



Special Issue - Innovative Commerce: Bridging Business and Computer Applications (ICBBCA-2026)

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A STUDY ON IMPLEMENTATION AND EFFECT OF DIGITAL MARKETING IN A SMALL RETAIL BUSINESS

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Abstract

Digital marketing has become a crucial strategy for small retail businesses aiming to improve competitiveness and achieve sustainable growth. This study examines the implementation and effects of digital marketing strategies in a small retail business, with particular focus on tools such as social media marketing, search engine optimization (SEO), email marketing, and paid advertising platforms including Facebook, Instagram, and Google Ads. The objective of the study is to analyze how digital marketing strategies are adopted and integrated into business operations and to evaluate their impact on customer reach, brand awareness, customer engagement, and sales performance. A descriptive research design was employed, and data were collected through interviews with the business owner, customer surveys, and analysis of sales records before and after digital marketing implementation.

Keywords: Digital Marketing, Small Retail Business, Social Media Marketing, Customer Engagement, Sales Performance, Online Advertising, Business Growth, SEO.

Introduction

In recent years, the rapid growth of digital technologies has significantly transformed the way businesses operate and interact with customers. Digital marketing has emerged as a powerful tool that enables businesses to promote their products and services through online platforms such as social media, search engines, websites, email, and mobile applications. Unlike traditional marketing methods, digital marketing offers cost-effective, measurable, and targeted approaches, making it particularly beneficial for small retail businesses with limited resources. Small retail businesses play a vital role in the economy by generating



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employment and catering to local consumer needs.

Statement of the Problem

Small retail businesses play an important role in the economy, but they often face challenges such as limited financial resources, intense market competition, and restricted customer reach. With the rapid growth of digital technology, digital marketing has become a key tool for business promotion and customer engagement. However, many small retail businesses are still slow or inconsistent in adopting digital marketing strategies due to lack of awareness, technical knowledge, and proper planning. Although digital marketing offers cost-effective and targeted promotional opportunities, small retail businesses often struggle with its effective implementation.

Objectives of the Study

- To analyze the implementation of digital marketing strategies in a small retail business.
- To evaluate the impact of digital marketing on sales and revenue growth of the small retail business..
- To identify the digital marketing tools and platforms used by the small retail business.

Scope of the Study

The scope of the study is limited to understanding the implementation and effect of digital marketing in a small retail business. The study focuses on analyzing the various digital marketing tools and platforms such as social media marketing, online advertising, websites, and digital payment systems used by the selected retail business. The study examines how digital marketing strategies are implemented and their impact on business performance, including sales growth, customer awareness, customer engagement, and customer retention.

Research Methodology

Research Design

The research design adopted for this study is **descriptive in nature**, as it aims to describe the implementation and effect of digital marketing in a small retail business. The study focuses on understanding existing digital marketing practices and evaluating their impact on business performance and customer behavior.

Nature of the Study

The study is both **descriptive and analytical**. It describes the digital marketing tools used by the small retail business and analyzes their effectiveness in terms of sales growth, customer engagement, and brand awareness.



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Sources of Data

- **Primary Data:** Primary data is collected through structured questionnaires and personal interviews with the retail business owner and customers to understand digital marketing adoption and customer perceptions.
- **Secondary Data:** Secondary data is collected from books, journals, research articles, company websites, and online sources related to digital marketing and small retail businesses.

Sample Size

The sample size for this study consists of **100 respondents**. The respondents were selected from customers of the small retail business who are familiar with or have interacted with the business through digital marketing platforms such as social media, online advertisements, or messaging applications.

Sampling Technique

The study adopts a convenience sampling technique, as respondents were selected based on their availability and willingness to participate in the research. This method is suitable for small-scale retail studies where access to a large, randomized population may be limited.

Statistical Tools Used

A sample of 100 customers was selected using simple random sampling to evaluate the impact of digital marketing on the small retail business. Sales data before and after implementing digital marketing strategies on platforms such as Facebook and Instagram were collected for comparison. A paired t-test was applied to determine whether there was a significant difference in sales performance.

Data Analysis and Interpretation

Based on the responses collected from 100 customers, the findings indicate that digital marketing has a significant positive impact on the small retail business. A majority of respondents, particularly those aged between 18-35 years, reported actively engaging with the store's online content. Nearly three-fourths of the respondents stated that they follow the business on social media platforms such as Facebook and Instagram, which highlights the effectiveness of these platforms in reaching the target audience. Most customers agreed that online advertisements, promotional posts, and regular updates influenced their purchasing decisions and increased their awareness of new products and offers. Furthermore, the comparison of sales data before and after the implementation of digital marketing strategies showed a noticeable increase in revenue. When do you feel need to shop in the online wise classification of respondents

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Table 6.1

Particulars	No. of Respondents	Percentage
By seeing ads on TV	11	11.00%
By seeing ads online	21	21.00%
The popularity of product	35	35.00%
Online offers	15	15.00%
Others	18	18.00%
Total	100	100%

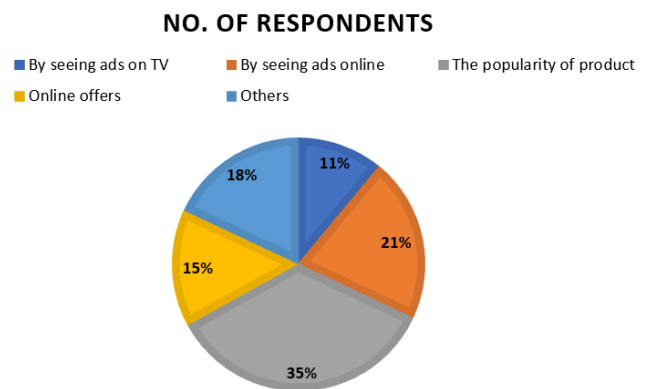
Source: Primary Data

Interpretation

The table indicates how 100 respondents became aware of the products offered by the small retail business. A majority of 35% of respondents stated that they were influenced by the popularity of the product, suggesting that brand reputation and word-of-mouth play a major role in attracting customers. About 21% of respondents reported that online advertisements were the reason they noticed the products, showing that digital marketing efforts are effectively reaching a significant portion of the target audience. Traditional TV advertisements influenced 11% of respondents, which is lower compared to online methods, indicating a shift towards digital channels for customer engagement. Additionally, 15% of respondents were attracted by online offers, highlighting the effectiveness of promotional campaigns in driving interest. The remaining 18% cited other sources, such as in-store

promotions or recommendations from friends and family.

Diagram 6.1



Interpretation

From the above table, it is interpreted that 11% are by seeing ads on TV, 21% are by seeing ads online, 35% are popularity of the product, 15% online offers and 18% others respondents.

Findings and Suggestions

Findings

- **Adoption of Digital Platforms:** The small retail business successfully adopted digital marketing tools such as social media and messaging applications to promote products and communicate with customers.
- **Increased Brand Awareness:** Digital marketing helped the business reach a



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wider audience, and many new customers became aware of the store through online platforms.

Suggestions

- **Enhance Digital Skills:** The retailer should learn basic digital marketing techniques and use online training resources to improve effectiveness.
- **Maintain Consistent Posting:** Regular and planned content updates can help maintain customer interest and improve online visibility.

Conclusion

The study concludes that the implementation of digital marketing has a significant positive effect on the performance of small retail businesses. By adopting digital platforms such as social media, messaging applications, and online promotions, the business was able to increase its visibility and reach a larger customer base. Digital marketing helped in promoting products more effectively and maintaining regular communication with customers.

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