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DIGITAL MARKETING AND SMES: AN IDENTIFICATION OF RESEARCH GAP VIA ARCHIVES OF PAST RESEARCH

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Abstract

As per the report of Boston Consulting (BCG) and internet mobile association of India (IAMAI) 2015, the internet population increased 25 times in the last 12 years. The reinvention of marketing requires a re-examination of existing techniques and practices to assure their appropriateness for changing global digital environment. The need to carry out research on usage of digital marketing in the Small and medium enterprises is utmost importance.

Objective: The main objective of this research is to develop a clear understanding about existing research related to SMEs and digital marketing. This paper aims to empirically explore all the different research points related to studies of digital

marketing published between 2005 and 2016 and explore different methodologies adopted by researchers in the field of SMEs.

Approach: For analyzing, review of the literature concerning the usage of digital marketing in SMEs, the author used systematic analysis and classifies the published data of marketing journals, economic, business and management journals and IT journals along with online accessible newspapers and reports. In this paper, author proposes a model of DOI (Diffusion of Innovation), Everett Rogers' five dimensional model, for understanding the studies on Indian SMEs' decisions to use digital marketing.

Results: The result indicated lack of structured research studies in order to use digital marketing in small businesses in India. The study covers many related areas such as: Electronic commerce, electronic platforms, Mobile marketing, E-marketing and many other research areas. There are clear research gap in field of digital marketing, to fill the same, there is need to conduct research to investigate the opportunities created by digital marketing for Indian SMEs. The use of different methods in reviewing the similar phenomenon should lead to greater validity and reliability than single method. Authors' recommends that triangulation approach will help in answering future researcher's questions and filling the research gap in this field.

Implications: This paper may give clearer view towards the published work in the field of digital marketing. Beneficiaries of this research may be industrialists, policy maker, practitioners, researchers and academicians.

Originality/Value: The outcomes of the study illustrate the research gap between digital marketing and its usage in SMEs. It may also facilitate better approach towards accumulated knowledge in the field.

Keywords: **Digital Marketing; Small to Medium Enterprises; Innovation; Internet**

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INTRODUCTION

Google India [1] showed that in India over 40% of SMEs used internet for advertising and over 58% of SMEs used their website to generate direct business leads. According to Digital India 2016, a report by Octane Research, 80% of Indian advertisers' trust that integrated campaigns (email, social, and versatile) can bring about direct to-noteworthy increments in conversion rates. This means businesses need a digital marketing strategy that is in sync with academic research. Digital marketing conceptualizes one for all digital campaign providing numerous benefits to n number of customers at one click. Not merely marketing products and services using digital technologies moreover seeking efficiencies and effectiveness through our campaigns, operations and management. SMEs have demonstrated a considerable strength maintaining a consistent rate of growth and employment generation during the years and have shown an appreciable performance. In recent

years we have seen a gradual development of e marketing and other e mediums in marketing efforts to certainly connect with our conscious customers. An SME's ability to learn and acquire knowledge prepares it for further steps of growth, which ultimately determines whether the SME is able to progress to the next stage of development.

Merging SMEs with digital marketing will definitely get a new kick to its working and efficiency helping us to reach our customers and getting their feedbacks within no time. The author sights implementing digital marketing in small and medium enterprises can change both the shape and nature of its business all over the world. The further study will talk about SMEs and digital marketing and scope of digitization in India.

SME (Small Medium Enterprises)

What constitutes an SME? It streamlines non-subsidiary independent firms employing less than a given number of employees as this number varies across different countries. Small and micro enterprises (SMEs) section 7 of MSMED Act 2006 provides us the basis of classification between the activities and the investment size. Manufacturing Enterprise over here is defined in terms of investment in Plant and Machinery. Whereas enterprises engaged in rendering of services are defined in terms of investment in equipment. MSME comes up with a second highest ratio of workforce after agriculture providing benefits and employment within the country. According to Fruhling and Siau, the human capital accessible within the organization is likely to be a fundamental factor in effective innovation. Consequently, management strengths should be focused on nurturing and exploiting these strategic resources.

