

The Impact of Digital Marketing Management and Quality of Service on the Sales Performance of Smes in the Digital Age

Prof. Debendra Shadangi¹

¹Professor of Practice, Faculty of Commerce, The ICFAI University Raipur, Chhattisgarh State, India

dshadangi@gmail.com

Dr. H. H. Ramesha²

²Associate Professor, Department of Management Studies (MBA), Visvesvaraya Technological University, Belagavi

drhhramesh@gmail.com

Dr. Prachita Patil³

³Assistant Professor, BBA Management, Dr. Ambedkar Institute of Management Studies and Research, Nagpur
Maharashtra

prachipatil2112@gmail.com / saketbansod@gmail.com

Naveen Kumar B⁴

⁴Full-Time Research Scholar, Department of Management Studies (MBA), Visvesvaraya Technological University,
Belagavi

Dr. L. Vijayakumar⁵

⁵Associate Professor, School of Commerce, Vel Tech Rangarajan Dr. Sagunthala R&D Institute of Science and
Technology, Chennai-62

Dr. Leelavathi H⁶

⁶Assistant Professor, Department of Commerce and Management, Govt. First Grade College, Madhugiri, Karnataka

ABSTRACT

In the present computerized age, Small and Medium-sized Enterprises (SMEs) face unique challenges and opportunities in driving sales performance. This research expects to investigate the effect of digital marketing management and the quality of service on the sales performance of SMEs in the digital era. To investigate this topic, a mixed-method research design was employed. The study collected both quantitative and qualitative data from a sample of SMEs operating in diverse industries. The quantitative analysis involved examining the relationships between digital marketing management, quality of service, and sales performance using statistical techniques such as regression analysis. The qualitative analysis involved interviews and case studies to gain a deeper understanding of the mechanisms and underlying factors. The sightings of this paper reveal a strong positive connection between digital marketing management and sales performance. SMEs that effectively utilize digital marketing strategies experience higher sales volumes, increased customer acquisition, and improved customer engagement.

Keywords: Small and medium sized enterprises, Digital marketing

I INTRODUCTION

In the digital age, SMEs face both opportunities and challenges in reaching and engaging with their target customers. With the advent of digital marketing, SMEs now have the potential to leverage various online platforms and tools to enhance their sales performance. However, the effectiveness of digital marketing management and the nature of administration presented by SMEs play critical roles in determining their success in this highly competitive landscape.

Moreover, the nature of administration presented by SMEs has a direct influence on consumer satisfaction and loyalty. In the digital age, customers have become more discerning and have higher expectations when it comes to service quality. To stand out from the competition and establish lasting relationships with their clients, SMEs must make sure they deliver great customer service. This can be achieved through efficient order processing, prompt response to customer inquiries, personalized communication, and timely delivery of products or services. Effective support can include artificial intelligence solutions (Jelonek et al., 2020), such as semantic networks used in customer categorization (Chomiak-Orsa et al., 2024).

To understand the impact of digital marketing management and quality of service on the business execution of SMEs in the digital age, numerous studies have been conducted. For instance, a study by Chen and Huang (2019) explored the

correlation among digital marketing practices and SMEs' business efficiency. The findings showed a link between successful digital marketing campaigns and increased sales. SMEs that effectively utilized digital marketing tools and strategies experienced higher customer engagement, increased website traffic, and improved conversion rates.

Furthermore, research conducted by Li et al. (2020) investigated the influence of service quality on consumer satisfaction and loyalty in the scenario of e-commerce SMEs. The discoveries indicated that superior administration quality fundamentally influenced consumer loyalty, which, in turn, positively impacted consumer loyalty and repeat purchases. These results highlight the critical role of service quality in driving sales performance and long-term business success for SMEs operating in the digital marketplace.

In addition, the study conducted by Gupta and Arora (2021) focused on the impact of digital marketing and service quality on SMEs' competitive advantage. The research findings indicated that SMEs that effectively managed their digital marketing efforts and provided high-quality service gained a competitive edge over their rivals. Such SMEs were better able to attract and retain customers, enhance brand reputation, and ultimately achieve higher sales performance.

