

Exploring the Impact of Digital Marketing on the Performance of Startups

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Abstract

Self-employment among young people has sparked a sense of need to support oneself and provide for one's family on a daily basis. Due to people's willingness to start their own businesses in order to supplement their income, jobs have been created. In order to reach a bigger segment of society, startups need to use digital marketing. By examining the history and present, this study focuses on the granular level examination of how startups emerge. The report also uses ABCD analysis to explore in detail the many pros and demerits of startups adopting digital marketing. The goal of the current study of startups using digital marketing to overcome various challenges. People are inspired to launch their own firms through digital marketing. There is more opportunity today for many more people to launch their own enterprises and become entrepreneurs. Children want to be physicians, engineers, pilots, and government officials, just like adults want to be business owners. As a result, there is a lot of room for institutions to develop unique programs, educational subjects, and parts of marketing for startups that teach students in a variety of sectors. Students, researchers, educators, professors, and readers can use the analysis of startup performance through digital marketing as a starting point for conducting more research on themes related to startups and digital marketing. This case study provides a thorough knowledge of the factors that drive businesspeople to succeed in the marketplace during this difficult time.

Keywords: *Digital Marketing, Startups, Marketing*

Introduction

The latest fashion in the modern world is digitization. Businessmen carefully consider their options before using a new method of managing their operations since they must decide whether or not to invest such a significant sum [1]. Even though businesses are embracing the latest technological trends, it is crucial that company managers have a solid understanding of technical issues and strong skill sets to manage the company's use of technology. The driving force behind data and

value is embracing diversions. which helps businesses to act in accordance with client preferences, to launch products and services in accordance with customer's choice [2], by providing quick response rates through feedback, reviews, and customer satisfaction opinions.

Every organization should set up an internal team to experiment, survey, and study client preferences, choices, area, and location frame for the technological feasibility before implementing digital marketing tools. They assess the results and make a decision regarding the development of the modern marketing strategy [3]. Digital marketing offers a new way of looking at how well a company is doing financially. Digital marketing is made up of a variety of tools, approaches, concepts, and materials. Marketers carefully consider the strategy to use. There are many different types of online marketing, including optimizing search engines like Google, Facebook, and Yahoo, marketing using these Search engines, and making money through pay per click [4]. The COVID-19 crisis has significantly lowered our economy's financial health, but entrepreneurship has increased. Many businesses fail because they have relatively poor tactics, and without effective branding and advertising, they run into a number of unresolved problems [5]. The sole reason for the excitement around the digitalization of marketing is that reading online reviews and comments from other customers who have purchased from a particular retailer is the primary way that any consumer decides whether to purchase a product, whether it be online or in a physical store or mall [6]. These considerations have led people to switch from traditional marketing strategies to internet shopping. These motivational factors encourage organizations to switch from outdated and conventional techniques of marketing to internet platforms.

Review of Literature

Nowadays, everyone is demonstrating a divergence of economic activity from financial, political, natural, and other issues. Through the internet, the entire body of knowledge is now at a person's fingertips [8]. Internet era forecasting has a lot of potential because the e-commerce platforms industry is constantly developing [9]. People now purchase things with a single click, making purchases and returns quick and simple. Startup companies do not adopt online marketing very rapidly since it entails significant financial risk, requires significant up-front expenses, and many other dangers [10]. In order to examine and create this paper on startups' adoption of digital marketing, a variety of case studies, journal publications, articles, and research were gathered. Startup marketing, digital marketing, ABCD analysis, entrepreneurship challenges, online marketing by startups, and e-commerce strategies are among the keywords.

Therefore, the previously indicated keywords were effective in helping me locate the best and most relevant research papers and publications to use as references for this paper.

1. **Startup Marketing** - Agility, feasibility and adaptive nature among entrepreneurs takes the business plan to heights. Digital marketing with less funds is a skill that every businessman needs to consider. Swenson, M. J., Rhoads, G. K., & Whitlark, D. B. (2014). [11]
2. **Digital Marketing** - Digital marketing inculcates various strategies that bind by the rules of marketing. A user of digital marketing has to be cautious while adopting digital marketing to

face any upcoming challenges. Olson, E. M., Olson, K. M., Czaplewski, A. J., & Key, T. M. (2021). [12]

3. **ABCD Analysis** - Analyzing various advantages, challenges, risks and disadvantages to the business by adaptation of online marketing by step by step analysis is very crucial for every businessman. Startups need to draft each step and carefully consider all the aspects. Aithal, P. S., & Kumar, P. M. (2016). [13]
4. **Entrepreneurial Challenges** - Startups occur through broadened knowledge and evolution of human thinking. Compared to the past decade, entrepreneurship is booming in the current phase of economical surge. Catherine, Wang., Harveen, Chugh. (2013). [14]
5. **Online Marketing** - The author mentions different types of marketing through online methods. The impact the internet has created on the current world and strategies marketers use. Due to these aspects, the internet aims to revolutionize the current world into something unimagined in future. Soheila, Bostanshirin. (2014). [15]
6. **Online Marketing by Startups** - Businesses encounter many hurdles in the daily routine of carrying out trade transactions. Digital marketing has been the only source that enables startups and businesses to carry out trade-transactions smoothly. Wael, S, Basri., Mohammed, R, A, Siam. (2017). [16]
7. **E-Commerce Strategies** - The study has been conducted based on various marketers view points and consumers opinions on the impact of digital marketing activities. Habib,Ullah, Khan., Stellamaris, Uwemi. (2018). [17]

