



## HOW DIGITAL MARKETING DRIVES SALES FOR SMALL BUSINESSES?

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**Abstract.** In this article, we discuss how digital marketing is important to small businesses based on our survey. We will see factors that help small businesses increase their sales without spending a big amount of resources as businesses did. What are the privileges of digital marketing in the the technologies era and what are the difficulties of online marketing that small businesses face? According to statistics, we will see how methods like content marketing, social media, Facebook ads, and PPC influenced businesses in numbers. So, from this article, you can learn different digital marketing approaches, their importance, and how to overcome challenges.

**Keywords:** digital marketing, traditional marketing, online businesses, customer loyalty, sales, content plan, Instagram, Facebook, ads, influencers.

## RAQAMLI MARKETING KICHIK BIZNESLARNI SOTUVINI OSHIRISHIGA QANDAY TA'SIR KO'RSATADI?

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**Annotatsiya.** Ushbu maqolada biz o'tkizgan tadqiqot asosida kichik biznes uchun raqamli marketing qanchalik muhimligini muhokama qilamiz. Biz kichik korxonalariga kompaniyalar kabi katta miqdordagi resurslarni sarflamasdan sotishni oshirishga yordam beradigan omillarni ko'rib chiqamiz. Texnologiyalar asrida raqamli marketingning qanday afzalliklari bor va kichik biznes qanday onlayn marketing muammolariga duch keladi? Statistika ko'ra, biz kontent marketingi, ijtimoiy media, Facebook reklamasi va PPC kabi usullar biznesga raqamli ta'sir ko'rsatganini ko'ramiz. Shunday qilib, ushbu maqolada siz turli xil raqamli marketing yondashuvlari, ularning ahamiyati, investitsiyalarning daromadlilik va qiyinchiliklarni yengish usullari haqida bilib olasiz.

**Kalit so'zlar:** raqamli marketing, an'anaviy marketing, onlayn biznes, mijozlarning sodiqligi, savdo, kontent rejasi, Instagram, Facebook, reklamalar, ta'sir qiluvchilar.

## КАК ЦИФРОВОЙ МАРКЕТИНГ ПОВЫШАЕТ ПРОДАЖИ ДЛЯ МАЛОГО БИЗНЕСА?

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**Аннотация.** В этой статье мы обсуждаем, насколько важен цифровой маркетинг для малого бизнеса, основываясь на нашем опросе. Мы увидим факторы, которые помогают малому бизнесу увеличить свои продажи, не тратя при этом большие ресурсы, как это когда-то делали все бизнесы. Каковы привилегии цифрового маркетинга в эпоху технологий и с какими трудностями интернет-маркетинга сталкивается малый бизнес? Согласно статистике, мы увидим, как такие методы, как контент-маркетинг, социальные сети, реклама в Facebook и PPC, повлияли на бизнес в цифрах. Итак, из этой статьи вы узнаете о различных подходах цифрового маркетинга, их важности, окупаемости инвестиций и способах преодоления трудностей.

**Ключевые слова:** цифровой маркетинг, традиционный маркетинг, интернет-бизнес, лояльность клиентов, продажи, контент-план, Instagram, Facebook, реклама, инфлюенсеры.

### Introduction.

20 or 30 years ago people considered that who has more gold, would be a rich, but now, people around the world trying to gain more followers on social media like You Tube, Instagram, Facebook and telegram to increase their income. If social media was meant for communication and sharing moments of your life, now it became to a marketplace, everyone is trying to gain auditory and who has more people they earn more. So, it gives big opportunities for small businesses to increase their sales numbers of loyal customers in short time and the most important part its cheaper than traditional marketing tactics.

