



Customer satisfaction towards digital marketing strategies used by small business in Coimbatore city

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Abstract

In the contemporary digital era, small businesses are increasingly adopting digital marketing strategies to enhance customer engagement, brand visibility, and competitive advantage. This study focuses on analyzing customer satisfaction towards digital marketing strategies used by small businesses in Coimbatore City, a rapidly growing commercial hub. The research aims to identify key factors influencing customer satisfaction, such as personalization, ease of access, trust, responsiveness, and overall user experience in digital platforms.

Keywords: Customer satisfaction, digital marketing, small businesses Coimbatore city

Introduction

In the modern business environment, digital technology has transformed the way businesses communicate with customers and promote their products and services. With the rapid growth of internet usage and smartphone adoption, digital marketing has become an essential tool for businesses. It enables organizations to reach a wider audience, build brand awareness, and interact with customers more effectively compared to traditional marketing methods.

Small businesses, in particular, benefit greatly from digital marketing strategies because they often operate with limited financial and human resources. Digital platforms such as social media, search engines, websites, email marketing, and online advertisements provide cost-effective opportunities for small businesses to promote their offerings and compete with larger organizations. Through these platforms, businesses can engage directly with customers, gather feedback, and tailor their marketing strategies according to customer preferences.

Customers regarding digital marketing activities carried out by businesses. In today's competitive environment, digital marketing has become an essential promotional tool due to the rapid growth of internet usage, smartphones, and social media platforms. Businesses increasingly use digital channels such as social media, search engines, websites, email marketing, and mobile applications to promote their products and services. Understanding customer satisfaction towards these digital efforts is important for business success and long-term growth.

Objectives of the Study

- To evaluate customer satisfaction levels with digital marketing strategies adopted by small businesses in Coimbatore City.
- To identify which digital marketing channels contribute most positively to customer engagement and satisfaction.
- To analyze the relationship between digital marketing quality and customer loyalty.

- To highlight common challenges faced by small businesses in implementing digital marketing effectively.
- To propose recommendations based on customer feedback for enhancing digital marketing approaches.

Limitations of the Study

- The study is only on the basis of data collected from employees of Coimbatore city only.
- Customer responses are based on personal perceptions and experiences, which may lead to biased or subjective answers.
- The study is based on sample size is restricted to 100 respondents.
- Rapid changes in digital marketing trends

Scope of the Study

- The study focuses on customers of small businesses in Coimbatore.
- It evaluates customer satisfaction towards selected digital marketing strategies.
- It helps businesses understand customer expectations and improve their digital presence.

Statement of the Problem

In recent years, digital marketing has become an essential tool for small businesses to reach and engage customers. With the increasing use of social media platforms, search engines, and online advertising, businesses in Coimbatore are rapidly adopting digital marketing strategies to remain competitive. However, despite this growing adoption, there is limited understanding of how these strategies influence customer satisfaction.

Small businesses often face constraints such as limited budgets, lack of technical expertise, and inadequate knowledge of effective digital tools. As a result, the digital marketing strategies they implement may not always align with customer expectations or deliver satisfactory experiences. Customers today expect personalized, responsive, and value-driven interactions online, and failure

to meet these expectations can lead to dissatisfaction and loss of loyalty.

Review of Literature

A. Bilgihan (2020) explored online customer experiences and loyalty. The findings indicated that a positive digital experience leads to higher customer satisfaction and long-term loyalty. Factors such as website quality, ease of use, and trustworthiness were found to be significant. Philip Kotler (2021) emphasized the concept of Marketing 4.0, highlighting the shift from traditional marketing to digital platforms. The study explains that customer satisfaction is increasingly influenced by online interactions, personalization, and realtime communication. Digital platforms enable businesses to create stronger relationships with customers by providing value-driven content.

K. Baranidharan and T. Suganya (2023) focused on customer satisfaction with digital marketing services in the Indian context. The study found that responsiveness, service quality, and effective communication are major determinants of customer satisfaction. It also highlighted that customers expect quick responses and accurate information through digital channels.

Dileep Kumar *et al.* (2025) examined the relationship between digital marketing and customer satisfaction in SMEs. The findings revealed that digital marketing strategies such as social media engagement, content marketing, and online promotions have a significant positive impact on customer satisfaction. The study also identified customer engagement as a key mediating factor.

Research Methodology

Research Design

The study adopts a descriptive research design, as it aims to analyze and describe the level of customer satisfaction towards digital marketing strategies used by small businesses in Coimbatore. This design helps in understanding customer perceptions, preferences, and experiences.

Sampling size

Out of the entries population 110 respondents were chosen as samples

Area of the study

The study was conducted in Coimbatore city

Data Collection

There are two types of data

- Primary data
- Secondary data

Primary Data

Collected directly from customers through structured questionnaires.

Secondary Data

Collected from journals, research articles, websites, and reports related to digital marketing and customer satisfaction.

