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## **Role of Digital Marketing in Start-Up Growth**

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#### ABSTRACT

This study examines the role of digital marketing in start-up growth, analyzing survey data from 250 respondents across various industries and organizational roles. Using chi-square and regression analyses, the research investigates relationships between industry sectors, digital marketing budgets, and perceived business outcomes. Findings indicate a strong recognition of digital marketing's strategic importance (89.6% rate it critical/very important) with social media (92.8%), search engine marketing (74.8%), and email marketing (71.2%) emerging as the dominant channels. The research reveals that 80.8% of respondents agree digital marketing directly contributes to revenue growth, while 82.8% report it has helped access new markets. Despite positive perceptions, significant challenges persist, including budget constraints (29.6%), skills gaps (21.2%), and ROI measurement difficulties (53.2% find it extremely/very challenging). This study provides actionable insights for start-ups to optimize their digital marketing strategies while addressing common implementation barriers in resource-constrained environments.

**Keywords:** Digital Marketing, Start-up Growth, Marketing ROI, Social Media Marketing, Budget Constraints, Customer Acquisition

#### **1. INTRODUCTION**

With marketing rapidly digitizing, the way businesses connect with customers presents new ways to propel start-ups to establish market presence and grow. Social media, search engine marketing, content creation, email campaigns and other forms of online marketing is just one way for start-ups to approach communication with their customers in a 'digital' media and competitive playing field without breaking the bank and competing with larger and more established competitors on more equal footing.

Digital marketing is a valuable opportunity for start-ups, allowing them to raise brand awareness, acquire leads, and gain customers in a low cost way that was not possible with initial capital investment historically necessary for marketing campaigns. Its power lies in being able to reach a specific audience accurately, measure campaign performance in real time and move quickly to update strategies based on performance data — and all of those are especially important for new businesses targeting uncertain market conditions and tight budgets.

Nevertheless, Digital marketing strategies are inherently difficult to deploy by start ups. Digital marketing is beset by limited budgets, lack of specialised expertise and the difficulty in quantifying return on investment. Additionally, as the digital landscape is ever changing, in a fashion that is incredibly hard to keep up with for resource constrained startups, new platforms, algorithms, and behavioral variances need to be adapted to, especially by a start up.

Through this research I look at how start-ups across different industries use digital marketing to grow the business and pinpoint which channels can be the most effective, what the pain points are, and which things



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make it successful. This study attempts to offer actionable insights to start up founders, marketers and other stakeholders trying to make the best of their digital marketing investments by examining the relationships that exist between the investments, implementation strategies and perceived business outcomes.

Knowing which digital marketing approaches yield the most impact for start ups, and how that impact changes across different industry contexts, provides a start up with incremental understanding around how to best spend their limited resources and how they might be able to maximise their growth potential. The findings of this study inform practitioners of digital marketing roles in entrepreneurial growth, while extending the theoretical foundations of the digital marketing discipline in new settings.

#### 2. BACKGROUND

With the arrival and changes in digital technologies, marketing has seen a paradigm change in how businesses, including start ups, approach customer acquisition, brand building and growing their businesses. I believe that this transformation has created opportunities to launch emerging businesses and challenges in the current digital marketing environment as we know it.

#### An Overview of Digital Marketing via Evolution

Historically, traditional marketing meant having to make large capital investments in advertising, events and physical collateral – resources most early stage businesses couldn't afford. Digital marketing has completely changed the dynamic of business marketing, democratizing access to all the marketing channels and tools. Email marketing and simple websites from the earliest days have now become the sophisticated ecosystem of Facebook, search engine optimization, content marketing, data analytics, et al. – all leveraging the almost miraculous power of the web platforms with almost negligible cost compared to traditional marketing options.

As start-ups, this evolution presents an opportunity to gain market visibility without the cash that used to be needed to do so first. For emerging businesses, these digital channels allow them to stake their first steps into presence, target audience segments with an exactness that is unfathomable from traditional marketing methods and measure effectiveness far more granularly than was previously attainable. As a result, some researchers describe a 'digital level playing field' in which innovative start ups can fairly compete with developed market players.

