

Adoption of Online Marketing Strategies by MSMEs in Thoothukudi

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Abstract

MSMEs play a vital role in economic development, employment generation, and regional industrial growth. In recent years, the rapid growth of digital technologies and internet usage has encouraged MSMEs to adopt online marketing strategies to expand their market reach and improve business performance. This study examines the adoption of online marketing strategies by MSMEs in Thoothukudi district. The research focuses on understanding the extent to which MSMEs utilize various online marketing tools such as social media platforms, websites, e-commerce platforms, and digital advertisements for promoting their products and services. The study also identifies the factors influencing the adoption of online marketing strategies and the challenges faced by MSMEs in implementing these digital practices. Primary data were collected from MSME owners and managers through a structured questionnaire, and statistical tools such as percentage analysis, correlation and regression were used to analyse the data. The findings reveals that online marketing has significantly improved the visibility, customer engagement, and sales performance of MSMEs. However, issues such as lack of digital skills, limited financial resources, and technologies barriers still hinder the effective utilization of online marketing strategies. The study concludes that increased digital awareness, training programs, and government support can help MSMEs effectively adopt online marketing strategies and enhance their competitiveness in the digital marketplace.

Keywords: *Online Marketing strategies, Digital marketing, social media marketing, business performance*

Introduction

MSME are considered the backbone of the Indian economy as they contribute significantly to employment generation, industrial production, exports, and regional development. The MSME sector plays an important role in promoting entrepreneurship and supporting balanced economic growth, particularly in semi-urban and rural areas. In recent years, technological advancements and the widespread use of the internet have transformed the way businesses operate and communicate with customers, as a result, online marketing refers to the use of digital platforms such as social media, websites, search engines, and e-commerce platforms to advertise and sell products or services. These platforms allow businesses to reach wider audience, build customer relationships, and improve brand visibility at relatively lower costs compared to traditional marketing methods. Many MSMEs are increasingly adopting online marketing strategies such as social media marketing, e-mail marketing, search engine optimisation, and online advertising to expand their market reach and improve business performance. Thoothukudi district, known for its industrial and commercial activities, has a growing number of MSMEs operating in various sectors such as manufacturing, trading and services. With the increasing penetration of smartphones and internet connectivity, many MSMEs in the district have started exploring online marketing strategies to attract customers and enhance their sales. However, the level of adoption varies among enterprises due to factors such as awareness, technological knowledge, financial resources, and access to digital infrastructure. In this context, the present study aims to analyse the adoption of online marketing strategies by MSMEs in Thoothukudi district. The study focuses on understanding the level of adoption, the benefits gained, and the challenges faced by MSMEs in utilizing online marketing tools. This research will provide valuable insights into how digital marketing practices can support the growth and sustainability of MSMEs in the district.

Objectives of the Study

- To examine the level of adoption of online marketing strategies among MSMEs in Thoothukudi district.
- To identify the various online marketing tools used by MSMEs for promoting their products and services.
- To analyse the factors influencing the adoption of online marketing strategies by MSMEs.

- To evaluate the impact of online marketing strategies on the business performance of MSMEs.
- To identify the challenges faced by MSMEs in implementing online marketing strategies.

Scope of the Study

The present study focuses on examining the adoption of online marketing strategies by MSMEs in Thoothukudi district. The study mainly concentrates on understanding how MSMEs utilize various online marketing tools such as social media platforms, websites, email marketing, e-commerce platforms to promote their products and services. It aims to analyse the level of awareness and adoption of digital marketing practices among MSME owners and managers. The study also explores the factors that influence MSMEs to adopt online marketing strategies and the benefits gained from using these digital platforms such as increased customer reach, improved sales performance, and better brand visibility. In addition, the research identifies the major challenges faced by MSMEs in implementing online marketing strategies, including lack of digital knowledge, financial limitations, and technological barriers. Geographically, the study is limited to MSMEs operating in Thoothukudi district. The findings of the study will help to understand the current digital marketing practices followed by MSMEs in the district and provide suggestions for improving the effective use of online marketing strategies for business growth.

Statement of the Problem

Online Marketing has become an essential tool for business growth in the digital era. However, many Micro, Small and Medium enterprises (MSMEs) still depend on traditional marketing methods and are slow in adopting online marketing strategies. Factors such as lack of digital knowledge, limited financial resources, and technological barriers prevent MSMEs from effectively using digital platforms. In Thoothukudi district, the level adoption of online marketing strategies among MSMEs is not clearly known. Therefore, this study aims to examine the adoption of online marketing strategies by MSMEs in Thoothukudi district and identify the factors and challenges influencing their usage.