Tools used

The statistical tools used for this research are

- Simple percentage

- Chi-Square

Simple Percentage

The percentage refers to a special kind of ratio percentage is used in making comparison between two or more series of data.

Percentage analysis helps to find which factors is significant among a number of factors

$$\text{Simple Percentage} = \frac{\text{No of Respondents}}{\text{Total No of Respondents}} \times 100$$

Chi-square

The Chi-Square test is done to check if there is any difference between the observed value and expected value.

$$\chi^2 = \sum \frac{(O - E)^2}{E}$$

Analysis and Interpretation

Table 1: Showing Demographic Profile

Category	Sub-Category	Count	Percentage (%)
Gender	Female	60	54.55%
	Male	50	45.45%
Age Group	Below 20	20	18.18%
	21–30	84	76.36%
	31–40	4	3.64%
	Above 40	2	1.82%
Occupation	Student	60	54.55%
	Employee	36	32.73%
	Business	14	12.73%
	Homemaker	0	0.00%
Monthly Income	Below ₹10,000	44	40.00%
	₹10,000–₹25,000	44	40.00%
	₹25,001–₹50,000	20	18.18%
	Above ₹50,000	2	1.82%
Usage Frequency	Daily	94	85.45%
	Weekly	12	10.91%
	Occasionally	4	3.64%
Platform Usage	Instagram	44	40.00%
	Facebook	6	5.45%
	WhatsApp	21	19.10%
	YouTube	28	25.50%
Marketing Channel	Google	11	10.00%
	Social Media	82	74.55%
	Websites	10	9.09%
	Online Marketplaces	14	12.73%
	Email Marketing	4	3.64 %
Usage Frequency	Strongly Agree	26	23.64%
	Agree	54	49.09%
	Neutral	20	18.18%
	Disagree	10	9.09%
	Strongly Disagree	0	0%
	Strongly Agree	22	20.00%
	Agree	44	40.00%
Usage Frequency	Neutral	36	32.73%
	Disagree	6	5.45%
	Strongly Disagree	2	1.82%
	Strongly Agree	26	23.64%
	Agree	32	29.09%
Usage Frequency	Neutral	48	43.64%
	Disagree	2	1.82%
	Strongly Disagree	2	1.82%
	Strongly Agree	28	25.45%

	Agree	46	41.82%
Usage Frequency	Neutral	32	29.09%
	Disagree	4	3.64%
	Strongly Disagree	0	0%
	Strongly Agree	22	20.00%
	Agree	42	38.18%
Usage Frequency	Neutral	36	32.73%
	Disagree	10	9.09%
	Strongly Disagree	0	0%
	Strongly Agree	16	14.55%
	Agree	52	47.27%
Usage Frequency	Neutral	36	32.73%
	Disagree	4	3.64%
	Strongly Disagree	2	1.82%
	Strongly Agree	20	18.18%
	Agree	46	41.82%
Usage Frequency	Neutral	34	30.91%
	Disagree	8	7.27%
	Strongly Disagree	2	1.82%

Content Type Preference	Images	28	25.45%
	Videos	64	58.18%
	Text Posts	18	16.36%
	Blogs	0	0.00%
Engagement Frequency	Very Often	14	12.73%
	Often	38	34.55%
	Sometimes	44	40.00%
	Rarely	14	12.73%

Gender\Platform	Instagram	Facebook	Whatsapp	Youtube	Google	GrandTotal
Female (60)	24	3	11	15	7	60
Male (50)	20	3	10	13	4	50
Grand Total	44	6	21	28	11	110

Table 2: Chi – Square

Gender \ Platform	O	E	O – E	(O – E) ²	(O – E) ² / E
Female–Instagram	24	24.00	0.00	0.000	0.000
Female–Facebook	3	3.27	-0.27	0.073	0.022
Female–WhatsApp	11	11.45	-0.45	0.203	0.018
Female–YouTube	15	15.27	-0.27	0.073	0.005
Female–Google	7	6.00	1.00	1.000	0.167
Male–Instagram	20	20.00	0.00	0.000	0.000
Male–Facebook	3	2.73	0.27	0.073	0.027
Male–WhatsApp	10	9.55	0.45	0.203	0.021
Male–YouTube	13	12.73	0.27	0.073	0.006
Male–Google	4	5.00	-1.00	1.000	0.200
Total χ^2					0.466

(Source of Data): Primary Data Significant Level=0.05

Interpretation

The Calculated value of chi-square value is 9.488 less than the table value at 5% level of significance. Hence, the null

Interpretion

The study reveals that the target audience is primarily young, student-based, and low-to-middle income, with high daily usage of social media platforms. Instagram and YouTube emerge as the most influential platforms. Users show a generally positive attitude, and video content is the most effective format for engagement. However, engagement levels are mostly moderate, indicating an opportunity for strategies that can increase active participation and interaction.