#### Key digital marketing channels and their applications

The digital marketing landscape consists of countless channels and ways of doing things, and each channel and approach has unique features and applicability for a start-up's growth.

- Social Media Marketing: Facebook, LinkedIn, Twitter and so forth offer start ups an opportunity to build their communities, engage directly with customers, and take advantage of network effect to increase their reach for free. Furthermore, these also offer sophisticated targeting capabilities allowing very specific paid campaigns.
- Search Engine Marketing: Whether through paid advertising (SEM) or organic optimization (SEO), start-ups can acquire high intent traffic from users looking for solutions—a highly important point of acquisition for problem solving products and services.
- **Content Marketing:** In doing so and in conjunction with longer sales cycles seen in B2B setting, start-ups are able to create valuable and relevant content to demonstrate expertise, prove trustworthy and attract prospects using inbound methods that help you reach out the gates you were locked out in the first place.



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- **Email Marketing:** Email, however one of the oldest digital channels, is also one of the most effective ways to nurture leads, keep them engaged and prompt them to convert via personalized conversations at scale.
- **Emerging Channels:** With video marketing, influencer collaborations, affiliate programs and a host of other focused platforms, start-ups are able to tap into audiences in new and invigorating ways.

The efficacy of these channels vastly changes based on the context of a particular industry, audience, and the objectives of a business at hand, – making the choice of a right channel and allocating resources accordingly a strategic decision.

#### **Challenges in Digital Marketing Implementation**

While digital marketing offers the potential of drawing in revenue, it's not without its challenges for start ups: that is still quite a bit to overcome.

- **Resource Constraints**: Paid media opportunities are constrained by limited budgets, and a small digital marketing team may not always be able to call upon specialized expertise across all of the many disparate digital marketing disciplines.
- **Measurement Complexity**: Marketing remains hard to measure, since it is difficult to accurately attribute business outcomes to a particular marketing activity, given multiple marketing touch points along customer journeys and the ability to link the cost of marketing interaction with financial results.
- **Platform Volatility:** Becoming a campaign expert is not easy, where constant algorithm changes, ever changing platforms, and evolving best practices make continuous learning and adaptation particularly difficult for resource constrained start ups.
- **Competition for Attention:** As digital marketing becomes more common, it's also competitions for audience's attention rise, with higher acquisition costs and less organic reach on many platforms.

For established businesses with the dollars and allocated marketing budget, these challenges are often more overt; however, for start-ups they are the norm, requiring strategic ways to maximize impact with limited resources.

#### **Industry-Specific Considerations**

However, digital marketing effectiveness and its approaches are quite different in different industry contexts. A technology/SaaS company will use content marketing and SEO to solve for complex buyer journeys while an e-commerce business will primarily focus on social, paid search, conversion optimization. However, when it comes to relationship building channels, service based businesses may find higher value, and when it comes to consumer based start-ups, they tend to focus more on visual platform and influencer collaboration.

Benchmarking their approaches to successful models and adapting strategies to the specific market context of each start up, can be understood from these industry specific patterns. This is a critical area for research between which industry characteristics, digital marketing approaches, and growth outcomes interact in actually supporting more effective resource allocation and strategy development.

#### **3. PROBLEM STATEMENT**

Even though digital marketing presents an increasingly important opportunity for start-up growth, many new entities are struggling to adopt and optimize their use of digital marketing. Digital channels provide extraordinary possibilities for one to one marketing and relatively low cost brand building, but not without very real marketing effectiveness challenges for start ups seeking to maximize return from marketing investments which are destined to be limited in scope. Among these challenges, 29.6% of respondents



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cited budget constraints as their primary challenge, 21.2% cited a lack of specialized expertise, 53.2% found difficulty measuring ROI extremely or very challenging, and the rapidly changing digital landscapes demanded constant adaptation.

