

The impact of online marketing on start-up's - Theoretical Frame work

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Abstract

In the 21st century online marketing is the most effective way of advertising any product or service. Online marketing helps the small businesses and also start-up's in a significant manner. Online marketing happens in a virtual and interactive space where the promotion of products and services takes place. The advancement in technology has drastically changed the way of marketing. In online marketing the cost-effective compared to the traditional marketing. Most of the start-up's fail due to a lack of proper strategy. Online marketing is innovatively creating a platform for start-ups in innovative manner to reach the customers the main motto of this presentation is to show the positive side of the online marketing on start-ups and small businesses.

Keywords: Brand personality, Symbolic brands, Relational marketing.

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1. INTRODUCTION

Now a days just like food, water, shelter, and clothes internet and gadgets has also become essential for a person to survive in today's world. The advancement in the technology has changed our lives in several way, including how we communicate, how we do business, how we run our social and personal lives etc. Thanks to the Internet, earth is now a global village. According to a study, with over 560 million internet user. India is the second-largest online market in the world, it was estimated that by 2023 there would be 650 million internet users in India. The business also moved according to the current trend to gain the customers innovatively. To accomplish this one has to understand the public pulse and also their objectives.^[1]

Online marketing is helping the companies a lot to communicate with their customers about their products and it's uses uniquely. In online number of marketing tools available which are helping the companies to interact with their customers by adding graphics and animations in their

advertisements to grab their targeted customers attention. Online marketing is simply the subset of digital marketing, in which various strategies are used to create a brand value for the product in the customer's mind and give thought to buy the product when they come into contact with the brand online.^[2]

2. Research objectives:

The main objective of the study-

1. To study and aware about start-ups and their challenges
2. To identify the Importance of online marketing.^[3]
3. To give suggestions and techniques to improve their sales

3. Methodology:

Quantitative research has been done to study and understand the influence of online marketing on small businesses and start-ups to achieve their desired sales. During this research, the researcher has analysed how start-ups and small businesses can increase and expand the sale



of a product. The data was collected from various sources like internet, articles, popular institutions and also referred to other research papers.

3. Limitations:

The aim research was to observe various strategies and methods that are used by small businesses and startups. The research is limited to start-ups and small businesses only.

3.1. Definition of start-ups

A start-up is a young company that is founded by one or more entrepreneurs. They develop a product or service which they think is in demand. A start-up is generally starts with high cost and limited revenue which is why they look for capital from variety of sources like capital venturous, bank loans etc. start-ups mainly focus on a single product or service that the founder wants to bring into the market these companies generally lack a fully developed business model and adequate capital to move on to next phase of the business. In initial stage companies are generally funded by the founders itself.

3.1.1. Growing trends on start-up's

Startup's are mushrooming in the large number in India. Keeping aside the idea of introducing the new products and services to people it can be able to provide employment opportunity for a lot of people across the country promoting cross culture. Startups provide the opportunity to take a lot of responsibility and able to learn from it, Number of people maybe less but make every one an important part of the start-ups. A start-up may not pay as well as a corporate job but it has its own benefits like incentives and attaining new set of skills while working on various tasks. A lovely work environment is a part of startup he/she can easily chill out with his team or even bosses after work.^[4]

3.2. Importance of online marketing

3.2.1. Cost-Effective

As a startup entrepreneur always need to a look on budget. Marketing with minimum cost and achieving greater revenue is what an entrepreneur desire.^[5]

Large companies can always provide huge chunk of budget for marketing where as small companies and start-ups cannot afford to do so making them to put more efforts and use unique techniques to sustain. In this scenario the start-ups come handy with online marketing which is less expensive for promoting products and services and also have a greater reach, it helps in aiming potential customers and favours in increase of sales. It also reduce the time and money. There are a multiple platforms available online for the small businesses to target it customers and these platforms suggest suitable strategy, the entrepreneur can choose a strategy according to his budget. Choosing the appropriate strategy will increase the marketing experience and create leads making it marketing not so difficult.

3.2.2. Reach more targeted customers

As a start up accomplishing marketing goals and getting the desired customers group is made easy with online marketing. The development in technology among all the sectors around the world, people started to search online about the product or service before actually purchasing it. With the help of right strategy at right time, can make the businesses grab some

customers for the businesses, and this efficient access is possible with an intelligent digital marketing plan.

