

# Study of the Impact of Adopting Digital Marketing Strategies on Growth of Sales in MSMEs in Pune

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## Abstract

The fast-paced advancements in digital technology have transformed the way businesses operate and communicate with customers. Small Scale Industries or Micro, Small, and Medium Enterprises (MSMEs) in Pune have increasingly adopted digital marketing strategies to improve sales performance, customer engagement, and market reach. It has also helped brands to get established in the market in which they are present. This research paper aims to study the impact of digital marketing adoption on the growth of sales among MSMEs in Pune city. The study focuses on four important digital tools: WhatsApp Business, Social Media Marketing, Google My Business, and E-commerce adoption. The paper examines how these digital platforms contribute to customer acquisition, brand awareness, operational efficiency, and revenue growth. The study also discusses the challenges faced by Small Scale Industries while adopting digital marketing tools and suggests measures to improve digital transformation among small businesses.

**Keywords:** Digital Marketing, MSMEs, Pune, WhatsApp Business, Social Media Marketing, Google My Business, E-commerce, Sales Growth.

## Introduction

Micro, Small, and Medium Enterprises (MSMEs) play a significant role in the Indian economy by contributing to employment generation, industrial production, exports, and regional development. In India, the MSME sector contributes nearly 30% to the Gross Domestic Product (GDP) and is considered the backbone of economic development. Pune, being one of Maharashtra's leading industrial and commercial hubs, hosts thousands of MSMEs operating in sectors such as manufacturing, retail, IT services, food processing, engineering, automobile components, education, and hospitality.

The COVID-19 pandemic accelerated digital transformation among businesses worldwide. In other words, we can say that it has forced industries to think differently about their marketing strategies. Old or traditional marketing methods became less effective during lockdowns and restrictions, asking MSMEs to adopt digital marketing strategies to survive and remain competitive and grow. Digital marketing offers cost-effective, measurable, and customer-oriented communication channels that help businesses connect with consumers more efficiently than conventional marketing methods.

In Pune, MSMEs have increasingly started using platforms such as WhatsApp Business, Facebook, Instagram, LinkedIn, Google My Business, and e-commerce marketplaces to promote products and services. Digital platforms provide MSMEs with opportunities to reach wider markets, improve customer interaction, increase sales, and build

brand identity. However, despite the growing adoption, many MSMEs still face challenges such as lack of technical knowledge, limited budgets, inadequate digital skills, resistance to technological change and reaching to bigger audience and clientele.

This study aims to analyse the impact of digital marketing adoption on sales growth among MSMEs in Pune with a specific focus on WhatsApp Business, Social Media Marketing, Google My Business, and E-commerce adoption.

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## Objectives of the Study

1. To study the adoption of digital marketing strategies among MSMEs in Pune.
  2. To study the influence of e-commerce adoption on sales performance
  3. To examine the effectiveness of social media marketing for customer engagement and revenue generation.
  4. To evaluate the role of Google My Business in increasing local business visibility.
  5. To analyse the impact of WhatsApp Business on sales growth.
  6. To identify challenges faced by MSMEs in implementing digital marketing strategies.
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## Research Methodology

The study is descriptive and analytical in nature. Secondary data has been collected from research journals, articles, MSME reports, and online publications related to digital marketing and MSMEs. Various published studies related to Pune-based MSMEs and digital transformation have been reviewed to understand the trends and effects of digital marketing adoption.

The study mainly focuses on four digital marketing tools:

- WhatsApp Business
  - Social Media Marketing
  - Google My Business
  - E-commerce Platforms
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## Digital Marketing and MSMEs

Digital marketing refers to the use of digital channels and internet-based platforms to promote products and services. It includes social media marketing, search engine optimization, content marketing, email marketing, mobile marketing, and e-commerce platforms.

For MSMEs, digital marketing provides several advantages:

- Low-cost advertising
- Wider market reach
- Better customer targeting
- Real-time communication

- Measurable performance
- Increased customer engagement

Research indicates that digital adoption significantly improves operational efficiency and revenue generation among MSMEs. A recent MSME Digital Index report stated that more than 73% of MSMEs experienced business growth due to digital adoption.

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## Impact of WhatsApp Business on Sales Growth

### WhatsApp Business as a Marketing Tool

WhatsApp Business has emerged as one of the most widely used communication platforms for small businesses in India. Due to its simplicity, affordability, and wide customer reach, many MSMEs in Pune use WhatsApp Business for customer communication, order management, promotional campaigns, and after-sales support.

Features such as:

- Business profiles
- Product catalogs
- Automated replies
- Broadcast messaging
- Quick customer support

have enabled MSMEs to directly interact with customers.

Studies indicate that WhatsApp marketing helps businesses improve customer relationships and increase repeat purchases. Small retailers, food businesses, clothing stores, and home-based enterprises in Pune actively use WhatsApp to send promotional offers, product updates, and payment reminders.

### Effect on Sales

The adoption of WhatsApp Business positively impacts sales growth through:

- Faster customer communication
- Improved response time
- Increased customer trust
- Personalized marketing
- Direct order placement

Many MSMEs reported that WhatsApp reduced marketing costs and increased conversion rates due to personalized communication. Customers also prefer WhatsApp because it provides quick access to product information and easy interaction with businesses.