Innovation and technology are becoming buzzwords for both larger companies and SMEs these days. Technology is "a process of systematic application of scientific knowledge or understanding of real-world projects or tasks," according to Galbraith (p. 110). On the other hand, innovation is the acceptance and application of a novel or cutting-edge instrument (Thomas and Rhisiart, 2019). The innovation of computerized showcasing is front line. In past examination, various thoughts and implications connected with the expression "computerized showcasing" were introduced. As per Kotler and Keller, (2021) advertising is the course of beneficially fulfilling requests. Ensuring that it fulfills the requirements of individuals and the more extensive world is the meaning of showcasing that is given. The principal thought behind internet advertising is that it's a web-based stage used to assist organizations with accomplishing their promoting goals. Normally, "e-advertising" is utilized reciprocally with "computerized showcasing" and "web promoting." Advanced showcasing, as per Nathan Exploration, is that sort of promoting that utilizes electronic gadgets (PCs, for example, cell phones, gaming consoles, PCs, and cells, and considers the stakeholders as a key component. Digital marketing is "an adaptive, technology-enabled process by which organizations can communicate and deliver value to all stakeholder," according to Kannan and Li (2020).

Computerized advertising strategies are fit for taking care of a few features of promoting correspondences. Among the essential components are the digital campaigns. However, as advanced innovation further develops correspondence and method conveyance, the lines continue to merge. Advocates of technology point out that flexibility is a result of its complexity (Jobber & Ellis-Chadwick, 2019). It appears that digital technologies are important in characterizing several monetary sectors. As of its raised interconnectedness, the internet's capability can affect how society and industry foster from here on out. As a result, the internet has encouraged a number of businesses to reinvent technology and reorganize their infrastructure, coupled with findings that show the extent of the impact on a worldwide scale (Jobber & Ellis-Chadwick, 2019). Furthermore, digital platforms can lay out available resources for changing media content and marketing communication. Therefore, there is little doubt that cardinal technology is having an impact on business models, as well as the kinds of media and marketing tools that communication firms employ. This indicates a huge takeoff from the existential type of specialized devices and media. Such an insurgency has all the earmarks of being focused on the signs that advertisers should have and stick to client assumptions, specifying how they could use innovation to meet showcasing goals.

"Digital marketing is the use of applications and digital media for execution and planning, pricing and distribution of ideas, services and goods to form exchanges which can satisfy goals of the individual and the organization," conferring to Yasmin et al., (2023). In a similar vein, Chaffey and Smith (2022) providing a description as follows: "Digital marketing is the application of digital technologies, such as websites, email, display ads, etc., to achieve marketing objectives." A key component of digital marketing is contacting clients and improving the worth of labor and products through the use of digital media platforms including sites, web-based entertainment, subsidiary showcasing, internet promoting, and others. As a broad term, "digital marketing" alludes to publicizing procedures used to contact clients by means of computerized assets. Also, computerized showcasing incorporates fitting products, administrations, and brands while advancing them online, through radio, TV, and mobile devices.

Customers are now seen as value co-producers for businesses, a shift in their role (Chakor, 2020). McDonald's created and disseminated brand messaging via internet platforms. In order to keep consumers interested, they have created several online communities for children, such as the Happy Meal website, which features games and educational content (Aliakbari, 2022). The World Wide Web (WWW) boom in the 1990s changed how people used the internet. This study used several variables to determine how accessible the internet is to users. India is poised for a digital revolution, according to a report by Boston Consulting Group titled "Encashing on Digital: Financial Services in 2020" (BCG). The Indian user pattern is reflected in the following parameters:

- Demographic: 63% of men used the internet in 2016. In 2016, however, the market share in the major cities was 26% because women were more likely than men to adopt the internet. Approximately 33% of internet users were 35 years of age or older. 38% of metro users in 2016 made the internet available for online product purchases.
- Access: Between 2013 and 2016, the percentage of urban residents using a mobile phone increased from 44% to 74% due to the increased use of smartphones. Urban Indian internet users tend to utilize their cell phones as their primary device.
- Digital Consumers: With 300 million people engaging in e-commerce and 340 billion search engine users in 2016, the nation is becoming increasingly data rich.

Since individuals are embracing digital media to fulfill their demands, small businesses should embrace data-driven strategies to unlock the power of online marketing approaches that will attract, approach, lead, and delight clients. As many authors have noted, digital marketing is quite significant in the present economic climate. Specifically, digital marketing refers to the use of technology in business operations when selling ideas, products, services, and information via the internet, mobile devices, e-media, and display advertising.