### Literature review.

In recent years, digital marketing has grown in popularity as an accessible and cost-effective way for small businesses to reach a larger audience, enhance consumer interaction, and drive sales. This literature study investigates many facets of digital marketing, focusing on how tactics such as social media marketing, email marketing, search engine optimization (SEO), and content marketing help small businesses develop. Furthermore, issues unique to small enterprises, such as limited resources and gaining customer trust, are discussed, based on findings from current studies and industry assessments. (Micka, 2024)

Digital marketing has revolutionized the business landscape, particularly for small businesses with limited advertising budgets. According to research, digital platforms allow small businesses to accurately target potential clients while also increasing brand visibility, which is frequently difficult to do through traditional advertising channels. According to Micka (2024), organizations that employ digital marketing strategies such as social media marketing (SMM) and SEO can achieve much more reach at a lower cost than traditional marketing methods.

Social media marketing (SMM): Social media platforms like Facebook and Instagram enable businesses to communicate directly with customers, increasing brand loyalty and awareness. Small businesses may acquire new clients and influence purchasing decisions by partnering with influencers and using targeted advertising. According to studies, when small

businesses use social media to communicate with clients, their sales increase significantly. (Micka, 2024)

**Email Marketing:** Email remains one of the most effective digital marketing tactics, with estimations indicating an average return of \$36 for every dollar spent (Micka, 2024). Small businesses can create a steady and scalable revenue stream by segmenting clients based on their prior behavior and personalizing emails to nurture leads and drive repeat purchases. (Ahrefs, 2024).

**SEO and PPC:** SEO helps small businesses rank higher on search engines, which leads to more organic visitors. Pay-per-click (PPC) advertising enhances SEO by delivering instant visibility, which is critical for promotions and product launches. Together, SEO and PPC have been demonstrated to considerably increase traffic and, as a result, conversion rates for small firms, particularly those with a limited online presence (Ahrefs, 2024).

**Content Marketing:** By using blogs, videos, and infographics, small businesses may create credibility and engage people on a deeper level. Content that appeals to target groups can enhance organic traffic and brand affinity, which is especially crucial for developing trust and establishing a distinct brand identity (Micka, 2024)

### Research methodology.

This article will take a mixed-methods approach, combining primary and secondary research to investigate how digital marketing affects sales in small businesses. This method provides a full grasp of the topic through qualitative and quantitative data.

#### Primary research

##### Survey development

**Objective:** To obtain feedback on the success of digital marketing techniques from small business owners, consumers, and the general public. The target population is small business owners who actively participate in digital marketing, customers who made purchases from small companies, ordinary people who engage with small businesses online.

##### Survey design

**Questionnaire structure:** The survey will include multiple-choice, and open-ended questions to collect a variety of opinions. The key areas of focus will be: Awareness of digital marketing strategies, perceived efficacy of different digital marketing platforms (e.g., social media, email, SEO), the impact on purchase decisions, the frequency with which people interact with small businesses via digital platforms.

##### Data Collection and Data analysis

**Sample Size:** Aim for at least 50 respondents to achieve statistical significance. Participants will be recruited using social media, business networks, and community organizations.

**Administration:** The survey will be distributed online via a platform such as Google Forms, providing anonymity and promoting open responses.

#### Secondary research

##### Literature review

Sources include academic journals, industry reports, and case studies on the impact of digital marketing on small business sales. Focus areas include historical trends in digital marketing adoption, statistical data on sales growth, and a comparison of digital and traditional marketing effectiveness.

##### Online Resources

Use reliable websites, blogs, and digital marketing platforms to gain current insights and best practices. Examine government and industry sources that contain information on small business performance and marketing expenses.

## Analysis.

### How digital marketing drives sales for small businesses

Digital marketing methods become more effective day by day than traditional ones. As it gives the opportunity to analyze consumer behavior, what type of content they liked more even how many times they see their videos, then according to this analysis they target certain audiences by selecting their customers by their segmentation. Also, they can build stronger relationships with customers by messaging via their official social media accounts. As you know technology and the internet improve day by day by giving us opportunities to make tactics like chat bots, and Facebook ads, so they can increase conversion of their sales (Ahrefs, 2024).

### Understanding digital marketing

Digital marketing refers to a multitude of online marketing tactics that use the internet and electronic gadgets to promote products and services.

