

# STRATEGIC ADVANTAGES OF ENGAGING DIGITAL MEDIA OVER CONVENTIONAL MEDIA FOR INDIAN SMEs

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## **Abstract**

With the use of digital media, businesses can instantaneously access audiences across the world through platforms like social media, search engines, and online marketplaces. Small firms may compete on a global scale without having to make large financial investments. With exact budget management, digital campaigns are less expensive than conventional media (such as print and television). Businesses may effectively target particular demographics with tools like email marketing and social media advertisements, increasing return on investment.

In order to gather the ground zero realities, it was crucial that research be done in relation to Digital India Media Initiatives and market advantages from the perspective of marketers especially the small medium enterprises in India specific city in the state of Maharashtra, India has been chosen for the research work. In order to promote products and brands especially for the entrepreneurial level and small medium enterprises in India, this study examines the function of Digital India Media Initiatives and strategic advantage of engaging the digital media platform over conventional media communication. The study also examines how well Digital India Media especially the social media initiatives work to advance SME marketers in India was enthralling, and the researcher ultimately determined the potential and advantages facing these initiatives.

**Keywords:** conventionalmedia, Digital Media, social media, online marketing, Indian media, Indian SMEs

## **INTRODUCTION**

By leveraging the information technology industry, digital media is displacing conventional media. The use of smartphones and the expansion of internet infrastructure have made digital media more crucial for audience outreach. Globalization, shifting consumer preferences, and people's busy schedules are all factors contributing to the rise of digital media. In the event that the audience is interested in purchasing the items, digital media promotes two-way communication and prompt decision-making. All the current conventional media, including television and radio, is expected to go entirely digital in the future. Digital media allows for the application of creative approaches in content, customer outreach, audience attention, interaction promotion, and audience tracking.

A previously unheard-of avenue for information transmission has been made possible in recent years by the development of the internet and new communication technologies. It has influenced people's

daily lives in ways that were previously unthinkable, especially online. The internet has expanded more quickly than any other communication medium since the 1980s. The emergence of a new medium frequently has an impact on established media in a number of ways, such as production method, credibility, and audience base.(Al-Garadi et al. 2019)

Increased competitiveness is another effect of social media on India's micro and small businesses. Businesses may now more easily enter the market and compete with well-established competitors thanks to social media. As a result, small firms are under more pressure to enhance their offerings in order to stay competitive. Additionally, social media has improved the performance of India's micro and small businesses. ( Madhumithaa, N., et al 2023)

The B2B market in India has been thriving and is expected to develop at the quickest rate in the world. The growing middle class in India—the second biggest in the world—and the continued use of digital channels for buying goods and services will support the growth and emerging consumption patterns that B2B market expansion depends on. With a CAGR of 3.212% for both print and digital categories, India defied global trends once more this year and became the fastest-growing newspaper market. Newspaper revenue fell in 2022 compared to 2021. With non-fiction books being the preferred genre for Indian readers, India is also the Asia Pacific region's second-fastest-growing consumer book industry, after China. (PWC Global Entertainment and media outlook 2023-2027)

However, Indian SMEs could or might not have their own websites or other online presences. In India, 43% of SMEs engage in internet sales. In general, web-enabled SMEs have better job possibilities, more consumer reach, and higher earnings. According to a poll, 56% of SMEs think that using internet technology is essential for expanding their businesses, while 33% have no idea what the internet can do for their company. (KPMG 2015)

The mobile-first strategy in these areas helps SMEs by enhancing the customer experience with mobile applications and optimized websites. Companies are concentrating on creating responsive mobile websites and applications to get into this expanding industry, since mCommerce accounted for more than 54% of e-commerce sales in developed economies in 2021 (eMarketer, 2021). Additionally, payment systems like Apple Pay and Google Pay facilitate purchases for mobile users, which contributes to the expansion of mCommerce (Mobile Marketer, 2021).

**Research Objective:** The predominant objective of this research paper is to evaluate the strategic advantages of using digital media platforms for Indian based SMEs who are specifically doing business in a region of Maharashtra specific trade cities.