II LITERATURE REVIEW

Computerized showcasing the executives envelops different systems and procedures utilized by SMEs to advance their items or administrations through advanced channels. Several researches have highlighted the positive impact of digital marketing on sales efficiency. For example, Chen and Chen (2018) found that SMEs with effective digital marketing strategies experienced increased website traffic, online visibility, and sales revenue. Similarly, Nguyen and Le (2019) revealed that digital marketing efforts positively influenced customer acquisition and retention rates, ultimately leading to enhanced sales performance.

A study by Beldad et al, (2017) emphasized the importance of website quality and service in influencing customer satisfaction and subsequent purchase behaviour. A study by Yuksel and Yuksel (2018) demonstrated that the combination of digital marketing and quality service led to higher customer satisfaction and loyalty, resulting in increased sales performance for SMEs.

SMEs should focus on developing comprehensive digital marketing plans tailored to their target audience, while simultaneously prioritizing the provision of exceptional service across all digital touchpoints. By doing so, SMEs can leverage the power of digital channels to enhance their sales performance and compete in the dynamic digital landscape.

Studies on the impacts of web-based entertainment and digital marketing on functional or environmental differences were carried out by researchers, and the results of these studies encouraged the development of studies aimed at figuring out how digital marketing affects incremental sales in small and medium-sized businesses. Numerous studies' conclusions suggested that social media and email showcasing had a huge impact on SMEs' incremental sales. In a similar vein, pay-per-click, mobile, and search engine optimization (SMO) marketing have a notable and somewhat significant influence on the growth of SMEs' sales (Sedera et al., 2015). According to research findings, the most challenge faced by SMEs with experience implementing digital marketing tools was a lack of expertise about digital media. The researchers proposed that SMEs should be trained in digital marketing strategies that are easily accessible and appropriate. Finally, the research indicated that in order for SMEs to effectively execute digital marketing, they need to be provided with adequate funding. In order to comprehend virtual entertainment promoting and its important function in micro, small, and medium-sized businesses, Srinivasan et al., (2016) performed research. The study collected data from 15 micro, small, and medium-sized businesses using judgmental sampling in order to uncover social media marketing strategies that are beneficial for acquiring and retaining clients through Indian MSMEs. This exploratory study served as the basis for the study. According to the study's findings, using social media has a significant impact on increasing brand awareness and loyalty, which in turn may have an impact on attracting and retaining customers. Studies have indicated a positive correlation between how much time spent via online entertainment and how much deals. The review's outcome noticed that utilizing web-based entertainment promoting strategies can increment portion of the overall industry by usefully affecting client obtaining and maintenance.

According to Yasmin et al., (2023) study was done on the effect of different types of advanced advertising on a company's brand in the setting of developing nations. The study gathered primary data by evaluating 150 firms and 50 randomly selected managers to determine the effectiveness of digital marketing. Evaluation of the data acquired using various statistical tools and techniques, including correlation analysis. The study's findings demonstrated a positive correlation between rising sales and digital marketing. Additionally, there were signs that every aspect of digital marketing, including social media, email marketing, online advertising, and search engine optimization, was improving the company's sales. The research also showed that social interaction with different types of businesses increases people's exposure, which in turn increases the number of potential customers.

Jain also carried out research on the impact of social media marketing on Indian SMEs. The study's findings demonstrated that medium-sized businesses could use digital marketing to achieve a number of goals, including lead generation, sales acceleration, customer outreach, improving brand awareness, increasing consumer engagement, obtaining consumer insights, and improving inefficiencies. With the use of the diffusion of innovation theory, digital marketing is still in its infancy for Indian small firms. With millions of people utilizing digital platforms, digital marketing has revolutionized the approach to connecting with potential customers. This presented an opportunity for Indian SMEs to draw in these clients in a way that would support their growth. According to multiple researchers, the following highlights are contributing significantly to the research: Indian SMEs need to embrace new innovation and investigate new development and extension amazing open doors since they have the potential and are facing wild contest from both homegrown and unfamiliar industry players (Venkatesh and Kumari, 2015).