#### Key components are:

#### Social media marketing (Facebook, Instagram, Telegram)

Social media marketing (SMM) has altered how businesses communicate with their customers. SMM, which uses networks such as Facebook, Instagram, Twitter, and LinkedIn, enables firms to reach a worldwide audience, create relationships, and increase conversions.

SMM helps small businesses communicate with their customers constantly which improves customer loyalty & brand awareness. SMM also helps to targeting via Facebook where they can put demographics of their potential customer then it appeals that potential clients that they targeted. With buying advertisements from popular bloggers, they can gain trust and new clients by effecting their purchasing decisions as they discover their product on the internet and especially if its owned by their favorite influencer. In traditional marketing helps them appeal 100 to 1000 customers in a day, in SMM they can show their products from 10000 to 100000 customers in a day as usually small businesses accounts would have auditory from 100k till 1mln followers. It means their sales increases 10times more with right strategies of internet marketing (Micka, 2024).

#### Email

Email marketing is an effective tool for helping businesses and entrepreneurs communicate with their customers, create connections, and increase revenue. It works by providing personalized messages to a list of subscribers who have agreed to receive communications from your brand. In this blog post, we'll discuss how email marketing works and how it may benefit your business.

Email marketing is the most cost-effective one with a ROI if they invest 1\$ they can get 36\$. Sending targeted emails to potential and existing customers to nurture leads and encourage repeat business. Segmenting email marketing to target certain audience segments increases conversion of sales. It's a spread option to communicate directly with clients to announce new collections, big discounts so they can feel special as they would be informed. Email gives the opportunity to share our messages to their friends and family which helps to increase sales (Ahrefs, 2024).

#### SEO

Search Engine Optimization (SEO) is a marketing technique that aims to increase the volume and quality of organic (unpaid) visitors to a website via search engines such as Google, Bing, and Yahoo. The purpose of SEO marketing is to make your website appear as high as possible on search engine results pages (SERPs) when people search for keywords or phrases relevant to your website's content, products, or services.

It is the practice of optimizing a website to rank higher in search engine results pages (SERPs), attracting more organic traffic for small businesses. SEO is the cheapest marketing tool which helps to find out people who needs their product. When people need certain product or service, they will search it, if their SEO works well it will rank higher and people trust to higher ranking websites. So, in the result they will find their products and they also can see reviews of

customer who bought that product or service then they can buy it as their trust for their business become stronger. Also, based on Micka, 2024 research it improves content marketing and efficiency of Pay-Per-Click (*Running paid ads on search engines and social media platforms to drive traffic to a business's website*) operations by coordinating advertising with organic results (Google, 2023).

### **Content marketing**

Content marketing is a strategic marketing technique that focuses on developing and delivering valuable, relevant, and consistent information to attract and maintain a specific audience – and, eventually, to drive profitable customer action.

It involves creating valuable content to engage and inform potential customers, such as blogs, videos, podcasts, and infographics. It helps to improve efficiency of SEO, by increasing customer trust, loyalty and brand awareness. With storytelling of their product, they make customers want to buy their product. In the era of Instagram and You Tube most businessmen uses content marketing to build personal brand. It's a long-term strategy which can require more money but when right time comes it helps to boost sales. As people believes to this person, they know his values, they believe that he can't produce low quality product as they are fan of him so this person can easily sell his product (Ahrefs, 2024).

### **The benefits of digital marketing for small businesses**

#### **1. Cost-effectiveness**

The low cost of digital marketing is one of its most significant advantages. Traditional marketing strategies, such as print advertising and television ads, can be too expensive for small firms. In comparison, digital marketing provides a variety of cost-effective solutions. For example, social media marketing and content marketing can be started with a small cost, allowing firms to reach their target audience without breaking the bank (Mailchimp, 2021).

