



## Unlocking Growth: Digital Marketing Strategies impact on Sales and sustainability

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### Abstract

Explores the dynamic relationship between digital marketing strategies and their influence on sales performance and business sustainability. This study delves into the multifaceted world of digital marketing, encompassing mobile marketing, social media marketing, and search engine marketing, to uncover their pivotal role in shaping the growth trajectory of businesses. It illuminates how these digital strategies are not just tools but catalysts for realizing substantial growth, enhancing sales figures, and ensuring long-term sustainability. In a rapidly evolving digital landscape, this research underscores the transformative potential of strategic digital marketing and its capacity to unlock the path to growth and sustainable success for businesses across diverse industries. Various digital marketing channels, such as the internet, search engine optimization (SEO), and social media, among others, offer avenues for engagement. Notably, social media emerges as one of the most frequently employed digital channels by MSMEs. The study's findings illustrate a significant increase in sales for SMEs as a result of these digital marketing efforts. The insights from this study have the potential to guide MSME stakeholders in enhancing their business performance by emphasizing aspects of digitalization within MSMEs and promoting greater financial literacy among MSME entrepreneurs.

**Keywords: digital marketing, sales performance, sustainability**

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### Introduction:

The field of marketing is one of the fastest-changing in modern business. Executives in modern marketing departments need a systematic way to gather timely, relevant data about their clients, the industry at large, and other relevant factors. Marketing products and services via the World Wide Web is known as "Internet marketing" (IM). The internet has enabled a revolution in product promotion and sales known as electronic commerce. Electronic commerce (often

known as "e-commerce") has grown to mean all transactions that take place in the internet marketplace. It is the practice of doing commercial transactions over the Internet, such as purchasing and selling items, or exchanging services. Electronic commerce includes Internet marketing as well.

The fundamental goal of digital marketing is to provide novel methods of advertising and promotion that successfully grab the attention of target audiences. Digital marketing allows firms of all sizes to present their wares online, at any time, to potential clients who may be anywhere in the world (Samoilenko & Osei-Bryson, 2018). As a result, the success of small firms in terms of expansion, productivity, and market share depends heavily on their level of digitization. Taiminen and Karjaluoto (2015) found that via the use of digital marketing and social media, small businesses were able to both attract new consumers and keep their current ones. Small and medium-sized businesses (Wonglimpiyarat, 2015) can benefit greatly from the complexity of digitalization since it helps them connect with and engage customers more effectively (Eze et al., 2014). Because they make it easier for companies to do things like advertise to a specific demographic, interact with buyers on a personal level, stir up strong feelings, and do commerce, digital platforms are now fundamental to any successful marketing strategy.

### **Literature Review:**

Online advertising is a powerful instrument for achieving two of any company's most important goals—brand development and increased website traffic (Song, 2001).

The rise of digital marketing has substituted traditional forms of advertising and promotion, with promising results for the economy and public administration (Munshi, 2012). With more than 4.5 billion users as of March 2020 (Internet World Stats, 2020), the internet's speed and effect have risen tremendously, making older forms of communication obsolete.

Digital marketing, as defined by Chen (2017), entails spreading word about and selling goods and services using digital mediums. The phrase "digital marketing" refers to the practise of promoting a business's wares or services via digital channels, with the use of digital technology, in order to attract and keep clients (Kotler, 2017). According to Chaffey (2010), digital

marketing may be thought of as the use of digital technology to enhance the creation, dissemination, and provision of value to consumers and other stakeholders. In the new digital world, value is created in different ways thanks to adaptive processes made possible by digital technology. New markets that were previously inaccessible owing to factors like geography, time, and communication barriers can be created or opened up with the help of digital marketing.

Traditional marketing methods have been disrupted by digitization (Caliskan, Ozen, & Ozturkoglu, 2020), and staying ahead of the competition in today's market is difficult because to changes in consumer behavior spurred by technology (Vidili, 2020). Therefore, in order to sustainably develop digital sales and establish them as a distinct competitive advantage, it is crucial to make strategic decisions that place an emphasis on customer-centered sales tactics (Zhu & Gao, 2019). Due to the widespread adoption of e-commerce as a form of digital marketing, brick-and-mortar stores that have yet to establish an online presence are at a competitive disadvantage. Successfully making the switch from traditional to digital marketing is dependent on a smooth transition (Dong, 2018). When planning a company's market positioning, it is important to think about how sales are really handled and the competitive landscape. The 5Ss of Internet marketing (Sell, Serve, Speak, Save, Sizzle) are sales, service, communication, cost savings, brand development, and distribution, and Chaffey & Smith (2012) stressed the necessity of digital platforms for every organization entering digital marketing.