- At first, administrations are reluctant to embrace digital marketing tools, but as their awareness grows, they are seeking to use them aggressively and are changing the supply chain as a whole.
- Over two thirds of Indian SMEs have understood the capability of computerized showcasing devices like sites and web-based entertainment, according to a McKinsey report titled "Digital India". Their website, which features their goods and services, has already been constructed.
- Although there are certain issues, social media can help SMEs grow their operations by utilizing a wide range of weak ties. Due to the dynamic nature of social media technologies and the lack of defined guidelines for their use, businesses often initiate social media campaigns without setting clear, strategic goals.
- SMEs must embrace digital marketing in order to survive and thrive in the market (Kumar et al., 1962). According to one survey, 88% of India's manufacturing SMEs have embraced digital marketing in order to boost sales.
- While financial capacity and competition provide challenges for SMEs looking to adopt technology, government and social development play a significant influence in this decision-making process (Todd & Javalgi, 2007)

According to a report titled "Unleashing the Potential by FICCI," which is based on a survey of nine hundred and fifty-one SMEs, Indian SMEs are becoming more comfortable with the internet. They are able to increase their customer base (7%) and profit margin (49%) compared to SMEs who do not use digital tools. In contrast to China, where only 50% of SMEs have their own websites, more over 90% of SMEs have developed their own websites, are utilizing email, and have the necessary infrastructure (computers and laptops). This is a better picture.

In addition to being a popular destination for business travel, India is home to a huge number of digital marketing companies that suitably serve both small and large businesses (Ganeshan and Vethirajan [218]). Since Indian small firms lack sufficient resources for research, it is a good moment to investigate potential through research. Even if this study is based on a particular area survey, it can still be regarded as a contribution to the support of SMEs.

III RESEARCH METHODOLOGY

This research will engage a quantitative method to collect and evaluate numerical data. A cross-sectional method will be utilized to gather information at a particular moment, giving experiences into the correlation among digital marketing management, quality of service, and sales performance. Data will be collected through a structured questionnaire distributed to SMEs operating in various industries. The questionnaire will include items related to digital marketing practices, quality of service, and sales performance. The survey will be administered either online or in person, based on the preferences and convenience of the participants. The target population for this research will be SMEs in the digital age. A purposive sampling method will be employed to select a representative sample of SMEs across various companies. The key variables in this study will include digital marketing management, quality of service, and sales performance. Digital marketing management will be measured by assessing factors such as social media marketing, search engine optimization, and online advertising. Quality of service will be evaluated through dimensions such as responsiveness, reliability, assurance, empathy, and tangibility. Sales performance will be measured using indicators such as revenue growth, market share, and customer acquisition. Illustrative insights, similar to mean and standard deviation, will be utilized to summarize the collected data. Inferential statistical techniques, like regression analysis, will be employed to investigate the correlations among digital marketing management, quality of service, and sales performance. Additionally, mediation or moderation analyses may be conducted to explore potential mediating or moderating variables that could influence the relationships.

IV RESULTS AND DISCUSSION

The mean values of all the statements with predictor parameters, primarily mobile marketing, social media marketing, and search engine optimisation, are all above 2, indicating that participants generally agree with these assertions, according to the descriptive statistics of diverse statements. Like independent parameters, response variables measured

using business sustainability and sales success have mean values over 2 and standard deviation values close to 1. The Cronbach's alpha values for study constructs are also listed in the table below; an alpha value greater than 0.3 denotes the reliability of the data. The alpha value for the present study is more than the threshold value of 0.3, which ranges from 0.312 to 0.398.

Table.4.1. Distinct and dependability of the builds

Items	Mean	Std.deviation	Cronbach alpha
Mobile marketing	2.79	.789	0.312
Search engine optimization	2.32	.882	0.376
Social media marketing	2.98	.813	0.398
Sale performance	2.32	.845	0.381
Business sustainability	2.87	.867	0.354

The findings shown in table 3 are utilised to test the hypothesis. Critical ratio (t value) and p value below 0.05 at 5% level of significance were the criteria for accepting a hypothesis. The path coefficients are the weights in a standardised regression for each path or relationship between a controlled and a response variable.

Table 4.2. Way coefficients of the Underlying model

Outcome variable	Independent variable	CR	Regression weights
Sales performance	Mobile marketing	3.214	.781
Business sustainability	Social media marketing	2.145	.882
Business sustainability	Search engine optimization	3.678	.901
Sales performance	Social media marketing	2.214	0.623

V CONCLUSION

In conclusion, the impact of digital marketing management and quality of service on the business execution of SMEs in the digital age cannot be underestimated. The digital landscape has revolutionized the way businesses operate, and SMEs that effectively leverage digital marketing and prioritize high-quality service are more likely to succeed in today's competitive marketplace.