In relation to the aforementioned publications, changes have been seen in the way that marketers' marketing tasks are organized. The interests of customers have changed as a result of one-to-one networking [18]. Internet trade, commonly referred to as e-commerce, is the exchange of goods and data for cash through the internet. Additionally, it enables contemporary marketing strategies that involve instantaneous information sharing [19]. New types of marketing are more successfully developed while using traditional marketing strategies. Many technology-driven firms and startups have used the fundamentals of digital marketing to launch their operations [20]. As a result, in the modern world, digital marketing plays a crucial role in the lives of marketers. The entire skeleton of marketing would be lifeless without digital marketing. SMEs and startups are therefore fond of the phrase "digital marketing" because it enables them to get closer to their target audiences [21].

Objectives of the Study

1. To understand the startup performance before and after digitalization
2. To analyze the effect of digital marketing on startups
3. To examine the many advantages and disadvantages of startup adoption of digital marketing
4. To study causes that drive entrepreneurs toward digital marketing
5. To research the factors that influence entrepreneurs to use digital marketing.

Research Methodology

The current study on "Performance of Startups through Digital Marketing" has referred to numerous publications, case studies, and papers. This semi-systematic review of the literature was done by looking at many articles from sources including ResearchGate, Springer, Google Scholar, Srinivas Publication, SSRN, and others. The total number of publications from secondary sources has been examined for the successful publication of this study. These sources serve as the cornerstone for analyzing all of the study's aims.

Startup and Entrepreneurship

Starting a brand-new business from scratch might be difficult. Different authors have had different opinions about this [22]. Since startups have the potential to make a significant contribution to the rising economy, this has been a topic of discussion recently [23]. Startups are created by combining various stages. Before a startup is launched, a well-defined plan must be methodically established [24]. When examining the marketing success of startups, there are essentially two points of view. internet marketing both before and after. For entrepreneurs, traditional marketing strategies are no longer effective because their perspective on the market is completely different. Instead of employing systematic methods, entrepreneurs focus on informal communication [25]. Even back then, entrepreneurs have found success by using conventional marketing strategies. In-depth research on entrepreneurs' mindsets is needed to examine the veracity of this concept [26]. The study that is discussed below can assist you comprehend the aforementioned marketing ideas more fully.

With traditional marketing, products are physically sold door to door, there is no online presence in the form of websites or mobile applications, and no way for customers to contact the store online. In the early 2000s, businesses only used electronic gadgets including telephones, computers, televisions, radios, and telegraphs. With the later innovation, organizations encouraged staff members to leave employers and launch their own businesses [27]. One such industry that most researchers have yet to explore is "startup." It is a rising subject that draws both young and older generations of individuals to express their enthusiasm in advancing their careers and launching new, original businesses. The encouragement of startups has prompted the governments of several countries, like India, Korea, and China, to assist young people in putting their ideas into action by providing funding that has been raised by the nation for improving the public and economy. Robots can reduce human labor to some level, however when robots and automated systems don't operate, traditional methods still hold true. In essence, traditional marketing bridges the divide between digital and social marketing.

Modern methods frequently draw on a variety of ideas. Traditional marketers concur that current marketing techniques increase their return on investment and foster consumer loyalty. When it comes to competition, traditional marketing strategies suffer a devastating loss. Through its cost-effective tactics, modern marketing helps businesses cut costs and boost profits. Due to current trends, startups often feel comfortable managing their businesses. The majority of consumer purchasing behavior, as well as marketers' efforts to sell items, were hampered by traditional marketing. To compete in the market and reach target consumers, digital marketing requires

relatively little funding. With increased agility and freedom to purchase a variety of items with less money, e-business tends to offer a lot of advantages to clients based on these valid arguments. McCarthy first proposed the seven Ps of digital marketing for startups in his 1960 book Basic Marketing. Over time, these principles evolved into the seven Ps of digital marketing for startups: price, product, people, promotion, place, and procedures.

Digital Marketing Strategies

A nation must have a clear focus on its long-term goals if it is to support startups. An economy's goal is expansion, which drives the rise of startups either directly or indirectly. A lack of finance could result in losses, therefore these entrepreneurs struggle to promote their innovative strategic ideas onto the platform before clients. They now have more confidence and are able to implement ideas with less money and more advantages. The three main types of business models that entrepreneurs establish are: a. market-driven; b. technology-driven; and c. exit-driven. In essence, the model that entrepreneurs select will determine how much money they will carry. Costs fuel value, which enables them to seize chance. E-commerce is a crucial component of digital marketing, which is rich in resources and value and may bring in significant profits for business owners and marketers. The market for e-commerce is analogous to that of physical commerce. Customers purchase goods and services in e-commerce by visiting websites and applications created for the internet. The internet is as robust as the Great Wall of China thanks to a dynamic globe with no end to the number of individuals who can access it. Distractions of any kind cannot slow down the internet.

