



A Study of Internet Marketing on SMEs

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Abstract:

In this paper an attempt has been made to highlight the effect of increasing trend of internet marketing on SMEs. As SMEs are the backbone of almost every country as they were the major contributor in GDP of the country. Therefore enhancement of SMEs in context to make them to capture more customer and generate revenues is now been important for them and for that country government also. This study looks into the various aspects of benefits which make the SMEs to attract towards adoption of internet marketing in their business practices were as the various challenges facing by them against adoption of the various internet marketing practices in their business practices. This paper also defines the impact of education level of SMEs on the awareness regarding the internet marketing and their uses.

I. INTRODUCTION OF THE TOPIC

Internet Marketing

Internet marketing is the most important mode of interaction between the customers with products and services avail by many of small to large businesses as well as enterprises. It may also be defined as the point over internet where the manufacturers, retailers, dealers, traders and various other service providers get there most targeted and focused relevant customers at macro level throughout the world and reach to the huge masses by vanishing the hindrances of traditional doing businesses globally. The internet marketing also brings the effective marketing techniques over the internet by which the customer interact most and may also being taken purchasing decision which are not decided of buying and availing services which were marketed by the organisation through the various channel and mode of internet marketing. In addition to sales leads from websites or emails. Internet marketing and online advertising efforts are typically used in conjunction with traditional types of advertising such as radio, television, newspapers and magazines also. Internet marketing is becoming a popular topic in every business sector, and gradually plays a truly vital role in any company's multi-channel marketing strategy. Internet marketing is also defined as the application of the Internet and related digital technologies in conjunction with traditional communications to achieve marketing objectives.

Internet marketing in SMEs

Traditional marketing through the media channel and various other modes like newspapers, news websites, radios, and television are all about delivering as well as attracting and having relationship with the large number of customers through message for SMEs. Internet marketing is not only the mode of transferring as well as delivering the messages but also receives and exchanges perceptions and innovative ideas in short period of time. But presently, the situations have changed for SMEs in India and the challenges come before the enterprises by business environment have become more competitive than before. In the

age of globalization, the small firms can also engage themselves in exporting and make huge benefit from Internet marketing.