The benefits of online marketing have been extensively documented (Durmaz & Efendioglu, 2016) and include competitive pricing, specific demographic targeting, easy product research, and product and service exploration prior to purchase. Using digital marketing strategies that use social media channels is a great way for small businesses to save money and reach more clients. Direct and indirect competitors sometimes provide similar items at lower prices, making it difficult for small and medium-sized firms (MSMEs) to survive. Businesses can improve their responsiveness to customers' needs and operational efficiency with the help of digital technologies. Customers and companies alike can reap the rewards of digital technology's adoption, which includes more profits and lower overhead costs (Foroudi et al., 2017).

### Objectives:

- To study the impact of digital marketing practices on the sales performance
- To determine the impact of digital marketing practices on business sustainability

### Hypothesis:

H1: Digital marketing practices have significant influence on sales performance.

H2: Digital marketing practices have significant influence on business sustainability.

### Research methodology:

This study mostly relied on a descriptive survey as its research approach. The researcher employs a questionnaire as a data collection tool to learn more about the people who are the focus of the study. After reviewing the available research, we were able to create our survey (Mobydeen, 2021). The questionnaire was made on Google Docs, and then a link to the document was sent to CEOs and other high-ranking executives in charge of developing and implementing SMEs' digital marketing strategies. The survey begins with some basic questions on the respondent's demographics and work experience. The questionnaire then moves on to focus on the research's dependent and independent variables. To evaluate their opinions, the participants were given a 5-point Likert scale ranging from 1 (strong disagreement) to 5 (strong agreement). Judgement and convenience sampling methods were used in the process of selecting respondents from the vast pool of MSMEs in the Greater Hyderabad Area. There were a total of 192 surveys sent out, with 177 usable responses. Participants' data was integrated with survey results using the structural equation modelling software AMOS and the statistical software package SPSS version 24 for analysis.

### Results:

#### 1. Details of respondents and MSMEs:

Measures	Items	Percentage(%)
Gender	Male	77
	Female	23
Age	Below 24	5

	25-30	52
	30-35	11
	35-40	20
	40 & above	16
Education	Secondary	13
	Undergraduate	43
	Postgraduate	20
	Others	24
Type of business	Micro	22
	Small	30
	Medium	54
Activities of business	Manufacturing	37
	Transport	8
	Construction	7
	Trade & commerce	11
	Service	29
	Others	8

Source: Primary survey

The data presented in the table provides insights into the demographic and business-related characteristics of the study participants. Regarding gender, a majority of the respondents are male (77%), while a smaller portion is female (23%). In terms of age distribution, the majority falls within the 25-30 age group (52%), with a significant representation from the 35-40 age group (20%). In the context of education, a substantial proportion of respondents hold undergraduate degrees (43%), followed by postgraduates (20%). When considering the type of business, medium-sized enterprises dominate the sample (54%), while small (30%) and micro-sized businesses (22%) also have notable representation. The activities of these businesses

vary, with manufacturing (37%) and service-oriented activities (29%) being the most common, followed by trade and commerce (11%).

**Table 2: Descriptive and reliability of the constructs**

Sl.No.	Items	Mean	Standard deviation	Cronbach's alpha
1	MM1	3.31	.893	<b>0.870</b>
2	MM2	3.44	.964	
3	MM3	3.4	.941	
4	SM1	3.46	1.001	<b>0.911</b>
5	SM2	3.35	.973	
6	SM3	3.42	.966	
7	SEM1	3.18	.937	<b>0.872</b>
8	SEM2	3.17	.908	
9	SEM3	3.16	.944	
10	SP1	3.44	.948	<b>0.861</b>
11	SP2	3.42	.962	
12	SP3	3.61	.874	
13	BS1	3.29	.979	<b>0.867</b>
14	BS2	3.37	.948	
15	BS3	3.35	.923	

**Source: Primary survey**

The table presents the results of a survey with items labeled MM1 to BS3, each designed to measure different aspects of a particular construct. The mean scores indicate the average responses for each item on a scale of 1 to 5, with higher scores reflecting a stronger agreement with the statements.