## Impact of Social Media Marketing

### Role of Social Media Platforms

Social media marketing has become one of the most effective digital marketing strategies for MSMEs. Platforms such as:

- Facebook
- Instagram
- YouTube
- LinkedIn

allow businesses to create brand awareness and engage with customers.

In Pune, MSMEs use social media extensively for:

- Product promotion
- Customer engagement
- Influencer marketing
- Brand building
- Online advertising

Research studies reveal that social media is among the most commonly adopted digital marketing tools among MSMEs.

### Influence on Sales Performance

Social media marketing contributes to sales growth in several ways:

- Increased visibility among target audiences
- Enhanced customer interaction
- Better understanding of consumer preferences
- Viral marketing opportunities
- Higher website traffic

Instagram and Facebook advertisements allow MSMEs to target customers based on age, location, interests, and purchasing behavior. This targeted approach increases marketing efficiency and improves sales conversion rates.

Social media also helps MSMEs establish customer trust by showcasing reviews, testimonials, and real-time interactions. Businesses with active social media presence often experience higher customer engagement and repeat purchases.

## Role of Google My Business in Local Visibility

### Importance of Google My Business

Google My Business (now Google Business Profile) is an important digital tool for local businesses. It helps MSMEs appear in Google Search and Google Maps results, improving local visibility and customer discovery.

Many MSMEs in Pune use Google My Business to:

- Display business information
- Share photos and updates
- Collect customer reviews
- Improve local SEO
- Increase footfall

Google reviews significantly influence customer purchasing decisions. Positive ratings improve credibility and customer trust.

### Impact on Sales

Google My Business contributes to sales growth by:

- Increasing local customer reach
- Improving online visibility
- Enhancing customer trust through reviews
- Providing navigation and contact details

Customers searching for nearby businesses often rely on Google listings before making purchase decisions. Restaurants, clinics, retail shops, salons, and service providers in Pune particularly benefit from local search optimization.

MSMEs with optimized Google Business profiles generally experience increased inquiries, customer visits, and sales conversions.

## Impact of E-commerce Adoption

### Growth of E-commerce Among MSMEs

E-commerce adoption has significantly increased among MSMEs after the pandemic. Businesses now use:

- Amazon
- Flipkart
- Meesho
- IndiaMART
- Own websites

to sell products online.

Research on Pune-based MSMEs found that e-commerce adoption improved business efficiency and expanded market access.

## Benefits for MSMEs

E-commerce provides several advantages:

- 24/7 business operations
- Access to wider markets
- Reduced dependency on physical stores
- Better inventory management
- Increased customer convenience

Small manufacturers and retailers in Pune have benefited from online marketplaces by reaching customers beyond regional boundaries.

## Influence on Sales Growth

E-commerce positively affects sales through:

- Increased market reach
- Higher product visibility
- Online payment convenience
- Data-driven marketing insights

Customers increasingly prefer online shopping because of convenience, discounts, and home delivery. MSMEs adopting e-commerce platforms reported improved sales volumes and customer acquisition.

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**Table 1: Adoption of Digital Marketing Tools**

Digital Tool	Adoption Percentage
WhatsApp Business	82%
Social Media	76%
Google My Business	68%
E-commerce	59%

The above table shows the adoption percentage of major digital marketing tools among MSMEs in Pune.

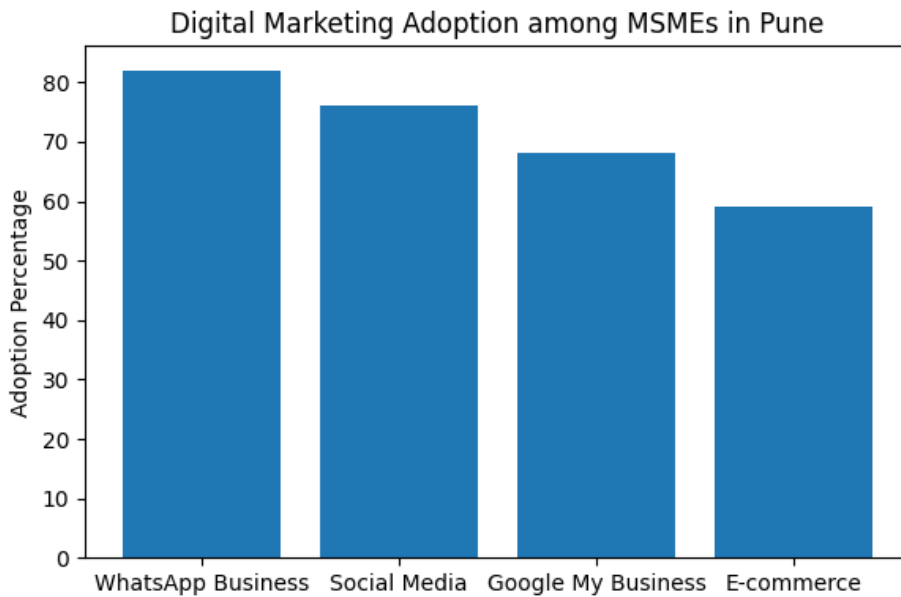


Figure 1: Adoption of Digital Marketing Tools among MSMEs in Pune

**Table 2: Sales Growth after Digital Marketing Adoption**

Sales Growth Range	Number of MSMEs
0-10%	18
11-20%	35
21-30%	29
Above 30%	18

The table highlights the sales growth experienced by MSMEs after adopting digital marketing strategies.