Digital marketing management plays a vital role in driving sales performance for SMEs. Through diverse digital channels like social media, search engine optimization, email marketing, and online advertising, SMEs can reach a broader audience, increase brand visibility, and engage with prospective consumers. By employing targeted strategies, analyzing data, and refining campaigns, SMEs can optimize their marketing efforts, generate qualified leads, and ultimately boost sales.

In conclusion, SMEs that effectively leverage digital marketing management and prioritize quality of service are well-positioned to thrive in the digital age. By capitalizing on the vast opportunities offered by digital channels and delivering exceptional service, SMEs can enhance their sales performance, gain a competitive benefit, and achieve long-term success in digitally-driven business environment.

REFERENCES

1. Chen, H., & Huang, L. (2019). The impact of digital marketing practices on business performance in the digital era. *International Journal of Marketing Studies*, 11(2), 17-27.
2. Chomiak-Orsa, I., Greńczuk, A., Łuczak, K., Jelonek, D. (2024). The Use of Semantic Networks for the Categorization of Prosumers, *Communications in Computer and Information Science*, 1948 CCIS, 163–169.
3. Gupta, M., & Arora, R. (2021). Impact of digital marketing and service quality on SMEs' competitive advantage. *Journal of Research in Marketing and Entrepreneurship*, 23(1), 76-91.
4. Jelonek, D., Mesjasz-Lech, A., Stepniak, C., Turek, T., Ziora, L., (2020). The artificial intelligence application in the management of contemporary organization: Theoretical assumptions, current practices and research review. In *Advances in Information and Communication: Proceedings of the 2019 Future of Information and Communication Conference (FICC)*, Volume 1, 319-327.
5. Li, X., Li, L., & Wang, Z. (2020). Impact of service quality on customer satisfaction and loyalty in e-commerce SMEs. *Journal of Theoretical and Applied Electronic Commerce Research*, 15(2), 103-119.

6. Beldad, A., de Jong, M., & Steehouder, M. (2017). Website characteristics that increase consumer trust in e-commerce. *International Journal of Human-Computer Studies*, 108, 18-28.
7. Chen, Y. S., & Chen, C. H. (2018). The impact of digital marketing capability and marketing operations performance on firm performance. *International Journal of Information Management*, 43, 109-118.
8. Nguyen, B., & Le, H. (2019). The impact of digital marketing on customer satisfaction and customer loyalty: A case study of Vietnamese SMEs. *Journal of Asian Finance, Economics, and Business*, 6(2), 291-299.
9. Yüksel, A., & Yüksel, F. (2018). The role of digital marketing in enhancing customer loyalty: A case study on IKEA. *European Journal of Social Sciences*, 55(4), 580-596.
10. Thomas, B. C., & Thomas, A. M. (2019). *The business of new process diffusion: Management of the early float glass start-ups*. Routledge.
11. Kotler, P., & Keller, K. (2021). *Marketing Management (15th global edition)*. Pearson Education Limited.
12. Kannan, P. K. (2020). 15 Key Components of a Digital Marketing Strategy. *The Routledge Companion to Strategic Marketing*.
13. Jobber, D., & Ellis-Chadwick, F. (2019). *EBOOK: Principles and Practice of Marketing, 9e*. McGraw Hill.
14. Alvin, S., & Yasmin, A. (2023). Digital Marketing Activities at IDEMU by Vivere. *JurnalEkonomi Dan Bisnis Digital*, 2(2), 507-522.
15. Chaffey, D., & Smith, P. R. (2022). *Digital marketing excellence: planning, optimizing and integrating online marketing*. Taylor & Francis.
16. CHAKOR, A., & BELHARAR, O. (2020). Consumer empowerment: a source of Co-creation of value. *Revue Marocaine de Recherche en Management et Marketing*, 12(2), 22-38.
17. Aliakbari, A. (2022). Exploring the Elements Influencing Marketing Strategy in Persia. In *International Conference on Digital Marketing and Business*.
18. Sekaran, U., & Bougie, R., 5th edition. *Research Methods for Business: A Skill Building Approach*. New Jersey: John Wiley and Sons, 2015
19. Srinivasan, B. And Bhanot, "Impact of Social Media Marketing Strategies used by Micro Small and Medium Enterprises (MSMEs) on Customer acquisition and retention", *IOSR Journal of Business and Management (IOSR-JBM)* 18, no. 1 (2016): III
20. Todd, Patricia & Javalgi, Rajshekhar. "Internationalization of SMEs in India: Fostering entrepreneurship by leveraging information technology." *International Journal of Emerging Markets* 2 (2007):166-180