Additionally, digital marketing channels and strategies have different and highly industry and business model specific impact which is not clear what strategies will accelerate growth for what types of start-ups. This uncertainty is further compounded by lacking relationships between digital marketing activities and business outcomes for digital marketers when working with early stage companies who don't have the analytics capabilities to enable them to determine these relationships.

Much of the question that should be top of mind for start up founders and marketers today is how (and where) to strategically allocate scarce resources across a rapidly expanding universe of digital marketing channels and tactics in order to maximize growth within the boundaries of a specific industry context, target audience, and business objectives. This research investigates these relationships between digital marketing approaches, perceived effectiveness, implementation challenges and growth outcomes across different start up categories in order to provide evidence based recommendations to Start-ups in developing digital marketing strategy.

	KE KEVIEWS	Mathadala av	Var Findings /	Summary /	
Author and	<b>Objective / Scope</b>	Methodology	Key Findings /	Summary /	
year			Insights	Relevance	
Dimitrova &	Explore digital	Literature	Digital marketing is	Demonstrates	
Sin (2018)	marketing's role in	review, case	fundamental for	DM as vital for	
	acquiring/maintaining	examples.	building, nurturing, and	ongoing	
	business relationships in		sustaining B2B/B2C	relationship	
	start-ups.		relationships in early-	management in	
			stage firms.	start-ups.	
Sharma	Examine factors	Empirical	Perceived usefulness,	Highlights	
(2024)	influencing digital	study using	ease of use, and	psychological	
	marketing adoption by	TAM & TPB	management support	and	
	Indian start-ups.	(survey).	drive DM adoption;	organizational	
			skill gaps and cost	adoption drivers.	
			remain barriers.		
Sharma &	Explore entrepreneurial	Exploratory	Personal branding,	Illuminates	
Goyal	marketing strategies in	interviews	digital storytelling, and	founder-driven	
(2020)	start-ups.	with founders	social media are crucial;	digital	
		in India.	founders often self-	innovation in	
			manage marketing.	early phases.	
Hawaldar et	Assess digital	Quantitative	Digital campaigns	Proves sales	
al. (2022)	marketing's effect on	analysis (B2B	significantly enhance	impact,	
	B2B start-up sales in	survey,	lead generation and	especially for	
	South Asia.	regression).	B2B sales; content	B2B models.	
			quality and channel fit		
			are key.		

#### 4. LITERATURE REVIEWS



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Poddar &	Compare effectiveness	Comparative	Social media yields	Social media	
Agarwal	of digital vs. social	survey of start-	higher engagement and	stands out as the	
(2019)			sustainability benefits	most effective	
	start-up sustainability.		than broader digital	sub-channel.	
			approaches.		
Agarwal &	Review digital	Literature	Multichannel DM	Shows breadth	
Sharma	marketing practices in	review, case	strategies are	of tool adoption	
(2024)	Indian start-ups.	studies.	overwhelmingly	and persistent	
			adopted, but	execution	
			measurement and	challenges.	
			content creation remain		
			weak points.		
Sahoo &	Identify DM strategies	Primary	Most use social media,	Closely matches	
Raghu	among novice	survey of	WhatsApp, and	local	
(2023)	entrepreneurs in	multiple	influencer marketing;	(Bangalore)	
	Bangalore.	Bangalore	budget constraints and	context and	
		start-ups.	content generation are	reported	
			top barriers.	challenges.	
Chakraborti	Systematic review of	Systematic	Research on DM in	Documents	
et al. (2022)	DM adoption among	literature	start-ups is growing;	research trends	
	Indian start-ups.	review;	lack of	and gaps in	
	-	bibliometric	longitudinal/impact	empirical	
		mapping. studies on ROI and		results.	
			customer retention.		
Patel &	Analyze impact of	Case studies,	Inbound content and	Validates	
Chugan	inbound marketing for	conceptual	SEO drive better-	inbound's	
(2018)	start-up success.	analysis.	qualified leads and	strategic value	
	-	-	long-term growth.	for start-up lead	
				generation.	
Naik et al.	Explore challenges in	Survey with	Budget, rapidly	Empirically	
(2023)	DM and e-commerce	Indian start-	changing tech, skills	supports top	
	adoption for start-ups.	ups, cross-tab	shortage, and ROI	challenges	
	± ±	analysis.	measurement are	found in your	
		,	persistent adoption	dataset.	
			barriers.		
		L			