#### **2. Target reach**

Digital marketing enables small firms to accurately target their customers based on demographics, interests, and habits. Businesses may target their marketing efforts to specific groups using platforms such as Google Ads and Facebook Ads, ensuring that their messages reach people who are most likely to convert. This focused strategy not only raises the likelihood of a sale, but it also improves the effectiveness of marketing budgets. (Froehlick, 2022)

#### **3. Increase brand awareness**

Digital marketing enables firms to develop and share brand material across several platforms, increasing brand exposure and recognition. Brand awareness has become an important aspect in increasing consumer loyalty and maintaining a competitive advantage. Digital marketing, for example, has transformed the marketing landscape. Businesses that use digital platforms can successfully target and reach a diverse audience, generating a better knowledge and appreciation for their brand. (Sy, 2024)

#### **4. Enhanced customer engagement**

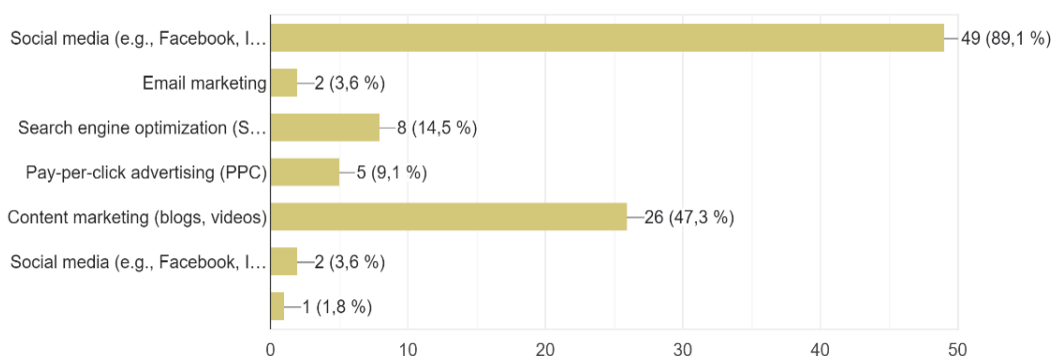
Digital marketing enables direct engagement between firms and their customers. Social networking platforms, email newsletters, and live chat tools on websites allow small businesses to interact with their audience, answer enquiries, and respond to feedback. This level of engagement promotes client loyalty and can result in repeat sales, as satisfied consumers are more likely to return and refer the company to others. (Froehlick, 2022)

### **Survey results**

According to the results of our survey, we can give some recommendations for small businesses

6. Which digital marketing channels do you think are most effective for small businesses?

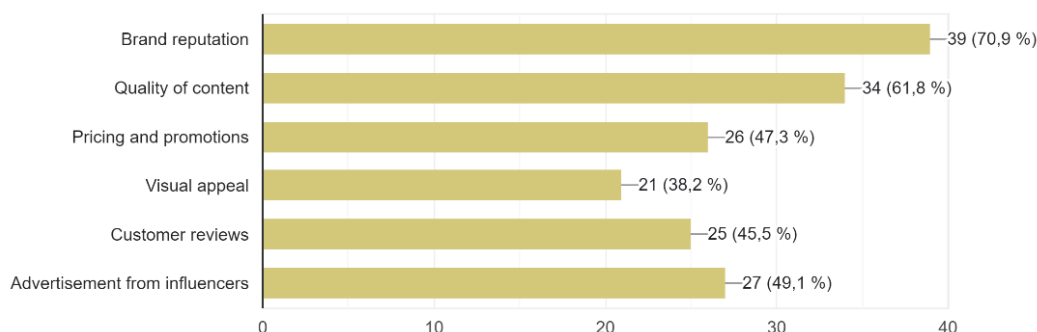
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As you can see social media considered to be one of the most effective channels for small businesses by almost 90% of people.