Research Methodology

Research methodology refers to the systematic method used to collect, analyse, and interpret data for the purpose of achieving the objectives of the study. The present study on “ADOPTION OF ONLINE MARKETING STRATEGIES BY MSMEs IN THOOTHUKUDI DISTRICT” is based on both primary and secondary data.

Research Design: The study follows a descriptive research design to examine the adoption of online marketing strategies by MSMEs and to understand the factors influencing their usage.

Sources of Data: The study is based on primary and secondary data. Primary data were collected directly from MSME owners and managers through a structured questionnaire.

Secondary data were collected from journals, books, government reports, websites, and previous research studies related to MSMEs and online marketing.

Area of the Study: The study is confined to MSMEs operating in Thoothukudi district of Tamil Nadu.

Sampling Techniques: Convenience sampling technique was used to select the respondents for the study.

Sample Size: A total of 120 MSME owners and managers were selected as respondents for the study.

Tools for Data Analysis: The collected data were analysed using statistical tools such as percentage analysis, correlation analysis, and regression analysis.

Period of the Study: The data for the study were collected during the year 2025-26.

This methodology helps to understand the level of adoption, benefits, and challenges of online marketing strategies among MSMEs in Thoothukudi district.

Data Analysis and Interpretation

Percentage Analysis

Table – 1: Adoption of Online Marketing Platforms by MSMEs

Online Marketing Platforms	No. of Respondents	Percentage
Social media platforms	48	40%
E-commerce platforms	30	25%
Business websites	24	20%
Email marketing	18	15%
TOTAL	120	100%

Interpretation

This table shows the adoption of different online marketing platforms by MSMEs in Thoothukudi district. Out of 120 respondents, 40% of the respondents are use MSME social media marketing, which is the most commonly used online marketing strategy. 25% of the respondents use business websites for promotion. Only 15% of the respondents adopts email marketing. This indicated that social media platforms are the most platforms are the most preferred digital marketing tools among MSMEs due to their ease of use and wider customer reach.

Correlation Analysis

Table-02: Correlation between Online Marketing Adoption and Business Performance

Variables	Online Marketing Adoption	Business Performance
Online marketing adoption	1	0.68
Business performance	0.68	1

Interpretation

The correlation analysis shows the relationship between the adoption of online marketing strategies and business performance of MSMEs. The correlation coefficient value is 0.68, which indicates a moderate positive relationship between the two variables. This means that increased adoption of online marketing strategies leads to improved business performance such as higher sales, better customer reach, and increased brand visibility.

Regression Analysis

Table-3 Regression Analysis Showing Impact of Online Marketing on Business Performance

Variables	Coefficient	Standard Error	T-Value	Significance
Constant	1.52	0.42	3.61	0.001
Online marketing adoption	0.74	0.15	4.93	0.000

Interpretation

The regression analysis examines the impact of online marketing adoption on the business performance of MSMEs. The regression coefficient value (0.74) indicates that online marketing has a positive and significant impact on business performance. The significance value (0.000) is less than 0.05, showing that the relationship between online marketing adoption and business performance is statistically significant. Therefore, it can be concluded that effective use of online marketing strategies contributes to the growth and success of MSMEs in Thoothukudi district.

Findings of the Study

- The percentage analysis reveals that social media marketing is the most widely adopted online marketing strategy among MSMEs, as it helps businesses reach a large number of customers at a low cost.
- The correlation analysis shows a positive relationship between the adoption of online marketing strategies and the business performance of MSMEs, indicating that increased use of digital marketing leads to better sales and customer engagement.
- The regression analysis indicates that online marketing strategies have a significant impact on the growth and performance of MSMEs, proving that digital marketing plays an important role in improving the competitiveness of small businesses.

Suggestions

- MSME owners should increase their awareness and knowledge about various online marketing strategies to improve their business visibility and customer reach.
- The government and related institutions should conduct training programs and workshops on digital marketing to help MSME entrepreneurs develop digital skills.

- MSMEs should invest in creating professionals' websites and utilize e-commerce platforms to expand their market beyond the local level.
- Business owners should actively use social media platforms for product promotion, customer interaction, and brand building.
- Financial and technological support should be provided by the government to encourage MSMEs to adopt advanced digital marketing tools and technologies.

Conclusions

The study concludes that the adoption of online marketing strategies plays an important role in improving the growth and performance of MSMEs in Thoothukudi district. The use of digital platforms such as social media, e-commerce websites, and business websites helps MSMEs reach a wider customer base and increase their sales. However, many MSMEs still face challenges such as lack of digital knowledge, limited financial resources, and technological barriers. Therefore, increasing awareness, providing training programs, and offering government support can encourage MSMEs to effectively adopt online marketing strategies and enhance their competitiveness in the digital marketplace.

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