II. RESEARCH GAP

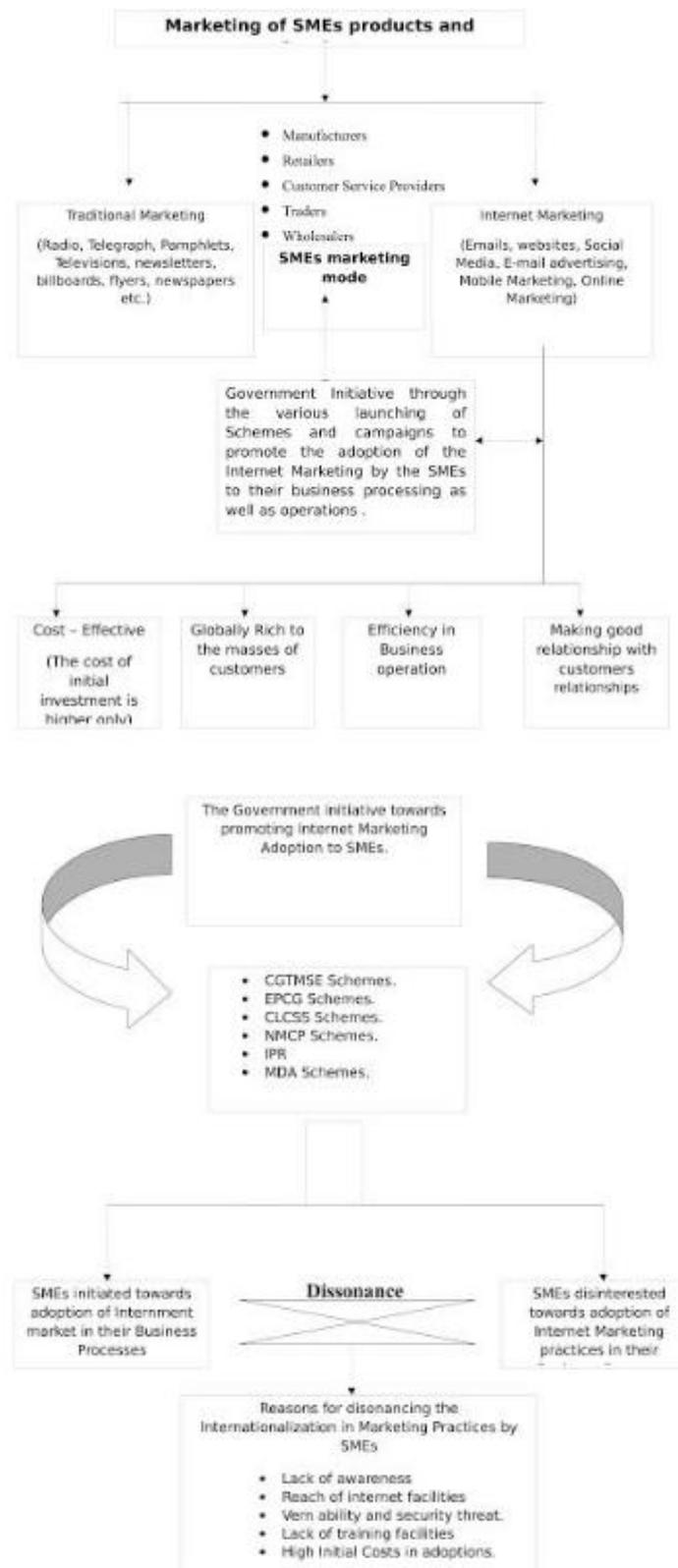
From the research undertaken for the consideration for review, it was seen that many SMEs internationally uses the optimum effort not only for the surviving and initial aspect on generating as well as making profits from them. But the international SMEs uses and utilizes well of the resources made help on growing of their business aspects and also support the others and generate awareness, through the review it was seen that there were internet adaptability gap between the SMEs of the abroad and the SMEs of the India. This internet adaptability gap is majorly due to the internationally SMEs accessible to their customers through the priority mode of internet and due to this many of the other SMEs who left some for adoption of internet over there in their premises for business purposes and reach to their customers and effective advertise their products and services respectively. But In India many SMEs were left for adoption of the internet marketing just because of disinterest and lack of awareness and fear of cyber crimes. This gap is not just because of irregular behaviour of the SMEs and thinking why should we take effort to adopt the internet marketing within the premises as through traditionally its working and giving the effective outcomes. The behaviour on not adoption of the internationalization in their business process is also the failure of the government as they made many campaigns and schemes to motivate the e-commerce adoption to the SMEs but they don't made the platform to provide and make aware of the benefits and outcomes of the schemes to every reach to all SMEs as these schemes circulated only throughout the urban areas and left the SMEs of rural area and it is also not even sure that in urban cities all SMEs have adopted the internet marketing in their business operations. therefore, many researches were taken to be made on the internet adaptability gap on SMEs and finding the reasons why many of the SMEs today also not wants to adapt the internet marketing in their business operations and professionally using the internet marketing tools for making interaction to their

targeted customers which were mainly those who interested and perspective to avail their products and services in their lifestyle as there were many initiatives were also taken by the

government towards promoting the internet marketing adaptability for the SMEs throughout the country .

2.1 CONCEPTUAL RESEARCH FRAMEWORK

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III. RESEARCH METHODOLOGY

PURPOSE OF THE STUDY

This is a systematic study undertaken for the purpose of knowing as there are many benefits of internet marketing adoption then why many of the SMEs in India disinterest and make themselves away to adopt the Internet marketing on their business operations and it is also theoretical modal based on the extensive research for which both of the primary source as well as secondary sources of data and information has gathered. The sources include questionnaires, online publications, Books, various published research papers and journals taken as considerations. For gathering information as well as views of the SMEs the questionnaire was made having the some of the both open-ended as well as close ended questions for the purpose of research work. The data- analysis were to be done through the very focused respondents through that of the questionnaire designed and filled from them and according to the outcome of the data analysis the suggestions as well as findings were assigned and done effectively.

OBJECTIVE OF THE STUDY

The overall aim of this project is to identify the factors and assess the effectiveness of internet marketing for small organisations. This dissertation is done for following objectives:-

- 1) To identify the benefits of internet marketing in SMEs on their business operations.
- 2) To understand the various issues and challenges facing in relative to adoption of Online Marketing by SMEs.

PRIMARY DATA

For the purpose of collection of primary data, the questionnaire was prepared and spread through the help of internet facilities in the form of Google documented forms to each and every SMEs in network for the purpose to reach and take responses. Questionnaire was made for SMEs relative to manufacturers, distributors, retailers, wholesalers, service providers and others to know their views about internet marketing in Businesses practices specifically SMEs respectively.