For items MM1, MM2, and MM3, which assess aspects related to "Marketing Measures," respondents provided an average mean score of around 3.4, suggesting a moderate level of agreement with these statements. The standard deviations show some variability in responses, indicating differing opinions within the sample. The Cronbach's alpha for this construct is a satisfactory 0.870, indicating good internal consistency.

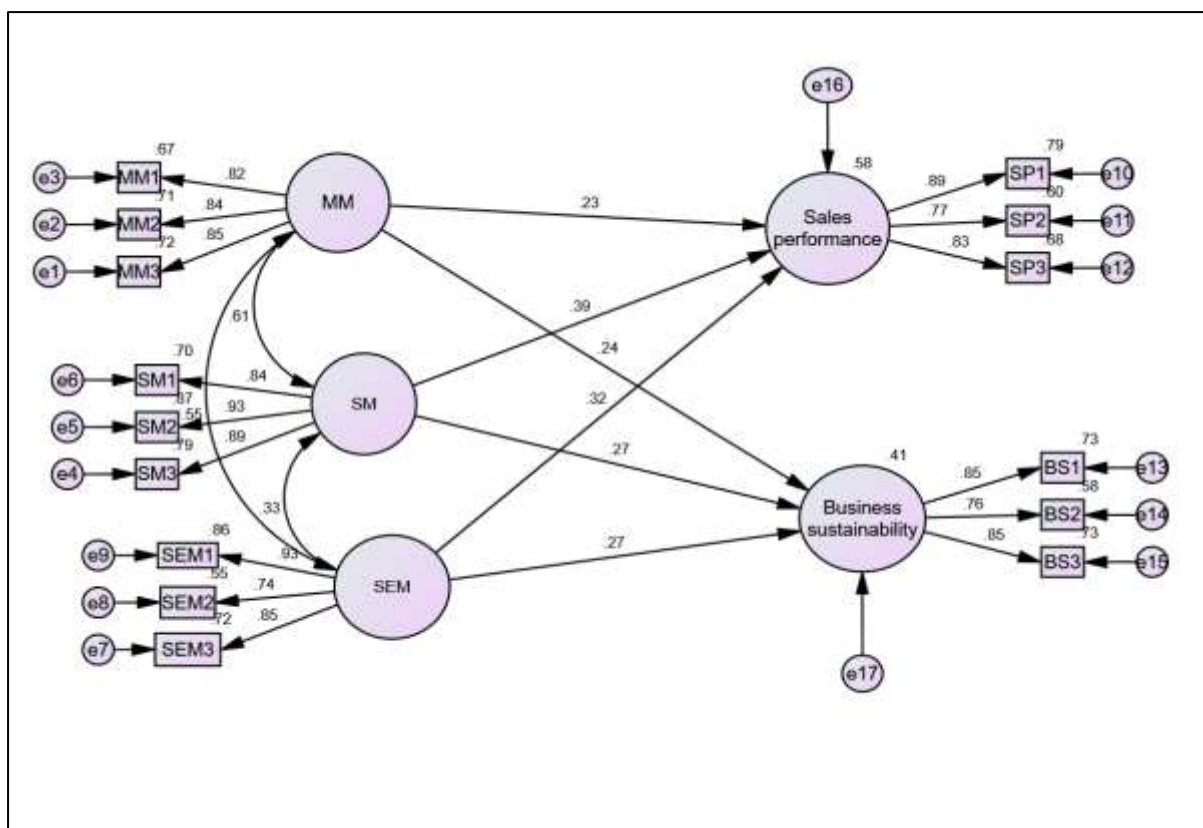
Similarly, for items SM1, SM2, and SM3, which evaluate "Social Media Engagement," respondents provided an average mean score of approximately 3.4, indicating a moderate level of agreement. The standard deviations suggest some dispersion in responses. The Cronbach's alpha for this construct is also strong at 0.911, indicating good reliability. Items SEM1, SEM2, and SEM3 assess "Search Engine Marketing" and have an average mean score of about 3.18, indicating a slightly lower level of agreement compared to the previous constructs. Standard deviations indicate some variability, and the Cronbach's alpha is 0.872, showing good internal consistency. For items SP1, SP2, and SP3, measuring "Sales Performance," respondents provided an average mean score of around 3.5, indicating a moderate to strong level of agreement. The standard deviations are relatively low, suggesting less variability, and the Cronbach's alpha is 0.861, indicating good reliability.