**Research Aim** The predominant aim of this research work is to emphasize the strategic advantages of digital media influence for the marketers especially the small and medium level enterprises in a digital over conventional media in Indian market scenario. This study aims to investigate the advantages of utilizing digital media especially the social media platforms as promotion media vehicle.

**Methodology:** This study used a methods approach to its research methodology, which is quantitative techniques. This method offers a greater knowledge of the adoption of digital media rather than conventional media by SMEs and permits a thorough investigation of the research topics.

This essay will examine the major advantages of the digital media inclusive of social media and digital platforms activities that makes to prioritize digital media over conventional media especially for the SMEs in India, highlighting the opportunities and difficulties they encounter as well as the tactics they might employ to thrive in the digital economy.

### **Data Collection**

This research attempts to provide a refined evaluation system, which is a catalog containing items that are related to digital media marketing of Indian SMEs, in order to address the research question of how to find the strategic advantages of engaging digital media and broken-down items to analyze the impact of digital media over conventional media utilization in India. These topics are examined and enumerated from the perspectives of SME marketers who actively and efficiently engages digital media platform especially the social media influences that offers the marketers the strategic advantages from the economic business perspective as well as the technical advantages. The random SME group in a specific state in India has been considered for the data collection applying quantitative methods using questionnaire data to determine the advantage and potential benefits of engaging digital media over conventional media. There are over 150 SMEs have been chosen for the study. Geographically main target market is the State of Maharashtra especially trade hub cities such as Mumbai, Nashik & Pune city.

Ebsco, Jstor, Emerald Insight, ProQuest, Science Direct-Elsevier, BMJ (British Medical Journals), and PubMed were the most frequently searched databases. Price Waterhouse Coopers and McKinsey research articles were the most widely read SME reports. For the literature review, the databases from Google Scholar, and Assocham (The Associated Chambers of Commerce and Industry of India) reports were reviewed, and the relevant public domain literature was picked up.

**Questionnaire:** There is open ended, close ended also the Likert scale questions have been designed from the industry based questions and advantages of digital media utilization for SMEs.

### **Research Question**

In what ways does digital media benefit Indian SME marketers the most?

### **Data Analysis**

A quantitative approach was used for the analysis of the gathered data. In order to find trends, correlations, and patterns in consumer behavior, statistical tools like SPSS and Excel were used to process questionnaire survey responses for the quantitative analysis. In order to reach the intended population, the survey was also created using Google Form and disseminated via Facebook and WhatsApp.

## **LITERATURE REVIEW**

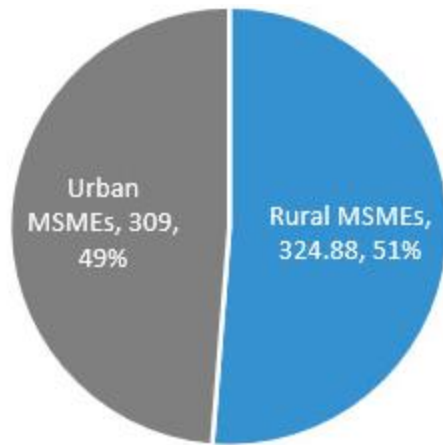
### **Overview of SME**

In accordance with the Micro, Small, and Medium Enterprises Development (MSMED) Act of 2006, the Indian government established Micro, Small, and Medium Enterprises (MSMEs). These businesses were mostly involved in the production, processing, manufacture, or preservation of consumables and products.

One of the main drivers of the nation's social and economic growth is the Small and Medium Enterprise (SMEs) sector. This industry has become more well-known in India as a result of its contribution to the GDP and exports of the nation. It has been supporting the growth of entrepreneurship, which has further assisted in reducing unemployment and poverty, particularly in semi-urban and rural regions (IBEF, 2021).

According to (Nihar Ranjan Jena and Lina R. Thatte's 2018) analysis, variations in the availability or lack of sufficient enabling elements, such as labor force, economic infrastructure, and national regulations, account for the performance variances of the MSME sector among states. According to the current research, which is mostly based on the framework, GDP size, density of MSME clusters, etc., Maharashtra led the MSME sector in terms of performance, closely followed by Gujarat, Tamilnadu, Andhra Pradesh, Uttar Pradesh, West Bengal, and Kerala. The figure 1 illustrates the number of registered MSMEs in India as on 2022.