ABCD Analysis

The chart details the specific difficulties, merits, benefits, and advantages that entrepreneurs must deal with. This analysis aids in comprehending and determining the applicability of various startup working models, as well as the organizational features and results of digital marketing. In the modern era, digital marketing is a hub for many economic sectors, opening doors for many businesses to travel the globe. The growth of startups is supported by the dollar returns that branch expansion in other nations generates. The ABCD analytical approach, as demonstrated below, allows readers to obtain insights into unexplored concepts related to the current research issue. With the emergence of startups and their growth leading to the improvement of antiquated technologies and the system of working, understanding the industry provides knowledge of the systems and objectives and reveals various loopholes as well as positive aspects where the industry can improve. The table of multiple ABCD analyses on the performance impact of startups' adoption of digital marketing on the efficient operation of ongoing enterprises is presented below.

ADVANTAGES	BENEFITS
<ul style="list-style-type: none"> ➤ Enormous growth ➤ Scope of expansion ➤ Increased customers ➤ Tap larger geographical location ➤ Compete with well-established firms ➤ Capture ideas and technologies ➤ Attract customers with various offers and discounts ➤ Agile and flexible in work culture 	<ul style="list-style-type: none"> ➤ Attract fund generation through investments from investors ➤ Unique ideas and well-planned businessmodel lead long term growth ➤ Technological adaption ➤ Provide job opportunities to unemployed ➤ Support women to restart career ➤ Revenue generation ➤ Less workforce and budget friendly
CONSTRAINTS	DISADVANTAGES
<ul style="list-style-type: none"> ➤ Lack of funding ➤ Increased competition ➤ Outdated technology ➤ Breach of secrecy ➤ Unlimited risk 	<ul style="list-style-type: none"> ➤ Customers unaware of authenticity of products ➤ Lack of demand in the market ➤ Price and quality issues ➤ Customers doubt the quality of products

Findings

The research study on the effectiveness of digital marketing for startups has been successful in identifying a number of relevant observations that will aid readers in understanding the findings and analyzing the study for future study. Following observations are made after reading the paper:

1. Attractive government initiatives support business owners in launching startups
2. Startups increase the amount of money flowing through the economy.
3. Startups have been effective in reaching a larger portion of the world through digital marketing than was previously possible due to physical distance.
4. The advancement of technology has made it possible for business owners to switch from traditional to digital marketing.
5. Entrepreneurs have a great belief in the power of digital marketing to help them publish adverts online and draw in clients.
6. Negative online evaluations can harm a band's reputation in the marketplace. 6. Digital marketing will rule the planet in the future.
7. Startups benefit from digital marketing since buyers purchase their items via their websites and online marketplaces.
8. Startups offer opportunities for people to work in the logistics, supply chain, finance, and marketing sectors. This promotes the development of every country.
9. Via the online performances of entrepreneurs, healthy rivalry is created, which drives down product costs to levels that even a person with limited resources could pay.

Recommendations

The following list of recommendations from the study, which was based on the analysis of several studies, stands out above the rest for emphasizing the significance of digital marketing for startup performance.

- New businesses need to include high-quality 360-degree views of all their products. This feature would draw viewers and encourage word-of-mouth advertising among people. Once startups adopt 360-degree view features, demand will increase.

- To market and foster a feeling of community among the customers, entrepreneurs must designate their base location on social media platforms and e-commerce marketplaces. Additionally, this would raise consumer demand for goods that have some domestic manufacturing.
- To foster competition and award enticing prizes to the victors, startups must run contests between customers through digital marketing. These contests would be enjoyed by customers, especially kids, who might end up becoming devoted patrons of the brands.
- Startups must adopt superior technology and high-speed internet capabilities in addition to a variety of methods. The quickness of business and transactional processes minimises additional customer effort and time commitment.
- Entrepreneurs must introduce innovative concepts and inventive business models without worrying too much about future demand; this will encourage customers to test out and review new products. This is one of the best strategies to build a brand and keep the features up to date with customer preferences.

Conclusion

In order to create distinctive products with tempting prices and offers, the research on analysis of startup performance through digital marketing looked at several e-commerce platforms. The topic has been studied by reviewing a number of studies. The government has been encouraging young people to start their own firms and use their ideas, tactics, and creativity, which has resulted in a boom in startup activity. The paper's recommendations section focuses heavily on how startups might expand their intellectual capacity to compete with more highly developed companies and to trade in a welcoming environment. Startups are beneficial to customers since they create job opportunities and strengthen the nation's financial structure. Startups must strengthen their online presence, and the brand name needs to be on the tip of everyone's tongue, according to the paper's conclusion. Demand and supply must be in balance for the products to remain in stock and be available to customers seven days a week, 24 hours a day. Before introducing new products, a thorough analysis of the market is essential to determine the tastes and preferences of a sample population in order to better understand consumer expectations. As a result, the businesses get impressive results from their online presence via social media and e-commerce marketplace services.

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