3.2.3. High conversion rate with right strategy

The conversion rate is basically the percentage of visitors to a website. The optimisation of this conversion rate, through the online marketing agencies the businesses will be able to reach out a large number of people visiting the website creating a lot of business. Regardless of the type of the businesses, the primary aim of each is to grow their businesses by generating sales with the help of marketing. The leads generated through online marketing will help the businesses get lot of sales.

3.2.4. Power of social media

There are millions of social media users. Platforms such as Facebook, Instagram and Twitter can help reach a huge number of people, using a unique and creative idea can make businesses famous overnight. Every social media user will use it anywhere from 10mins-6hours, during this time a person who come in contact with their idea can get easily impressed. Depending on the types of products and services, social media tools can help people to notice their ideas. Small businesses may feel this process and tools are complicated, but there are agencies which can help startups with professional assistance to create businesses recognition on the social media platform.

3.2.5. Providing real-time customer service

Customer service is crucial if you're targeting to stand high in the market. Customer's satisfaction is a key to prove the presence in the market. One of the benefits in online marketing is real time customer service i.e by providing the customers necessary services like solving their problems will create a impression in customer's mind that u give importance to them. This is one of the most profitable concepts offering a high rate of returns for all size businesses. Traditional marketing is not sufficient for the businesses to connect with customers. Which makes online marketing useful for all sizes of businesses to interact with their customers with quick solution for their problems. Fastness will make customers feel their priority, which builds a trust in their hearts. so, if a business has a well framed customer service it is one step ahead then others.

4. Reason behind failures

4.1. Bad location

Bad location of a business is because the company is mainly focusing on a particular group of customers for sales, which is traditional marketing, also not very profitable. As important as the physical location the location of business on internet is equally important these days. The presence of business in social media will be a boost in sales, and can also get many valuable suggestions from public for the development of business. The physical and online location are equally important to reach the right type of people. So it is important to focus on both type of locations.

4.3.2. Lack of marketing knowledge

If the owner or entrepreneur doesn't have proper knowledge on marketing, then it will make things

very difficult. Decision making will be a problem, sometime can make the whole business upside down. This whole field is depended on leadership skills and decision taken at right time.

4.3.3. Lack of finance

To start a company and to maintain it isn't a small task, that to with a little budget thing get hard. Getting a loan from a person by making him interested in your idea is not so easy. So before starting the company plan well and be financially strong to keep going even when company and things aren't working well. If it is getting hard to get a financier means that idea doesn't have the potential and I may lead to repay a lot of cash.

4.3.4. Competition

Now a days new trend of starting small business and startup became usual. Which makes hard to sustain and grow in the market. Small businesses only have to see the old and current and future trends and plan accordingly to sustain the bad times and unexpected situations that occur in day to day business. These businesses should also have a proper timing of when to launch their businesses in the market.

5. Solutions and techniques to improve sales

There are many marketing strategies available in online marketing start-up and small businesses can choose the best strategy based on their business type financial status and the objectives of their business, some of the business strategies are discussed below :

- **Email marketing** :It is one of the prominent way to promote products by sending email to the targeted customer. It could be done by getting the customers email id. It helps to increase sales.
- **Affiliations (Pay per click)** :Here the business need to pay a certain amount for the website or location where the advertisement is present when the customer clicks on the ad. This is the technique used in the search engine promotion to produce visitors to the website.
- **Search engine optimisation**:It is a combination of a lot of activities which helps the website to get on the first page of the search engine.
- **Social media**:Using the social media platforms to get connected with the customers increases the brand value and awareness which ultimately increases the sale.
- **Blogging**: Blog Marketing strategy that uses blogs in addressing potential customers directly and individually, thereby achieving customer loyalty for their own brand.

The business can choose any of the above technique or all of them combined which ever suits their budget.

6. Conclusion:

The aim is to study the importance of the online marketing and its role in supporting the small businesses and start-ups in the most effective and strategic way to get them growing. It helps the entrepreneurs create a new path of approaching the customers through online marketing. Goods and services in a normal way to approach to limited group of people. Which will make difficult for small companies to survive. As the time people spend on internet is increasing day by day, it is well preferable to use online marketing for a business to grow. Customers can easily find products services according to their needs through online, helps companies to

increase their value

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