Figure 1: Number of registered MSMEs in India 2022 (source: ibef.org)



### **Alteration from Conventional Media to Digital Media**

In India digital media has drastically upended traditional media companies changing the dynamics of content production distribution and consumption. The Internet and Mobile Association of India

According to (Jokinen, T. 2016), advertising in traditional media involves a variety of taxing circumstances, including a high volume of irrelevant contacts, exorbitant fees, and the waning influence of shifting media consumption patterns and the shift to digital media.

Compared to traditional media, digital media marketing is more focused, affordable, and clearly measurable. Because of extensive mass media marketing, it may be said that traditional mass media is more effective than social media at raising brand recognition. However, the drawback of mass media branding is that it lacks clear target audiences and measurability; as a result, a small percentage of the customers it reaches are not members of the chosen consumer groups. (Jokinen, T. 2016),

With 85.80% of users, YouTube is the most popular social media network in India. Facebook, WhatsApp, and Instagram are utilized by 75%, 74%, and 70% of users, respectively. Facebook is the most widely used, preferred, and dominating social media network in India, both among the general public and business organizations. Instagram, whose user base is primarily made up of adolescents and millennials, is another fierce rival (The Global Statistics, 2021).

## **SME Digital Media Adoption**

Many businesses have recently begun conducting business and selling their goods and services online, that is, using internet platforms. MSMEs' reaction to e-commerce and e-marketing has not been very promising, despite prior research confirming that SME owner-managers find digital technology and apps to be highly helpful (Camilleri, 2018b). Many SMEs fail to fully utilize these new digital capabilities.

With websites like Facebook WhatsApp and YouTube consuming a significant portion of daily screen time social media has also become a vital channel for content consumption (IAMAI 2022).

Because of this shift audiences have become more dispersed which has decreased the reach and power of traditional media sources (Mukerjee 2022). Furthermore, India's diverse linguistic and cultural landscape has benefited from digital platforms capacity to deliver localized and vernacular content (Kumar 2014). It is challenging for traditional media outlets to compete with this hyper localized strategy because they have historically catered to larger audiences.

SMEs are unable to fully utilize social media because of their limited financial resources and the intricate bank credit procedures. B2C SMEs should continue to prioritize implementing social media marketing strategies in addition to adopting the newest technologies. Among the many advantages of social media use are insights, a larger consumer base, and improved comprehension. Facebook offers the most useful capabilities for connecting with B2C business model customers, and SMEs may use the appropriate messaging on other social media platforms to reach their target audience as well (Singh, 2019).

## **Role of Social Media for SMEs in Digital Environment**

Social media is becoming a vital component of both our personal and professional life in the current digital era. It has completely changed how we interact with one another, exchange information, and communicate. This is particularly true for India's micro and midsize businesses (MSEs), who have successfully used social media to attract new clients, grow their clientele, and boost sales. (Madhumithaa. N 2023)

Social media channels are now essential for SMEs looking to increase sales, interact with clients, and establish their brand. Direct product sales via social media sites like Facebook, Instagram, and TikTok, or social commerce, have become more popular. 43% of internet users reportedly conducted product

research on social media in 2022 (Hootsuite Report, 2022). Platforms like Facebook Shops and Instagram's Shoppable Posts enable SMEs in developed countries to easily integrate e-commerce functionality. More than 95% of companies in Brazil and India use WhatsApp to interact with clients, demonstrating the growing use of social media for company marketing in emerging economies. Targeted advertising is another benefit of social media marketing that helps SMEs reach particular demographics and boost ROI (Marketing Dive, 2021).

Social Media can assist SMEs in networking and connecting with other business owners. Through chat rooms, blogs, and online communities, SM platforms can help SMEs connect and build relationships based on shared interests to a significant degree (Quinton & Wilson, 2016). This can lead to partnerships, which can spur innovative and co-creative changes in business (Bhimani et al., 2019; Rathore et al., 2016).

Since Social Media is the only location open around-the-clock for clients who are often preoccupied with their daily schedules, it is also a great platform for SMEs to raise the visibility of their company and goods (Rakshit et al., 2021). Companies without an existing social media presence will inevitably learn about its facets to boost their exposure and draw in tech-savvy, time-pressed clients.