The census rose up to 40% this year and generated 3.25 lakhs of jobs. As a report claims that MSMEs contribution in GDP (Gross Domestic Product) will be raised by 22% in 2020 from 17% in 2011. Indeed MSME is the triggering point in the economy and provoking the other sectors as well to compete with the usage of digital marketing. SMEs should merge up with digital marketing to enhance its working, to boost up its skills and have significant results. The ever evolving trend in the market and the changing needs mounts up the core working in both the sectors. The research renders relevant actions to be taken on the usage of marketing in SMEs and even studies the past researches done by scholars in the field from last 10 years (Table 1).

Table 1: Definition of micro, small and medium enterprises.

Manufacturing Sector	
Enterprises	Investment in plant and machinery
Micro Enterprises	Does not exceed twenty five lakh rupees
Small Enterprises	More than twenty five lakh rupees but does not exceed five crore

	rupees
Medium Enterprises	More than five crore rupees but does not exceed ten crore rupees
Service Sector	
Enterprises	Investment in equipment's
Micro Enterprises	Does not exceed ten lakh rupees:
Small Enterprises	More than ten lakh rupees but does not exceed two crore rupees
Medium Enterprises	More than two crore rupees but does not exceed five core rupees
Source: (Development Commissioner MSME) (Mathew, 2014) (RBI) (MSME, 2014)	

Digital Marketing

Digital marketing outlines the use of technologies in marketing efforts and business practices with the marketing of goods, services, information and ideas via internet, mobile phones, display advertising and other e mediums. Data driven marketing uncovers various tactics to approach, attract, aware, delight and lead customers to online marketing. Digital marketing has been cited by many acknowledged writers and unlikely state their views to the same. Making reference to this Strauss and Frost define it as: "The use of electronic data and applications for planning and executing the conception, distribution and pricing of ideas, goods and services to create exchanges that satisfy individual and organizational goals". Smith and Chaffey define it as: "Achieving marketing objectives through applying digital technologies". Digital marketing advances business development and brand value ensuring growth and better visibility.

With this study author wants to associate the working of digital marketing with SMEs and the past researches in order to fulfill the gap between digital marketing and its usage in SMEs. SMEs need to be ready on the status of digital marketing as comprehensive winning strategies adopted will give a vigorous start on marketing campaigns.

Research Problems and Questions

The root cause of this study is to develop a thorough understanding about the existing researches associated with SMEs and digital marketing. The objective is to explore past researches and methodologies as adopted. Preparing the complete archive of past and existing work will further help us a bridge the gap and create opportunities for research work and even for SMEs to get familiar with digital marketing. The research believes that digital marketing still needs to be analyzed and get a knowhow for the same.

Accordingly, the questions that study attempts to answer are:

- Different research points as of studied from 2005 to 2016 in context with digital marketing and SMEs.

- Reviewing related platforms and decisions taken for the use of digital marketing in Indian SMEs along with research points

RESEARCH OBJECTIVES

The study aims to advance a comprehensive framework related with the past archives and methodologies of digital marketing and SMEs published between 2005 and 2016. Research explores and analyzes the different approaches adopted by researchers intended to contribute knowledge in the field.

- Propositioning a model of DOI (Diffusion of Innovation) with categories of researchers;
- Providing archives of past research in context with digital Marketing and SMEs: to analyze the gap between them.
- Exploring the methodologies implemented by researchers;

Since the research studies past methodologies by the scholars it will thus help us to have a holistic understanding of the use of digital marketing in Indian SMEs.

METHODOLOGY

Qualitative research facilitates academics to cultivate a deeper understanding of experiences, procedures, difficulties, and events. The paper is a descriptive analysis of the literature of digital marketing with regard to SMEs. The research will offer an observation and an insight into the subject of SMEs embarking digital marketing.

Digital marketing is an unclear concept for researchers, it needs further research. Various researchers and practitioners misusing it and mixing some other concepts like: Electronic commerce, electronic platforms, Mobile marketing, E-marketing and many other research areas. Researchers agreed that the qualitative method is suitable for understanding the business activities in SMEs because it helps explain rather than predict or measure the phenomena. A majority of the sources used in this paper are peer-reviewed articles extracted from various databases published between 2005 and 2016. The journals and case studies of following database has been reviewed:

- Emerald data Base
- Sage data Base
- Springer data base
- Others/Reputed indexed journals.

In addition to article, accessible *e-newspapers* and *reports* have been studied. An attempt has been made to link various recent researches to present an integrated

picture and identify the gaps in the existing research. The study also provides a direction for future researches.