QUESTIONNAIRE: Through the questionnaire the survey is mainly focused as well as conducted to know the overview of the various business owners of SMEs regarding the

“Online Marketing in SMEs” and the benefits for which they were bending towards by using that internet marketing practices in their business practices for their products and services and also to know about through which mode of internet marketing they reach or approach to their customers and avail their products and services to them and also the various challenges which makes them to keep themselves away for adoption of the internet marketing practices within their business operational practices.

The various approaches were made to undertake the survey and generate accurate responses through various owner of SMEs though mails, telephonic discussions, social networking medium and meetings with different owners of SMEs respectively.

SECONDARY DATA

Secondary data such as various published research papers on or relative topic of “Online Marketing on SMEs” (20 published research papers were taken into considerations). Some other sources of secondary data are: Journals, Research, News Papers, Websites, Magazines, and Books.

The comparative study on challenges facing due to which internationalization adaptation within the business process by SMEs hasn't been done.

The respondents were entrepreneur or business owner of manufacturing industries, retailers, service providers, whole sellers, other type of SMEs relatively. The sampling technique was judgmental and the research tools are questionnaire.

STATISTICAL TOOLS:

Statistical Analysis has been done using Microsoft Excel.

RELIABILITY TESTS:

Descriptive Frequency analysis and chi-square test.

IV. DATA ANALYSIS AND INTERPRETATION

1)The various types of business

Types of SMEs	Frequency
Manufacturer	31
Distributor	17
Retailer	20
Wholesaler	28
Service Provider	34
Total	130



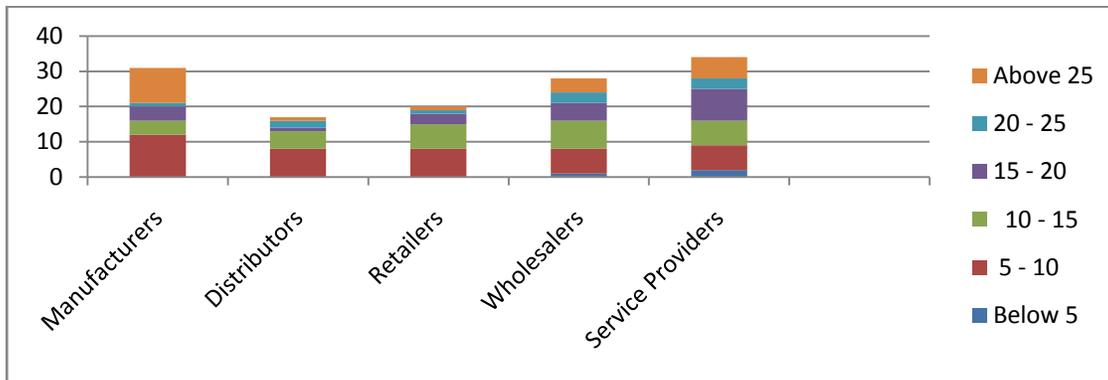
Interpretation:-

The frequency table shows that there were frequency of 31 manufacturer, 17 distributor, 20 retailers, 28 wholesaler, and 34

service providers, among the 130 respondents taken for the considerations respectively.

3).Please share your turnover from business on annual basis:-

Types of Business	Annual Turnover						Total
	Below 5	5 – 10	10 - 15	15 - 20	20 - 25	Above 25	
Manufacturer	0	12	4	4	1	10	31
Distributor	0	8	5	1	2	1	17
Retailer	0	8	7	3	1	1	20
Wholesaler	1	7	8	5	3	4	28
Service Providers	2	7	7	9	3	6	34
Total	3	42	31	22	10	22	130