The quick development of information and communication technologies (ICTs) has given SMEs the chance to contact clients globally, despite the fact that they frequently fall behind in technological and managerial capabilities (Neirotti P, Raguseo E, Paolucci E 2016). However, SMEs in India are only just beginning to use digital marketing because of a number of obstacles, such as a shortage of qualified staff, a lack of support from upper management, problems with trust, privacy and security concerns, legal procedures, sluggish website performance, and a lack of awareness among decision-makers.

## **FINDINGS AND DISCUSSION**

The questionnaire's main data are shown in the table 1 below, which also includes information on the demographics, SME background and segment, and respondents' main purpose of choosing digital media over conventional media. Besides, the frequency of SMEs activity in Digital media platforms as well as the disadvantages of conventional media that let the small medium enterprises choose the digital media.

These findings are in line with other academic studies on the subject and lend credence to the notion that digital disruption has fundamentally altered how SMEs consume media. Although, conventional media has gained credibility in the Indian landscape media industry the level of innovation is much lesser than the digital media. The study results shows that the preference of digital media by the small

medium enterprises in India broader reach and customization of target audience in their respective regions. The fastest evolving media landscape in India and the consumption ratio of mobile application based e-commerce and other trade related activities are one of the major identified reasons for the marketers to choose more of digital marketing activities. In addition, changing behaviour of consumers and knowledge over digital and software platforms are the main reasons. The most attractive option in Digital media for the young audience is that it is more interactive than conventional media.

Table.1: industry-based SME Participants response

Response Option		Percentage of Respondents			
1. Specify the name of the state your company business is established					
Pune	Mumbai		Nashik		
29.25%	57.49%		31.26%		
2. Please specify your SME enterprise category					
Micro	Small		Medium		
15%	58%		45%		
3. On which segment does your company mainly involved in?					
Retail & Wholesale Trade	Manufacturing	Entertainment & Printing	repair & maintenance	Professional Business Service	Others
33.28%	23.20%	6.5%	19.16%	25.21%	11.10%
4. What is your job status of the current business (SME)					
Business Owner	Business Partner		Business Consultant		Employee
56.48%	10.9%		12.10%		39.33%
5.The main purpose of engaging digital media for your business					
Product/Brand Promotion	Business Development		Business networking	Viral content & Blogs	
44%	16%		25%	15%	
6.How often do you engage digital media for your product brand/service promotion					
Daily	Weekly		fortnightly		Monthly
7%	42%		44%		7%
7.What are the major disadvantages of selecting conventional media for SMEs					
Expensive	Non-interactive		Non-customizable		Non-target based advertising
42%	23%		26%		9%

The sector wise respondent question was a part of the analysis, and the results received from the respondent industry based is illustrated in the figure 2 below.



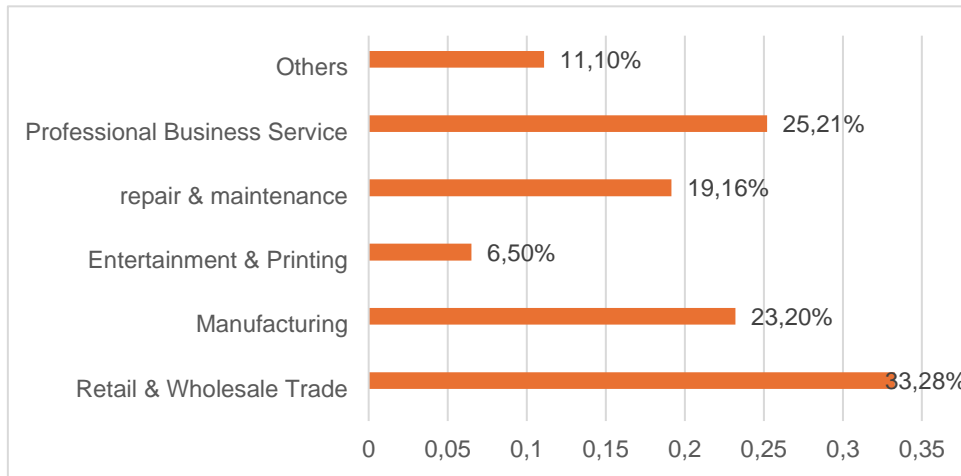


Figure 2: Industry wise SME participants

As per the sample size the main purpose of engaging digital media by the SMEs in the respective region in India figure 3 shows the answers from the respondents.