Samples and Procedures

The author reviewed the literature by executing three stages of the search. The author initiated by determining the database that could be considered as the potential publications in the area of digital marketing. The study further states the size of the database, collections of management journals, newspapers; provides a comprehensive bibliography of digital marketing literature.

The other stage investigates the different research points and methodologies applied in the literature of digital marketing and Small and medium enterprises (SMEs). Using Electronic commerce, Electronic platforms, Mobile Marketing, E marketing as key points provide broader insights in the research. Sample size of the study is;

Articles published in journal (44) Articles published in accessible e-newspapers (8) Reports (8).

Lastly relevant research studies were identified to come up with an accurate and fair representation of the literature characteristics and to investigate the research points, methodologies and methods used in contemporary Digital Marketing research.

RESULTS

Diffusion of Innovation Model

Innovation is a social rather than a solely individual process occurring among a variety of stakeholders rather than as a matter of transfer or dissemination of technology or ideas'. Innovation is 'an idea, practice or object that is perceived as new by an individual or other unit of adoption' [2].

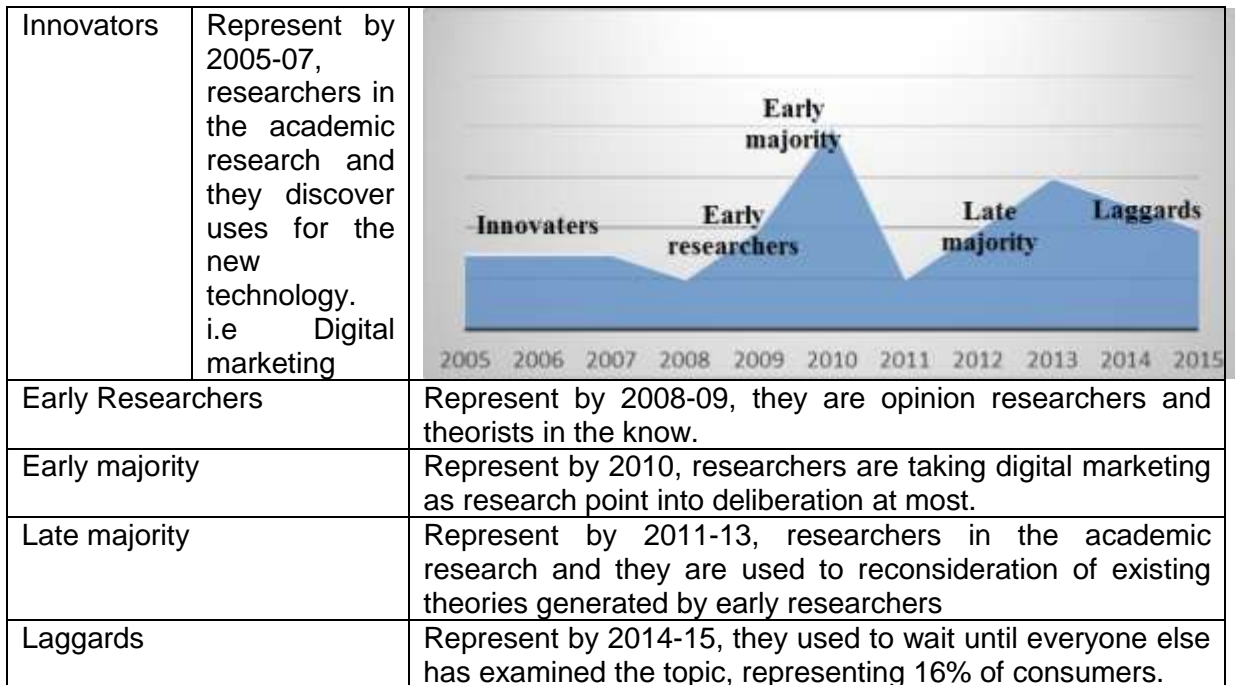
The diffusion of innovation model [2] identified a number of categories of adopter, based on the speed with which they adopted the innovation. The SMEs can easily bring in the innovative marketing practices as they don't have layers between the decision makers and the people who implement these decisions.

With the perspective of connection and change, the paper is to come up with a model for studies on digital marketing with respect to Indian SMEs. Within the academic research points, there are five categories of researchers, following table will represent.