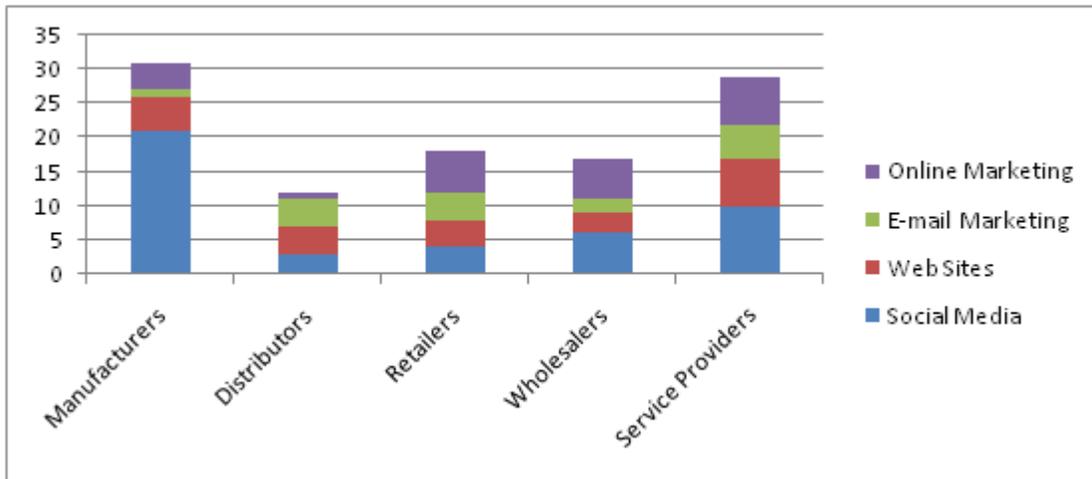


Interpretation:-According to the table there are 31 manufacturers and in which they have maximum annual turnover of 5-10 lakh and above 25 lakh and also from the table there are 17 distributors and in which they have maximum annual turnover of 5-10 lakh and 10-15 lakh and also from the table there are 20 retailers and in which they have maximum annual

turnover of 5-10 lakh and 10-15 lakh and also from the table there are 28 wholesalers and in which they have maximum annual turnover of 5-10 lakh and 10-15 lakh and also from the table there are 34 retailers and in which they have maximum annual turnover of 15 -20 lakh respectively.

3)Mode of marketing and promotions through Internet:-

Types of Businesses	Mode of Internet Marketing					Total
	Social Media	Web Sites	E-mail Advertising	Mobile Marketing	Online Marketing	
Manufacturer	21	5	1	0	4	31
Distributor	3	4	4	5	1	17
Retailer	4	4	4	2	6	20
Wholesaler	6	3	2	11	6	28
Service Providers	10	7	5	5	7	34
Total	44	23	16	23	24	130



Interpretation:-

- According to the table there were 31 manufacturers in which maximum uses Social media as their mode of internet marketing to reach the masses for business and promotions or generating awareness among the perspective in the market.
- And also from the table there were 17 distributors in which maximum uses mobile marketing as their mode of internet marketing to reach the masses for business and promotions or generating awareness among the perspective in the market and maximum distributor don't use as much internet marketing as manufacturer to reach the customers because of their own well established and specified channel to carry their business activities respectively.
- And also from the table there were 20 retailers in which maximum uses online marketing as their mode of internet marketing to reach the masses for business and promotions or

generating awareness among the perspective in the market as due to the various benefits of the internet marketing many SMEs or retailers moving to shifting their business from traditional market to cloud market or online market.

- And also from the table there were 28 wholesalers in which maximum uses mobile marketing as their mode of internet marketing to reach the masses for business and promotions or generating awareness among the perspective in the market which also make their enhancement in effective control over their inventory and bringing efficiency in their business activities respectively.
- And also from the table there were 34 service providers in which maximum uses social media and web sites as their mode of internet marketing to reach the masses for business and promotions or generating awareness among the perspective in the market respectively

Cross Tabs – Chi square test

Please share yours educational qualification * Do you aware or use the internet marketing / networking for your marketing and promoting yours products and services. Cross tabulation

Count

Please share yours educational qualification	Non-Metric	Do you aware or use the internet marketing/ networking for your marketing and promoting yours products and services.		Total
		Yes	No	
	10th pass	2	3	5
	12th pass	8	1	9
	Diploma	11	0	11
	Graduation	63	0	63
	Post Graduation	39	0	39
	Doctorate Degree	1	0	1
Total		125	5	130

Chi-Square Tests

	Value	Df	Asymptotic Significance (2-sided)
Pearson Chi-Square	59.996 ^a	6	.000
Likelihood Ratio	26.604	6	.000
Linear-by-Linear Association	34.332	1	.000
N of Valid Cases	130		

a. 10 cells (71.4%) have expected count less than 5. The minimum expected count is .04.

Interpretation:-

Since, P value (.000) is less than 0.05, we will reject the null hypothesis that there is no significant difference that education helps in generating awareness among the SMEs owners for adoption of internet marketing in their business practices.

Hypothesis Statement

Ho (Null Hypothesis):

There is no significant difference that education helps in generating awareness among the SMEs owners for adoption of internet marketing in their business practices.