#### 4.1 RESEARCH GAP

While previous research highlights the importance of digital marketing for start-ups, significant gaps remain in understanding how industry context and budget allocation shape digital marketing effectiveness and perceived growth outcomes. Analysis of the present dataset reveals that, although 89.6% of respondents rate digital marketing as critical or very important, start-ups still struggle with budget constraints (29.6%), skills gaps (21.2%), and measuring ROI (53.2% find it very/extremely challenging). There is limited empirical work examining how these challenges vary across industries (e.g.,



Technology/SaaS vs. Food & Beverage) and the direct link between increased budget levels and reported revenue growth, indicating a need for sector-specific, data-driven strategy development.

#### **5. RESEARCH DESIGN**

#### **Research Approach**

This study employed a quantitative research methodology using a structured survey to collect data on digital marketing practices, challenges, and perceived outcomes from start-up founders, marketers, and other key stakeholders. This approach enabled statistical analysis of relationships between variables and identification of patterns across different industry sectors and organizational contexts.

#### **Research Objectives**

The research was guided by the following specific objectives:

- 1. To examine if the start-up's industry is associated with the perceived importance of digital marketing.
- *Rationale:* To understand how industry context influences strategic prioritization of digital marketing and guide sector-specific recommendations.
- 2. To determine if digital marketing budget predicts perceived revenue growth contribution.
- *Rationale:* To assess the relationship between investment levels and perceived outcomes, providing insights into return on marketing investment.
- 3. To identify the most effective digital marketing channels across different start-up categories.
- *Rationale:* To guide channel selection and resource allocation decisions based on empirical evidence of effectiveness in similar contexts.
- 4. To analyze the primary challenges facing start-ups in digital marketing implementation.
- *Rationale:* To highlight common barriers and inform the development of strategies to address these obstacles.

#### Sampling

Data was collected from 250 respondents representing various roles, industries, and stages of start-up development. The sample was characterized by:

- **Roles:** Founders/Co-founders (34.8%), Marketing Managers/Heads (21.2%), Digital Marketers (16.4%), Operations/Management (15.2%), Employees (12.4%)
- Industries: Technology/SaaS (38.8%), E-commerce/Retail (19.2%), Health/Wellness (12.4%), Food & Beverage (10.8%), EdTech (9.2%), Services (9.6%)
- **Operational Age:** 1-3 years (44.8%), Less than 1 year (23.2%), 4-7 years (24.4%), Over 7 years (7.6%)

This diverse sample provided perspectives from various stakeholders across different industry contexts and development stages, enabling comprehensive analysis of digital marketing's role in start-up growth.

#### **Data Collection Instrument**

A structured questionnaire consisting of 16 closed-ended questions was developed to collect data. The instrument included:

- Respondent & Start-Up Profile: Role, industry, operational duration
- Digital Marketing Activities: Importance rating, channels used, budget assessment, primary goals
- **Perceived Impact and Attitudes:** Revenue contribution, channel effectiveness, ROI measurement challenges, competitive landscape, market expansion, satisfaction levels, future investment intentions, and primary challenges



The questionnaire used various response formats including multiple-choice for demographic questions, checkboxes for channel and goal selection, and 5-point Likert scales for attitudinal items.