However, the diffusion of innovation model derived by Roger, as well as the study of Digital marketing in Indian SMEs is still in its infancy. After completing the literature review survey, the next stage is the development of theoretical framework, along

with the discussion of the methodologies and research points (Figure 1).

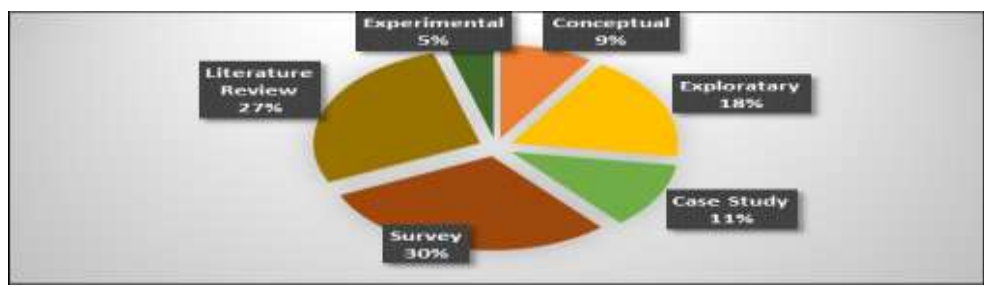
Figure 1: Diffusion of innovation model: categories of researchers.



Research Designs Adopted for Past Research’s Archives

Although limited in background knowledge, this paper presents a brief literature review on digital marketing from 2005 to 2015 in order to explore how digital marketing and applications have studied in this period. It was analyzed that the majority of the researchers depended on Survey and literature review method of study with percentage of 30% and 27%, respectively, of the total number of studies and a percentage of 5% of the experimental studies. On the other hand while 18% of the exploratory Studies, 11% of them case study and Conceptual strategy is only 9%. This represents that, budding research studies are conceptual, case studies and experimental in the field (Figures 2 and 3).

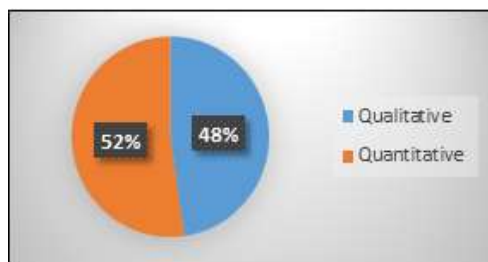
Figure 2: Research design adopted by researchers.



Methodologies Adopted for Past research’s Archives

By studying the literature, it is found that the majority of researchers in the field of Digital marketing depended on Quantitative and Qualitative methodologies from 2005 to 2015. In this respect, researchers depended on Qualitative methodologies in 48% of the total number of studies and on Quantitative methodologies in 52%of the total number of studies.

Figure 3: Qualitative Vs. Quantitative.



Content Analysis of Past Research’s Archives

















SMEs require proper guidance in making the right choice of technology suited to their needs. It has been observed that 32% studies out of the total academic researchers were based on digital marketing. Authors analyzed that there were 41% studies based on mixed contents like ICT, Information systems, mobile marketing etc. It can represent there is lack of studies which may reflect the clear picture of Digital marketing, E- commerce and Internet marketing.





Taxonomy of Research Studies: 2005-2016

Table 2 illustrates the distribution of articles published in the online database of journal related to the research topic i.e. digital marketing and SMEs from 2005 to 2015.

Table 2: Journals and its articles related with digital marketing and SMEs.

Journals	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Journal of Small Business and Enterprise Development		☀						☀	☀	☀	
Journal of Indian Business Research					☀				☀		

Journal of Marketing and Logistics											
Telematics and Informatics											
Procedia Economics and Finance											
Journal of International Entrepreneurship											
Electronic Commerce Research											
Small Business Economics											
International Journal of Management and Enterprise Development											
International Journal of Innovation of Engineering and Technology											
Research Journal of Management Sciences											
Management Decision											
International Journal of Business and Social Science											
International Journal of Engineering Research and Applications											
Indian Journal of Marketing											
International Journal of Applied Research											

International journal Management and Enterprise Development											
International Journal of Computer Sciences and Engineering											
Indian Journal of Science and Technology											
 Represents the topics on digital marketing and SME's are published in the various years of particular journals.											

Articles as on Newspapers and Research Reports

The various agencies, including government, have to create a support to SMEs for enabling their participation in the digital economy. The interventions could be to allow SMEs to exploit business information resources, turning them into accessible, visible products, thus creating favorable conditions for firms to access business information, know-how, training and technology (Table 3) [3-15].