9. Which factors do you believe influence customers' purchasing decisions when they encounter digital marketing?

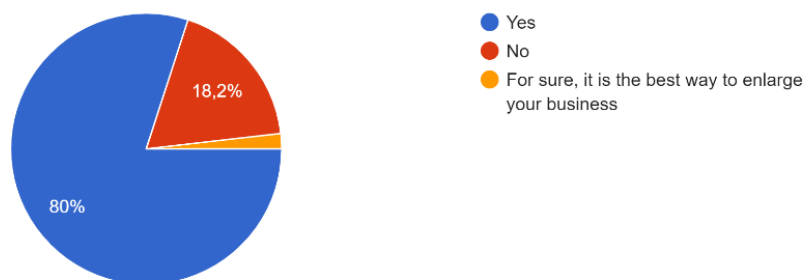
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According to this survey they can identify customer purchasing behavior, brand reputation and quality of content is the most important in digital marketing because clients will make decisions after checking both factors.

10. Have you ever made a purchase from a small business after seeing their digital marketing (social media ads, emails, etc.)?

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80% of people makes buy product or service after checking social media and etc... so if small businesses wouldn't improve and invest to their digital marketing they loose 80% potential customers.

## Practical applications of digital marketing for small businesses

### • Developing an effective website

A company's website functions as its digital storefront. Small businesses should invest in establishing a user-friendly, mobile-responsive website that is SEO-optimized. This includes using relevant keywords, fast loading times, and clear calls to action (CTAs) that direct visitors to make a purchase or contact the company (Agency Jet, 2024).

### • Implementing SEO strategies

SEO is the crux of digital exposure, representing a comprehensive process of optimizing their website to go up the ranks on search engine results pages. The careful use of relevant keywords, meticulous content creation, and an SEO-friendly website layout ensure that their company appears prominently when potential clients conduct searches relating to their offerings. In essence, SEO transforms their website into a beacon, increasing the likelihood that their business will be noticed amidst the wide digital world. (Froehlick, 2022)

### • Utilizing Social Media

Platforms like Facebook, Instagram, and Twitter have developed from social hubs to formidable battlefields for corporations to launch targeted advertising campaigns. Businesses can accurately target specific demographics by exploiting the extensive advertising options included in these platforms. Paid social media initiatives, when effectively implemented, can increase brand awareness, drive website traffic, and produce quality leads. (Agency Jet, 2024)

### • Exploring PPC advertising

PPC advertising is an option for small firms looking for rapid results. This method enables companies to bid for ad placement on search engines and social media sites. While it involves an investment, it can result in increased visibility and traffic, particularly for promotions or new product launches. (Agency Jet, 2024)

## Challenges in digital marketing for small businesses

### 1. Limited resources

Usually small businesses start their business with borrowing money so they can't risk more. So, digital marketing is more effective and affordable way to increase their traditional ones. Small businesses need to measure ROI of every channel they're using, then by analyzing it they will decide which one is more cost-effective. But not investing to any strategies of marketing is the biggest mistake that can cause to bankruptcy, as business opened recently, they need to make people know and trust their brand (Logica, 2023).

Additionally, businesses need more time to gain their loyal customers, their trust to their brand, to build brand awareness. Even to gain followers businesses need more than 3 months to see the return of their investments. So, owner of the business and its investors should be ready to wait the big results (Logica, 2023).

### 2. Customer trust

As I said recently, businesses need time to gain trust of customers. For instance, when I watch some online stores, I follow them around 1 or 2 months before buying something from them, I'll see their client's reviews and the number followers as I believe good online stores will have more followers at least 10k to 100k (Logica, 2023).

### 3. Lack of experience

Small businesses need to hire highly-experienced marketer to decrease risks of wrong strategies because usually small businesses have problems with identifying their target audience and positioning which causes to making wrong marketing strategies. Additionally, Google's algorithm has an influence on site rankings, therefore digital marketing methods are always changing. It may be difficult to stay on top of these developments and make good use of different digital marketing channels, particularly when operating a business, managing a staff, and ensuring client happiness. Without an experience and knowledge, learning to use new platforms, technology, and marketing channels may be a difficult undertaking (Mailchimp, 2021).