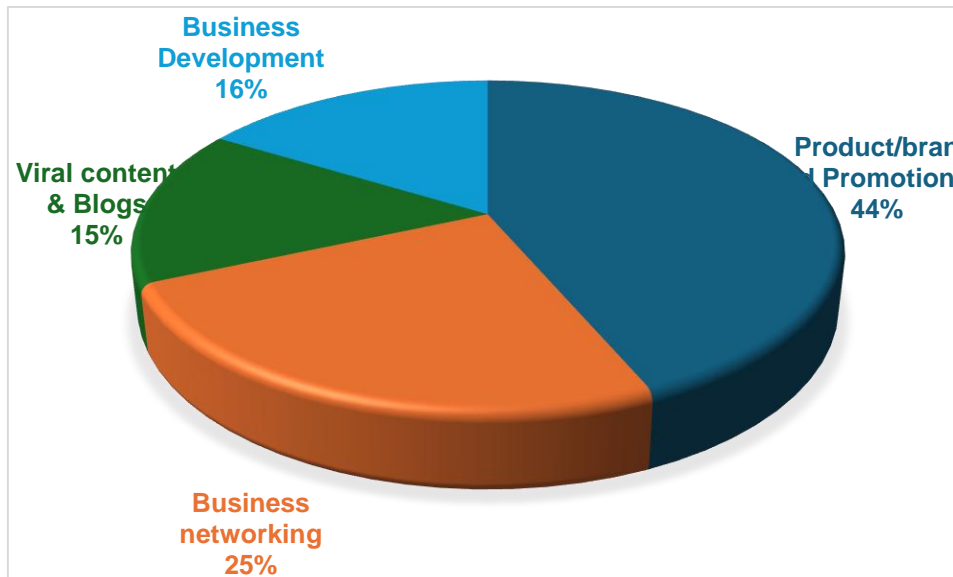


Figure 3: Purpose of engaging Digital media by Indian SMEs

As per the analysis of the survey the majority of respondents uses for product and brand promotion followed by business networking. Besides, They create viral content and blogs to engage their target audience. The business development aspect activities also enable to engage digital platforms such as website, B2B Platforms and social media.

There are some significant advantages of engaging digital media for the Indian based SMEs from business and marketing perspective. Following table 2 shows the result of the survey analysis.

Table.2: SMEs Advantages of engaging Digital Media

<b>1. Which digital media is more advantage for your business</b>				
Website (SEO)	Social Media	B2B Platform	email	All of them
6%	33%	28%	12%	10%
<b>2. What are the major strategic advantage of engaging digital media</b>				
Cost effective	Real time tracking	Interactive communication	Target Audience Customization	All of these
35%	21%	21%	7%	16%
<b>3. To what extend do you agree that digital media facilitates multiple content formats</b>				
Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
62%	23%	15%	0%	0%
<b>4. Rate on the scale on which aspect does digital media engagement helped to reach wider audience</b>				
1	2	3	4	5
7%	13%	20%	27%	33%
<b>5. To what degree do you rate that the digital media helps to build strong relationship &amp; customer loyalty</b>				
Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
56%	28%	10%	4%	2%
<b>6. The digital media enageent helps SME to stay competitive within the industry</b>				
Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
47%	24%	16%	6%	7%

According to the result survey the most preferred platform is the social media for the SMEs in India followed by business to business platform some utilizes SEO for their business and some business enterprises uses all of the digital platforms. The open ended question about the most preferred social media and business to business are facebook, X, youtube and WhatsApp. As far as business to business concerned there are Just Dial, Indiamart, Flipkart, Trade India and Amazon India. Also study reveals that the mobile application has the major role and preferred digital platforms for the SME marketers in India. The following figure 4 shows that the major and significant strategic advantages of engaging digital media by India SMEs.