Table 3: Articles published in e-newspaper and reports; short examination.

S.No.	Particulars	Conclusion
1)	Business standard December 26, 2014	Sokrati eyes SMEs for digital marketing business
2)	Business Standard Magazine September 28, 2016	Digital India has opened a new window for growth: Rajiv Srivastava
3)	Business Standard April 25, 2016	Digital India fillip for IT MSMEs
4)	Business Standard Karan Chodhury New Delhi April 17, 2016	E-commerce firms ride Make in India to reach rural markets. Paytm to induct 5,000 manufacturers and sellers; has started programs to identify and train new sellers
5)	Hindu Business Line November 23, 2015	E-lala to take small traders online. The portal will serve nearly 5.77 Crore small traders in the country.
6)	Press information bureau July 27, 2015	NSIC launched a B2C e commerce portal msmeshopping.com.

7)	VC Circle April 17, 2013	Digital marketing and analytics service provider (SOKRATI) introduced performance based commission model for small and medium businesses focusing social online marketing.
8)	Economic Times July 14, 2015	Financial help provided to India's MSMEs through e-commerce platform. SIDBI and Snapdeal partnered together to render financial and non-financial support to small and medium sized business.
9)	'Social Media in India - 2013' Internet and Mobile Association Of India (IAMAI)	The number of social media users in Urban India would reach 86 million in October this year, and 91 million by the end of this year.
10)	Marketing Analytics Benchmark Report by Marketing Sherpa 2013	66% of surveyed marketers report acting on data to improve marketing performance is the most important objective for marketing analytics in 2013
11)	We are social 2016 by US Central Bureau, ITU.	136 million users are active social media users in India. 116 million are active mobile social users in India.
12)	Digital India 2016 by octaneresearch.in	For 50% Indian Marketers, e-Marketing income commitment is over 10%: 85% of the Marketers are following incomes produced through e-Marketing exercises for their business. 50% of Respondents report that e-Marketing exercises are contributing over 10% of shares of their incomes. 80% of Indian Marketers trust that integrated campaigns (Email, Social and Mobile) can bring about direct to critical increment in conversation rates.
13)	NSS Report 2014	Usage of computer in Uttar Pradesh (Age wise Analysis) Literary percentage at Uttar Pradesh
14)	Report by Boston Consulting Group(BCG) and Internet and Mobile Association of India(IAMAI) 2015	The internet population increased 25 times in last 12 years. The internet population estimated to reach half billion in 2018, making India the second largest population of Internet users in the world.
15)	National Skill Development	Potential and Skill Gap in Uttar Pradesh

	Report 2013	
16)	ASSOCHAM Report , 2016	MSME Sector in Uttar Pradesh: Exceeds its Target in 11th FYP both in Number and Employment

The author reviewed the literature on digital marketing and its usage on SMEs. Were it can be seen that the past research work done is on focusing social media and social users in country. Rather Government needs to work upon its potential usage on these sectors to uplift the effectiveness of small business.

The statistics provided by these reports are easily inference about the lack of studies in the sector of SMEs and digital marketing. Thus there is a need to create a proper blend of statistics and digital marketing in small and medium business enterprises in India [16-22].

CONCLUSION

Research methodologies employed in Digital Marketing research from 2005-2016 could be a very helpful resource to guide researchers searching for a suitable methodology in the area of Digital Marketing through providing a good understanding for the methodologies used by other researchers in the field. Despite of the rapid growth of digital marketing in the industry we can see a little advancement in SMEs. The literature work need to be progressed to give advancement to other beneficiaries of this research. Findings and issues of the paper will be highly useful for SSIs in framing their strategies, and academia for further research in the context of changing market scenario.

LIMITATION

Limitations represent the potential shortcomings of the study. The foremost is even after having many medium to go for a research the author based on newspaper study and journals available. This is due to the time limit of this study, and therefore, generalizations cannot be made.

Notions for Approaching Researchers

There is still a need for further academic research within the field of digital marketing and SMEs participation. A suggestion for further research is to perform a quantitative, qualitative and conceptual research, where one can provide a new dimension to the study. This paper will help SMEs in shaping their competitive strategies and policy formulation by respective governments.

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