Lastly, items BS1, BS2, and BS3 assess "Business Sustainability." Respondents provided an average mean score of approximately 3.34, indicating a moderate level of agreement. Standard deviations suggest some variability in responses, and the Cronbach's alpha is 0.867, indicating good internal consistency.

### **3. Structural Equation Modelling (SEM) for hypothesis testing:**

Structural equation modeling (SEM) is a statistical method that employs a structural model to represent the theoretical connections between unobservable variables or constructs within a research framework. In this research, we examine how certain external factors like mobile marketing (MM), social media marketing (SM), and search engine marketing (SEM) influence the internal factors of sales performance and the sustainability of micro, small, and medium-sized enterprises (MSMEs).

#### **Figure 2: SEM model- casual structure**



Note: Here; MM-Mobile marketing, SM- Social-media marketing, SEM- Search engine marketing

Table 3: Path coefficients of the Structural model

Outcome variable		Independents Variables	C.R.	P	Regression weights	Hypothesis
Sales performance	<---	Mobile marketing	2.34	.019	0.22	Supported
Sales performance	<---	Social-media marketing	4.77	***	0.39	Supported
Sales performance	<---	Search engine marketing	4.11	***	0.32	Supported
Business Sustainability	<---	Mobile marketing	2.1	.028	0.24	Supported
Business Sustainability	<---	Social-media marketing	2.96	.003	0.27	Supported



Business Sustainability	<---	Search engine marketing	3.02	.002	0.26	Supported
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Note: *P* refers to the differential probability. \*\*\*:  $p < 0.000$

The presented statistical outcomes reveal significant relationships between the outcome variable, which is sales performance and business sustainability, and the independent variables, comprising mobile marketing, social-media marketing, and search engine marketing. The critical ratio (C.R.) and p-values provide insights into the statistical significance of these relationships.

For sales performance, the analysis demonstrates that all three independent variables—mobile marketing, social-media marketing, and search engine marketing—have a statistically significant impact. The critical ratio (C.R.) values of 2.34, 4.77, and 4.11, respectively, are well above the threshold for significance, and the corresponding p-values of .019, \*\*\* ( $p < 0.05$ ), and \*\*\* ( $p < 0.05$ ) further support the significance of these relationships. These results affirm the research hypotheses, indicating that mobile marketing, social-media marketing, and search engine marketing are associated with improved sales performance.

Similarly, in the context of business sustainability, the analysis again demonstrates statistically significant relationships with the same independent variables. The C.R. values of 2.1, 2.96, and 3.02 for mobile marketing, social-media marketing, and search engine marketing, respectively, all exceed the threshold for significance. Correspondingly, the associated p-values of .028, .003, and .002 provide strong evidence of the significance of these relationships. These findings support the research hypotheses and suggest that these digital marketing strategies positively influence business sustainability.

In summary, the statistical analysis confirms that mobile marketing, social-media marketing, and search engine marketing significantly impact both sales performance and business sustainability, underscoring their importance in achieving positive outcomes for the studied variables.

### Implication of the study

The study's findings underscore the pivotal role that digital marketing plays in enhancing sales performance and ensuring long-term sustainability. For businesses, this implies that investing

in and effectively deploying digital marketing strategies, such as mobile marketing, social media marketing, and search engine marketing, can yield tangible benefits. It suggests that aligning these strategies with the specific goals and target audience of a company can result in significant growth. Moreover, the study emphasizes the dominance of social media marketing as the most influential factor, urging businesses to harness its potential by actively engaging with diverse social media platforms. In essence, this research highlights the transformative potential of digital marketing in unlocking growth, improving sales, and securing the future sustainability of businesses.

## **Conclusion**

This research has shed light on the ways in which digital marketing tactics affect firms' bottom lines. According to the results, digital marketing—which includes tactics like mobile advertising, social media promotion, and search engine optimization—has a major impact on a business's bottom line and survival over time. Particularly noteworthy is the importance of social media marketing in driving both brand awareness and customer engagement for businesses. Findings from this study highlight the game-changing potential of digital marketing by demonstrating its capacity to help companies unleash expansion, meet sales targets, and ensure long-term viability. Businesses that want to succeed in today's fiercely competitive market must adapt to the ever-changing digital landscape by adopting and successfully implementing these methods.

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