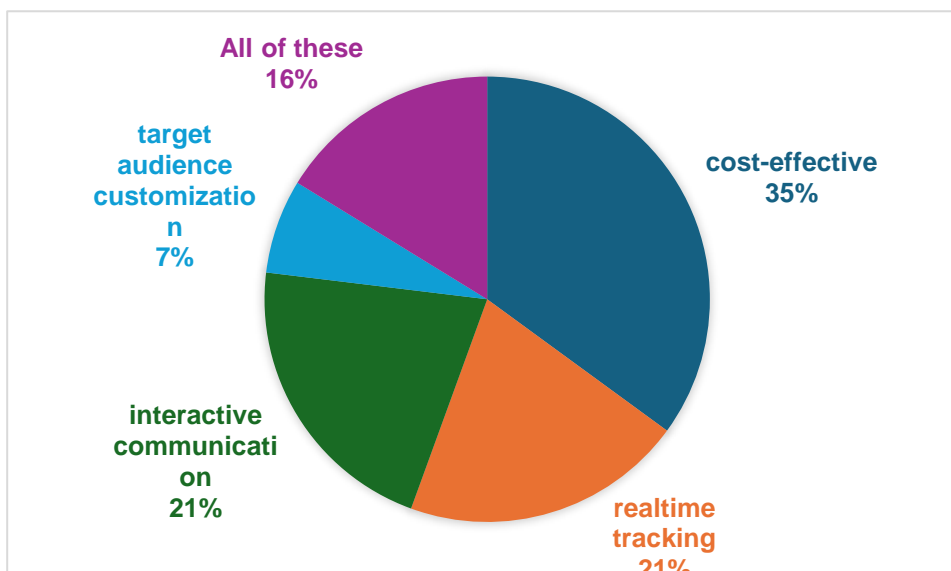


Figure 3: Strategic Advantages of using Digital media by Indian SMEs

According to the study it reveals that the major strategic advantages of utilizing digital media platforms for the SME marketers in India are the digital media provides interactive communication, and it helps the advertiser or promoter to track the activities real time furthermore, it most cost effective media and their target audiences can be customized.

## **CONCLUSION**

According to the study, the fastest evolving industry in India is the micro small and medium industries in various segments. Subsequently, raising demand of product or business development for these industries demands more promotional activities. Although, conventional media is widely available digital media has been a significant and most used tool as promotion and vital medium to reach out their target audience. The study also reveals that the major advantage of using digital media for entrepreneurs or small business owners reach out their target audience or customers using customization option in digital platforms. However, conventional media does not provide or support customization of audience which is major drawback and not preferred by the small and medium-sized companies to choose digital media as their major advertising media vehicle.

Digital media platform does many strategic advantages if it is used in a proper way of communication. In most cases, the SMEs in India prefers and targets mobile phone users through mobile applications and mobile based communication. This answers the research question that the engagement of digital media by the small medium enterprises helps them to reach broad audiences and specific segment oriented audiences. It also helps them to stay more competitive in their respective industry. According to the study findings, strategic advantages of utilizing the digital media especially social media and mobile based activities are playing vital role. This helps the small business to spend less on promotion or communication and enables to make use of the most interactive digital media primarily. Furthermore, transformation and digitalization as well as the changing consumer behaviour is the most advantage for Indian SMEs to perform real time tracking, target customer customization are the major advantage of engaging digital media. Hence, the study concludes that the utilization of digital media strategically helps the Indian SMEs multidimensional aspects and it is the most beneficial media platform for the marketers.

## RESEARCH LIMITATIONS

The study provides insights on the advantages of engaging the digital media platform for the small medium enterprises mainly the limitation of the study based on only 3 major trade hub in Maharashtra State, India however, there are even more SMEs operates from the semi-urban and rural regions. This research work has been done based on the major trade areas of the state. Therefore, more extended demographic region must be included in the study in order to have more strategic results on the topic. Also, there has been a limitation where the study could not be further escalated due to the Government of India regulations on media spent and also due to the media regulations cannot allow the participants of the survey limits certain data. Furthermore, Digital media's strategic benefits might fluctuate greatly depending on the industry as this study is not focused on any specific segment oriented. The world of digital media is always changing. The results of a research carried out at a particular moment in time may lose their significance when new platforms, technologies, and user behaviors appear.

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