining respondents said that they are not sure of the impact of digital marketing on their business.

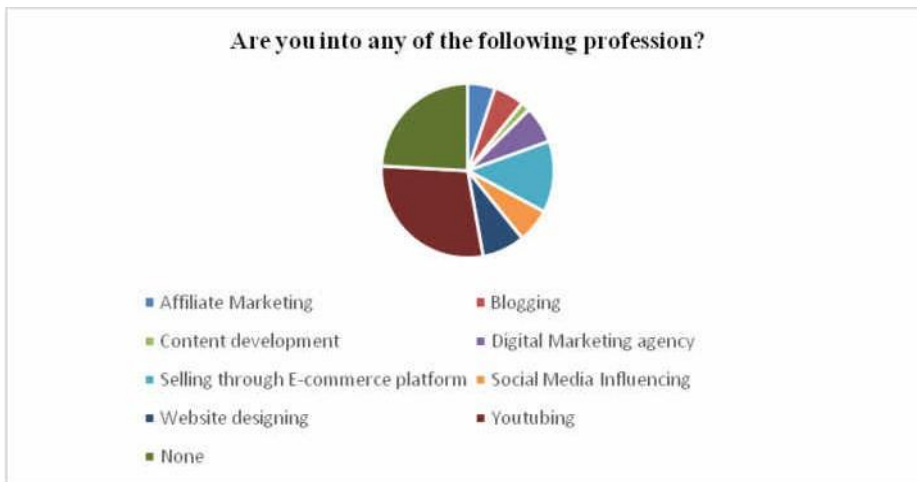


Figure -5 Patterns of entrepreneurs involved in various digital marketing options.

Out of the 174 entrepreneurs who are using digital marketing 132 are those who are into the fields that emerged because of digital marketing (discussed in detail under section 6.3 and section 6.6).

While the pie chart above shows the distribution pattern among the various options. The table below tells about the number of respondents in each field.

RESULT AND DISCUSSION

Digital marketing provides many other options for aspiring entrepreneurs to launch their startups in various ways. These are discussed categorically below:-

Reducing minimum marketing budget: The biggest impact Digital Marketing has is on the minimum investment in marketing. Today an entrepreneur can launch the product nationally or internationally with a small monthly marketing budget of INR 1000 only. While earlier to launch a product locally within his town/city needed huge investment.

Fostering work from home: Digital marketing, unlike traditional marketing, does not require you to move from door to door or counter to counter. It can be very well done from anywhere at any time and the process can also be supervised remotely, as the entire thing is present online. Hence it has reduced the requirement of office reporting and has fostered the culture of work from home, which saves a huge investment in office space rent and infrastructural cost.

Providing various opportunities & platforms: Apart from catalyzing the regular business activities by providing more affordable and precise marketing options, Digital marketing also provides various options for earnings like Affiliate marketing, Blogging, Youtubing, Content Marketing, E-commerce, Being a Social media influencer, etc. The most important point among all these options is that they require very limited investment and can be pursued from home.

More opportunities for solopreneurs: All the new opportunities mentioned in the previous point, that have emerged through digital marketing, come with the advantage that these can be pursued from home by an individual and do not require any big team. This has provided the youth a wonderful opportunity of becoming self-dependent without any huge investment of hiring a team for business.

Providing almost zero investment options: All the options mentioned in the previous two points are investment-free. Various free sources on the internet help you to start your work merely with the help of a smartphone and the internet which is usually very common now a day.

Digital marketing itself: Apart from all the options discussed above, being a digital marketer is a great and highly promising business opportunity in the current era. Every business, small or big, needs digital marketing for itself. It won't be wrong to say that surviving without digital marketing in today's competitive world is highly difficult. Hence being a digital marketer in itself brings you a huge opportunity of filling up the gap of demand & supply of digital marketing services in the market. This can be done both as a solopreneur and by forming a team.