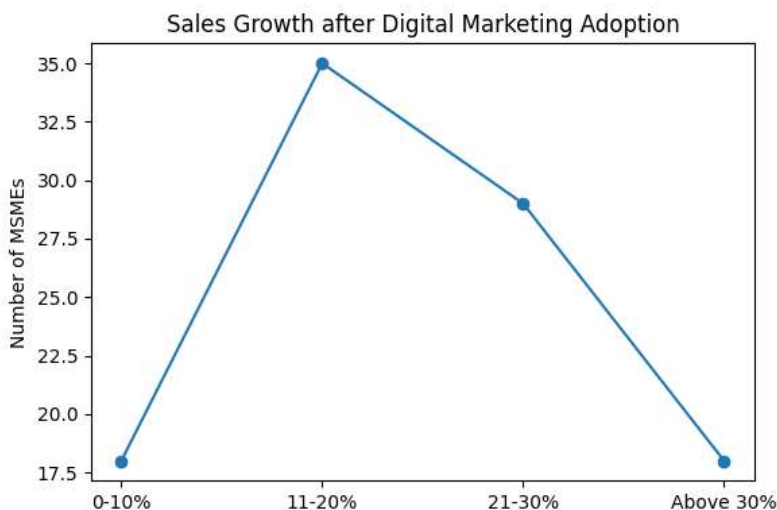


Figure 2: Sales Growth among MSMEs after Digital Marketing Adoption

### Key Interpretation

The graphical analysis indicates that WhatsApp Business and Social Media Marketing are the most widely adopted digital marketing tools among MSMEs in Pune. The data further reveals that a significant number of MSMEs experienced sales growth between 11% and 30% after implementing digital marketing strategies. This demonstrates

the effectiveness of digital platforms in enhancing customer engagement, market reach, and overall business performance.

## Challenges Faced by MSMEs in Digital Marketing Adoption

Despite the benefits, MSMEs face several challenges while implementing digital marketing strategies:

### 1. Lack of Digital Skills

Many small business owners lack technical knowledge and digital marketing expertise and need skill development trainings

### 2. Financial Constraints

Limited budgets restrict investment in professional digital marketing campaigns.

### 3. Lack of Awareness

Some MSMEs are unaware of advanced digital tools, their effective use and their benefits.

### 4. Resistance to Technological Change

Traditional business owners often hesitate to adopt new technologies.

### 5. Cybersecurity Concerns

Fear of fraud, data theft, and online payment risks affect digital adoption.

### 6. High Competition

Digital platforms increase competition among businesses, making customer retention challenging.

## Findings of the Study

The study highlights the following key findings:

1. Digital marketing adoption among MSMEs in Pune is steadily increasing.
2. WhatsApp Business is one of the most preferred digital communication tools.
3. Social media marketing on websites like Facebook, Instagram significantly improves customer engagement and brand visibility.
4. Google My Business enhances local business discovery and customer trust.
5. E-commerce adoption contributes to wider market access and increased sales.
6. MSMEs using multiple digital marketing platforms experience better sales growth compared to traditional marketing methods.
7. Lack of technical expertise and financial limitations remain major barriers to digital transformation.

## Suggestions and Recommendations

To improve digital marketing adoption among MSMEs in Pune, the following measures are recommended:

1. Government and industry associations should organize digital marketing training programs.
2. MSMEs should invest in social media branding and content marketing.
3. Financial support and subsidies should be provided for digital transformation initiatives.

4. Businesses should focus on customer relationship management through WhatsApp and social media platforms.
5. MSMEs should regularly update Google Business Profiles to improve local search visibility.
6. Cybersecurity awareness programs should be conducted to reduce digital risks.
7. MSMEs should adopt integrated digital marketing strategies combining social media, e-commerce, and search optimization.

## Conclusion

Digital marketing has become an essential growth driver tool for MSMEs in India and especially city like Pune which is industrial hub of Maharashtra. The adoption of platforms such as WhatsApp Business, Social Media Marketing, Google My Business, and E-commerce has significantly improved customer communication, market reach, brand visibility, and sales performance.

The study concludes that MSMEs adopting digital marketing strategies are more competitive and resilient in the modern business environment. Digital platforms provide affordable and effective marketing opportunities for small businesses, enabling them to compete with larger organizations.

However, successful digital transformation requires continuous learning, technological adaptation, and institutional support. Addressing challenges such as lack of digital skills, financial constraints, and cybersecurity concerns is necessary to maximize the benefits of digital marketing adoption.

As Pune continues to evolve as a major industrial and entrepreneurial hub, digital marketing will play a critical role in shaping the future growth and sustainability of MSMEs.

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