Ho (Alternate Hypothesis):

There is a significant difference that education helps in generating awareness among the SMEs owners for adoption of internet marketing in their business practices. According to the chi square table it is clear that education is one of the very important factors which is responsible for generating awareness about internet marketing and its uses among the business owners or SMEs owners as most of the respondents were agreed about their knowledge regarding uses and awareness of the benefits and challenges of internet marketing in business practices but some of them were not aware about the internet marketing having qualification of "Non-Metrics", "10th", and "12th pass" which shows the importance of education qualification regarding the awareness and uses of internet marketing in business practices respectively.

Descriptive Frequency (Mean and Standard Deviation)

The challenges facing by the SMEs on adopting of internet marketing

Variables	Statistics	
	Mean	Standard Deviation
Lack of internet facilities	2.50	1.42
Huge investment	2.71	1.38
Fear of Cyber Crime and online securities.	2.78	1.28
Lack of skilled personnel	2.77	1.19
Lack of awareness	3.23	1.41

Interpretation:-

So when the SMEs owner decides regarding adoption of the internet marketing in their business practices for marketing and promotional purposes. So, these are the factors they taken into consideration regarding the various challenges they faces during taking decision of adoption of internet marketing in their business practices respectively.

1. Out of the following factors, the most important factors the respondents chosen regarding the challenges facing during using internet marketing is "Lack of awareness among SMEs about the benefits of Internet Marketing" mean score 3.23 and std. deviation 1.41 which shows that there were very unlikely to get a new data point of -1 since it is more than standard deviations below mean.

2. The second important factors the respondents chosen regarding the challenges facing during using internet marketing is "Fear of Cyber Crimes and Online Securities" mean score 2.78 and std. deviation 1.28 which shows that there were very unlikely to get a new data point of -1 since it is more than standard deviations below mean.

3. The third important factors the respondents chosen regarding the challenges facing during using internet marketing is "Lack of skilled personnel availability at lower wages/salaries" mean score 2.77 and std. deviation 1.19 which shows that there were very unlikely to get a new data point of -1 since it is more than standard deviations below mean.

4. The fourth important factors the respondents chosen regarding the challenges facing during using internet marketing is "Huge investment and skills required for building and maintaining effective websites" mean score 2.71 and std. deviation 1.38 which shows that there were very unlikely to get a new data point of -1 since it is more than standard deviations below mean.

5. The least of the respondents have chosen "Lack of Internet facilities and fluctuating speed" mean score 2.50 and std. deviation 1.42 which shows that there were very unlikely to get a new data point of -1 since it is more than standard deviations below mean. As the most challenging factor they facing while adopting the internet marketing practices in their business for marketing and promotions respectively.

The various benefits for which the SMEs were moving towards adopting the internet marketing

Variables	Statistics	
	Mean	Standard Deviation
Easy to make communication	3.25	1.64
Effective customer involvement and providing feedback.	3.35	1.50
Reach to new target of customers and market	3.46	1.46
Easy to evaluate the sales of individual employees	3.26	1.43
Easy to track the changing taste of customers using customer feedback.	3.25	1.55

Interpretation:- So when the SMEs owner decides regarding adoption of the internet marketing in their business practices for marketing and promotional purposes. So, these are the factors they taken into consideration regarding the various benefits for which they attracted during taking decision of adoption of internet marketing in their business practices respectively.

1. Out of the following factors, most important factors the respondents chosen regarding the benefits which attract them for using internet marketing is “Reach to new target of customers and market” mean score 3.46 and std. deviation 1.46 which shows that there were very unlikely to get a new data point of -1 since it is more than standard deviations below mean. As the most beneficial factor they attracted while adopting the internet marketing practices in their business for marketing and promotions respectively.

2. The second important factors the respondents chosen regarding the benefits which attract them for using internet marketing is “Effective customers involvement and providing feedback” mean score 3.35 and std. deviation 1.50 which shows that there were very unlikely to get a new data point of -1 since it is more than standard deviations below mean.

3. The third important factors the respondents chosen regarding the benefits which attract them for using internet marketing is “Easy to evaluate the sales of individual employees” mean score 3.26 and std. deviation 1.43 which shows that there were very unlikely to get a new data point of -1 since it is more than standard deviations below mean.

4. The fourth important factors the respondents chosen regarding the benefits which attract them for using internet marketing is “Easy to track the changing taste of customers using customer feedback” mean score 3.25 and std. deviation 1.55 which shows that there were very unlikely to get a new data point of -1 since it is more than standard deviations below mean.