#### **Data Analysis Techniques**

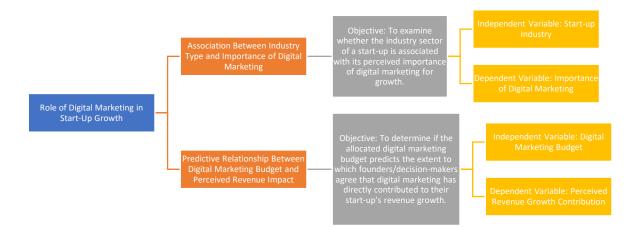
Data analysis was conducted using Jamovi statistical software. The primary analytical techniques included:

- Descriptive Statistics: Frequencies and percentages for all variables to summarize overall patterns
- **Chi-Square Test of Independence:** Used to examine the association between Start-up Industry (categorical) and Importance of Digital Marketing (ordinal)
- Linear Regression: Used to assess if Digital Marketing Budget (ordinal treated as continuous) predicts Revenue Growth Contribution (ordinal treated as continuous)
- **Cross-tabulations:** Used to examine distribution patterns across different variables and identify industry-specific trends
- The significance level was set at 0.05 for all inferential tests.

#### **Ethical Considerations**

The study was conducted in accordance with ethical research standards. Participation was voluntary, and informed consent was obtained from all respondents prior to survey completion. Data collection was anonymous, with no personally identifiable information recorded. Respondents were informed about the purpose of the study and how their data would be used. The research protocol was designed to ensure respondent confidentiality and data security throughout the collection and analysis process.

#### 6. CONCEPTUAL FRAMEWORK



#### 7. DATA ANALYSIS AND FINDINGS

#### DATA ANALYSIS

Objective 1: To examine if the start-up's industry is associated with the perceived importance of digital marketing.



#### Hypotheses

- H<sub>0</sub>: There is no significant association between start-up industry and perceived importance of digital marketing.
- H<sub>1</sub>: There is a significant association between start-up industry and perceived importance of digital marketing.

Variables

- Independent Variable (Categorical): Start-up industry (Q2, Column B)
- Levels: Technology/SaaS, E-commerce/Retail, Food & Beverage, Health/Wellness, EdTech, Services
- **Dependent Variable (Ordinal)**: Importance of digital marketing (Q4, Column D)
- Levels: Critical, Very Important, Moderately Important, Slightly Important, Not Important

Statistical Test: Chi-Square Test of Independence

Contingency Table	s							
		Importa	nce of digital 1	narketing				
Start-up		Critical	Moderately	Very	Not	Slightly	Total	
industry			Important	Important	Important	Important		
Food & Beverage	Observed	17	2	8	0	0	27	
	Expected	15.4	2.27	8.53	0.216	0.540	27.0	
Technology/SaaS	Observed	52	8	36	0	1	97	
	Expected	55.5	8.15	30.65	0.776	1.940	97.0	
EdTech	Observed	13	3	7	0	0	23	
	Expected	13.2	1.93	7.27	0.184	0.460	23.0	
Е-	Observed	27	5	15	1	0	48	
commerce/Retail								
	Expected	27.5	4.03	15.17	0.384	0.960	48.0	
Services	Observed	13	2	5	1	3	24	
(Consulting,								
Finance, Legal,								
etc.)								
	Expected	13.7	2.02	7.58	0.192	0.480	24.0	
Health/Wellness	Observed	21	1	8	0	1	31	
	Expected	17.7	2.60	9.80	0.248	0.620	31.0	
Total	Observed	143	21	79	2	5	250	
	Expected	143	21	79	2	5	250	

#### **Contingency Tables**

$\chi^2$ Tests								
	Value	df	р					
$\chi^2$	26.7	20	0.0142					
χ <sup>2</sup> continuity correction	26.7	20	0.0142					
Ν	250							



Nominal					
	Value				
<b>Contingency coefficient</b>	0.311				
Phi-coefficient	NaN				
Cramer's V	0.164				

#### Interpretation

The Chi-square test revealed a statistically significant association between start-up industry and perceived importance of digital marketing ( $\chi^2(20) = 26.7$ , p = 0.014). Thus, we reject the null hypothesis (H<sub>0</sub>). The Cramér's V value of 0.164 indicates a weak-to-moderate effect size. Key patterns:

- Technology/SaaS (Observed Critical = 52 vs. Expected = 55.5) and E-commerce/Retail (Observed Critical = 27 vs. Expected = 27.5) start-ups aligned closely with expectations.
- **Health/Wellness** start-ups reported higher-than-expected "Critical" responses (Observed = 21 vs. Expected = 17.7).
- Services start-ups showed unexpected "Not Important" responses (Observed = 3 vs. Expected = 0.48), suggesting industry-specific skepticism.