Chi – Square Test

Relationship Between Gender and Usage of Digital Platform

The Chi – Square test is done to check if there is any difference between the observed value and expected value.

$$\chi^2 = \frac{\sum (\text{Observed Value} - \text{Expected Value})^2}{\text{Expected Value}}$$

Hypotheses

Null Hypothesis (H₀)

There is no significant association between gender and digital platform usage.

Alternative Hypothesis (H₁)

There is a significant association between gender and digital platform usage.

hypothesis is accepted. There is no significant relationship between gender and platform preference

Relationship between age and Platform Helps You Discover Small Businesses

The Chi – Square test is done to check if there is any difference between the observed value and expected value.

$$\chi^2 = \frac{\sum (\text{Observed Value} - \text{Expected Value})^2}{\text{Expected Value}}$$

Null Hypothesis

H₀: There is no significant relationship between Age and device used for Online Shopping.

Alternative Hypothesis

H₁: There is significant relationship between Age and device used for Online Shopping.

Table 3:

Age Group / Platform	Social Media	Websites	Online Marketplaces	Email	Total
Below 20 (20)	15	2	2	1	20
21–30 (84)	63	7	11	3	84
31–40 (4)	3	1	0	0	4
Above 40 (2)	1	0	1	0	2
Total	82	10	14	4	110

Chi – Square

Age–Platform	O	E	O – E	(O – E) ²	(O – E) ² / E
Below20–Social	15	14.91	0.09	0.008	0.001
Below20–Web	2	1.82	0.18	0.032	0.018
Below20–Market	2	2.55	-0.55	0.303	0.119
Below20–Email	1	0.73	0.27	0.073	0.100
21–30–Social	63	62.62	0.38	0.144	0.002
21–30–Web	7	7.64	-0.64	0.410	0.054
21–30–Market	11	10.69	0.31	0.096	0.009
21–30–Email	3	3.05	-0.05	0.003	0.001
31–40–Social	3	2.98	0.02	0.0004	0.000
31–40–Web	1	0.36	0.64	0.410	1.139
31–40–Market	0	0.51	-0.51	0.260	0.510
31–40–Email	0	0.15	-0.15	0.023	0.153
Above40–Social	1	1.49	-0.49	0.240	0.161
Above40–Web	0	0.18	-0.18	0.032	0.178
Above40–Market	1	0.25	0.75	0.563	2.252
Above40–Email	0	0.07	-0.07	0.005	0.071

(Source of Data): Primary Data
Significance Level = 0.05

Interpretation

The Calculated value of chi-square value is 16.919 less than the table value at 5% level of significance. Hence, the null hypothesis is accepted. There is no significant relationship between age and platform preference.

Findings

- Majority of respondents are female (54.55%)
- A strong majority belongs to 21–30 years (76.36%)
- Majority are students (54.55%)
- Majority fall under below ₹25,000 (80%)
- majority use internet daily (85.45%)
- Majority use Instagram (40%), followed by YouTube
- Majority prefer social media (74.55%)
- Majority agree (49.09%) + strongly agree (23.64%)
- Majority agree (40%) that businesses provide clear information
- Majority are neutral (43.64%)
- Majority agree (41.82%) responses
- Majority agree (38.18%) digital marketing influences decisions
- Majority agree (47.27%) they are satisfied
- Majority agree (41.82%) prefer digital marketing
- Strong majority prefer videos (58.18%)
- Majority interact sometimes (40%)

Suggestions

- Small businesses should actively use platforms like Instagram, WhatsApp, and YouTube Post regularly with engaging content (reels, stories, videos)
- Focus on Video Content Use short videos (Reels, Shorts) to attract attention Show product demos, customer reviews, behind-the-scenes
- Improve Search Engine Optimization (SEO) Optimize websites for Google search Use local keywords like “shops in Coimbatore
- Enhance Customer Interaction Use Facebook Ads and Google Ads to target specific audiences
- Focus on age, location, and interests Digital marketing allows precise targeting with low cost
- Use Data Analytics Track customer behavior, likes, clicks, and purchases Improve strategies based on data helps in better decision-making and higher ROI

- Build Customer Trust Share genuine reviews and testimonials and Provide clear product information

Conclusion

The study on Customer Satisfaction towards Digital Marketing Strategies used by Small Businesses in Coimbatore City reveals that digital marketing has become a powerful tool in influencing customer behavior and improving business visibility.

The findings show that a majority of respondents are young, active internet users who frequently engage with digital platforms, especially social media. Platforms such as Instagram and YouTube play a significant role in attracting and informing customers. Most respondents agree that digital marketing helps them identify small businesses easily and provides quick responses, indicating a generally positive perception.

However, the study also highlights that customer trust in digital advertisements is moderate, with many respondents remaining neutral. This suggests that while digital marketing is effective in reach and engagement, there is still a need to strengthen credibility and transparency

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