## Discussions and Results

**Warby Parker: A Case Study in Digital Marketing Background:** Warby Parker, founded in 2010, revolutionized the eyewear industry by selling trendy, inexpensive spectacles online. They wanted to offer high-quality eyewear at a fraction of standard retail rates while emphasizing social responsibility.

### Digital Marketing Strategies

**1. Strong Online Presence:** Warby Parker created a user-friendly website where clients could browse their assortment and order glasses online. The website featured virtual try-on technology, which improved the customer experience.

**2. Search Engine Optimization (SEO):** By focusing on SEO, Warby Parker ensured that their website ranked well for relevant search words like "affordable glasses" and "designer eyewear." This improved the organic traffic to their website (Google, 2023).

**3. Content Marketing:** The company invested in content marketing by writing compelling blog entries and eye care instructions. This not only informed consumers, but also helped Warby Parker establish itself as an expert in the eyeglass industry (Google, 2023).

**4. Warby Parker successfully leveraged sites** such as Instagram and Facebook to showcase their products and communicate with customers. They encouraged user-generated content by asking customers to post images of themselves wearing their spectacles.

**5. Email Marketing:** They created a large email list and sent tailored newsletters with specials, new product launches, and useful suggestions to keep customers engaged and informed.

(Froehlick, 2022)

**Rapid Growth:** By 2015, Warby Parker's revenues had surpassed \$100 million, demonstrating their strong digital marketing methods.

**Customer Reach:** As of 2021, the brand had over 8 million customers, indicating strong market penetration. Warby Parker was valued at almost \$3 billion in a 2021 financing round, suggesting high investor confidence in the company's internet strategy.

**Sales Growth:** Despite the pandemic, Warby Parker announced a year-over-year revenue growth of roughly 20% in 2020, demonstrating the strength of their online business model.

**Market Share:** Warby Parker is expected to account for over 20% of the internet eyeglass market, firmly establishing itself as an industry leader.

Warby Parker's internet marketing tactics resulted in quick development. They swiftly established themselves as market leaders in the eyewear industry, reaching millions of clients. The brand's focus on consumer involvement, along with smart use of digital platforms, led to significant sales growth and broad awareness.

(Froehlick, 2022)

### Return on investment – ROI of digital marketing

ROI shows how much profit or lose they made by investing in certain internet marketing channel. Because of the nature of some marketing strategies may take some time before their entire marketing spend yields a noticeable return (business.com, 2020).

It has a formula –  $\text{Net Profit} / \text{Total digital marketing costs} * 100\%$

Example: retailer made 5000\$ by spending 500\$ to content, 300\$ advertisement by blogger and 300\$ to target

$5000\$/1100\% * 100\% = 454\%$  its good ROI

5:1 is a good ROI

10:1 best ROI

Digital marketing tools with the best return on investment:

36:1 email 22:1 for SEO

PPC 2:1

(Froehlick, 2022)



Small firms should emphasize digital marketing solutions that are appropriate for their target demographic and budget. Companies that continuously measure ROI and modify techniques can maximize their marketing impact and establish a loyal consumer base over time.

### Conclusion.

In today's digital landscape, small businesses profit greatly from digital marketing's cost-effectiveness, reach, and consumer involvement. The article looks into specific methods such as SEO, content marketing, social media marketing, and email marketing, emphasizing their advantages and offering practical implementation advice. It highlights the necessity of creating useful content, properly utilizing social media channels, and optimizing websites for search engines. While admitting the obstacles that small firms confront, such as resource restrictions, creating trust, and acquiring knowledge, the essay makes effective advice. It highlights the significance of using several channels, prioritizing content marketing, and investing in data analytics to make more educated decisions. Warby Parker's success story is a powerful case study. Their rapid development, consumer reach, and market leadership position are due to their strategic use of digital marketing, demonstrating that small firms can achieve comparable success. Finally, the paper concludes that digital marketing is a game changer for small firms, allowing them to compete with larger competitors, reach new audiences, and create long-term relationships with customers. It prepares individuals to succeed in the digital age and achieve long-term success.

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