CONCLUSION

The research results point out that digital marketing has promoted an entrepreneurial mindset among people. The low cost of venturing easily available internet and smartphones have helped people to venture into the new world of entrepreneurship with the help of digital marketing. Still, there is a considerable part of the population not aware of digital marketing options and their benefits. In such a scenario it becomes very important for the policymakers to ensure the implementation of proper

awareness and training programs regarding digital marketing in the society so that more and more people may be benefitted from it and the new entrepreneurial culture may emerge leading to self-reliance and prosperity of the people together with the upliftment of the national economy.

REFERENCES

1. Bizhanova, K., Mamyrbekov, A., Umarov, I., Orazymbetova, A. and Khairullaeva, A., 2019. Impact of digital marketing development on entrepreneurship. In E3S Web of conferences (Vol. 135, p. 04023). EDP Sciences.
2. Charoendechathon, Ketsuda. "Expectation that influence big data usage of SMEs business entrepreneurs." (2020).
3. Christina, I.D., Fenni, F. and Roselina, D., 2019. Digital marketing strategy in promoting a product. *Management And Entrepreneurship: Trends Of Development*, 4(10), pp.58-66.
4. Gartanti, W.T., Triwardhani, I.J. and Putra, R.P., 2020, March. The Development of Village Entrepreneurship Through Digital Marketing Communication. In 2nd Social and Humaniora Research Symposium (SoRes 2019) (pp. 141-146). Atlantis Press.
5. Kala, C., 2020. A STUDY ON THE USE OF DIGITAL MARKETING BY ENTREPRENEURS. *Journal of Critical Reviews*, 7(16), pp.3700-3704.
6. Noerhartati, E., Karyati, P.D., Jatiningrum, C., Saurina, N. and Karimah, L.N., 2021. DEVELOPMENT OF DIGITAL MARKETING ENTREPRENEURSHIP SORGHUM- BASED SUPPORTS NEW NORMAL. *JURNAL TERAPAN MANAJEMEN DAN BISNIS*, 7(2), pp.106-114.
7. Rashid, S.M.R.A., Hassan, F., Sharif, N.M., Abd Rahman, A. and Mahamud, M.A., 2021. The Role of Digital Marketing in Assisting Small Rural Entrepreneurs Amidst Covid-19 Movement Control Order (MCO): A Case Study in Peninsular Malaysia. *Academic Journal of Interdisciplinary Studies*, 10(4), pp.70-70.
8. Ratten, V. and Rashid, S., 2021. *Entrepreneurship Education and Digital Marketing: What Does the Future Hold? In Developing Digital Marketing*. Emerald Publishing Limited.
9. Redondo, R.P., de Avila, W.M. and Palma, H.H., 2018. Digital Marketing as a Promoter of Entrepreneurship in the Footwear Sector in Colombia. *Contemporary Engineering Sciences*, 11(82), pp.4059-4067.doi:10.12988/ces.2018.88469
10. Rukanda, N., Kaniati, R. and Samsudin, C., 2021 . EFFORTS TO STRENGTHEN MENTAL ENTREPRENEURS THROUGH ONLINE-BASED DIGITAL MARKETING TRAINING FOR YOUTH OF PRODUCTIVE AGE. EMPOWERMENT: *Jurnal Ilmiah Program Studi Pendidikan Luar Sekolah*, 10(1), pp.1-22.
11. SYAIFULLAH, J., SYAIFUDIN, M., SUKENDAR, M.U. and JUNAEDI, J., 2021. Social Media Marketing and Business Performance of MSMEs During the COVID-19 Pandemic. *The Journal of Asian Finance, Economics, and Business*, 8(2), pp.523-531.
12. Tandon, A., Gupta, A., Goel, P., and Singh, V.K., 2020. Impact of digitization on entrepreneurial ecosystems: an Indian perspective. *International Journal of Business and Globalisation*, 25(2), pp.154-169.
13. Wymbs, C., 2011. Digital marketing: The time for a new "academic major" has arrived. *Journal of Marketing Education*, 33(1), pp.93-106.