5. The least of the respondents have chosen “Easy to make communication and generate awareness of products and services to the customers” mean score 3.25 and std. deviation 1.64 which shows that there were very unlikely to get a new data point of -1 since it is more than standard deviations below mean.

V. FINDINGS

• I found that education and literacy level were not the challenges now for the SMEs owners as many SMEs owners are

having qualification of graduation and post graduation degree with them and aware about the uses of internet marketing and its benefits as well as challenges.

- The education plays important roles in generating awareness among the SMEs of using the internet marketing in their business practices.

- There are many SMEs aware of the internet marketing and also use them in their business practices but most of them were not uses the internet marketing after aware about its benefits also and this is due to the disinterest towards the internet marketing adoption in their business operations.

- There are many SMEs having their own sites in several networking websites but there were most of them don’t have their own specific account on several networking websites.

- There are many SMEs adopted internet marketing in their business processing with using multi mode of communication through using social media, e-mail advertising, mobile marketing, and online marketing to approach the customers with their relative of products and services effectively and efficiently.

- The many SMEs use the internet marketing in their business practices due to various benefits of adopting in their firm mainly uses social media as a mode of reaching to the masses.

- The internet facility is not much challenge now for adopting the internet marketing by various SMEs in their firms.

- The various challenges stills there facing by many SMEs owners which makes as hindrances to adopting the internet marketing practices in their business operations and day to day practices respectively.

VI. CONCLUSION

- The SMEs should make their effort towards adopting the internet marketing in their business practices as there were not anymore challenge facing by the SMEs in adopting the internet marketing in the firm due to lack of awareness as among the SMEs many of them having graduation and post graduation educational qualifications.

- The SMEs should make the some effort to make the attraction with the government relative agencies and

organisations which defines and mentors them to practice the internet marketing with several benefits and schemes launched by the government for them and regarding that they don't have any relative information's with them.

- The SMEs owners should accept that the initial cost is some large but there after it costs least and the benefit which they have after adoption of internet marketing in their business will cover their initial investment much earlier.

- The SMEs owners also have to make the research on that which internet facilities provider company is best for their area of business operations if they do so then there were no any challenges facing by them just because of the reasons of fluctuating internet speed and poor internet facilities.

- The SMEs owners not only make aware of themselves regarding the benefits of the internet marketing in their business practices but they also make effort to spread among other SMEs within the networking as the huge contribution is contributed by the SMEs to the GDP of country.

- The SMEs should strategically on recruiting the employees in their firm as the one of the challenges in adopting the internet marketing among the SMEs were the skilled personnel availability at huge salary they can vanish this challenges by making recruitment of those who is single to operate dual work at an some higher salaries incurred as making recruitment of the manager who were having IT educational background and experiences respectively.

- As the popularity and uses of internet is enhancing continuously but many SMEs who were doing business in trading and courier and cargo not using internet marketing to reach their customers or masses for providing their services and transit of products but alternatively sometime they only uses E-mail advertising to make communication and well relationship with their customers and social media as promotional tools but generally they keep away themselves from using the internet marketing to reach the masses respectively.

- There will be no problem of literacy level among the SMEs and due to this they also much aware about the various benefits of internet adoption in their business day to day processing and operations but they don't or disinterested in adopting the internet marketing in their business processes respectively.

- SMEs owners were having multi business types of operations such as a single company indulged in providing the manufacturing, retailer, wholesaler, service provider all together effectively.

- Many SMEs were not much interested and make any effort to know regarding and generate awareness towards the use of the internet marketing in their business operations.

- The SMEs were very much attracted and motivated to adopt the internet marketing practices into their business due to the benefits of Easy to track the changing taste of customers using customer feedback respectively.

- The SMEs owners more faces least challenges to adopt the internet practices in their business processing due to the reason of huge investment and skills required for building and maintaining effective websites respectively.

- It's hardly matter to the SMEs about the challenges facing due to lack of skilled personnel availability at lower wages/salaries respectively.

- The SMEs owners shows very great extent towards the internet marketing benefits of making Easy to communication and generate awareness of product and services to the customers.

- The SMEs doesn't face much challenges in adoption of internet marketing practices due to the fear of cyber crimes and online securities respectively.

- SMEs in India is growing with great pace and also there were increasing adoption of the various internet marketing practices in their firms to generate more awareness to the masses of people and generate more revenue from sales and marketing of their products and services through the internet marketing effectively.

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