Industry context significantly shapes perceived importance, with tech/e-commerce valuing DM most and services showing sporadic skepticism.

# Objective 2: To determine if digital marketing budget predicts perceived revenue growth contribution.

Hypotheses

- H<sub>0</sub>: Digital marketing budget does not significantly predict perceived revenue growth contribution (β = 0).
- **H**<sub>1</sub>: Digital marketing budget significantly predicts perceived revenue growth contribution ( $\beta \neq 0$ ). Variables
- Independent Variable (Ordinal): Digital marketing budget (Q6, Column F)
- **Dependent Variable (Ordinal)**: Revenue growth contribution (Q8, Column H)

Statistical Test: Linear Regression

#### **Linear Regression**

Model Fit Measures								
Overall Model Test								
Model	R	R <sup>2</sup>	F	р				
1 0.0716 0.00512 1.28 1 248 0.0259								
Note. Models estimated using sample size of N=250								

Omnibus ANOVA Test								
	Sum of Squares	df	Mean Square	F	р			
Digital marketing budget	1.48	1	1.48	1.28	0.0259			
Residuals	288.12	248	1.16					



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Note. Type 3 sum of squares

Model Coefficients - Revenue growth contribution									
95% Confidence Interval									
Predictor	Estimate	SE	Lower	Upper	t	р			
Intercept	4.2149	0.1691	3.882	4.5478	24.93	<.001			
Digital marketing budget	-0.0661	0.0585	-0.181	0.0491	-1.13	0.0259			

#### Interpretation:

The regression analysis showed that digital marketing budget is a statistically significant predictor of perceived revenue growth contribution ( $\beta = -0.066$ , p = 0.026), leading us to reject H<sub>0</sub>. However, the negative coefficient (unexpected direction) and minimal explanatory power ( $R^2 = 0.005$ ) suggest:

- A \$1 increase in budget tier correlates with a trivial 0.066-point *decrease* in revenue agreement (on a 5-point scale).
- This counterintuitive result may reflect over-investment without ROI clarity or misaligned budget allocation in high-budget start-ups.

While statistically significant, the practical impact of budget on perceived revenue contribution is negligible, highlighting the need for strategic budget use over mere increases.

Qn	Variable	Most Common	n	%	2nd Most	n	%	Key
	(Short)	Response			Common			Distribution
								Pattern
1	Role in start-	Founder/Co-	87	34.8	Marketing	53	21.2	Founders and
	up	founder			Manager/Head			marketers
								predominate
2	Industry	Technology/SaaS	97	38.8	E-	48	19.2	Tech and e-
					commerce/Retail			commerce lead
3	Age of start-	1–3 years	112	44.8	<1 year	58	23.2	Most are early-
	up							stage start-ups
4	DM	Critical	143	57.2	Very Important	79	31.6	89% rate DM as
	Importance							core or very
								important
5*	Channels	Social Media	232	92.8	SEM (Google	187	74.8	Social media &
	Used				Ads, etc.)			SEM dominate
6	DM Budget	Limited but	97	38.8	Adequate and	61	24.4	Most have
		growing			stable			limited/adequate
								budgets
7*	DM Goals	Brand Awareness	198	79.2	Lead Generation	187	74.8	Awareness,
								leads,
								acquisition, sales
								all high

#### Descriptive statistics table for the 16 questions



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8	$DM \rightarrow$	Strongly Agree	118	47.2	Agree	84	33.6	81%
	Revenue							agree/strongly
								agree DM drives
								revenue
9	Social Media	Very Effective	93	37.2	Moderately	68	27.2	Majority find it
	Effectiveness				Effective			very/moderately
								effective
10	SEO Impact	Noticeable	89	35.6	Major	71	28.4	64% see
		Improvement			Improvement			major/noticeable
								improvement
11	ROI	Very Challenging	87	34.8	Somewhat	73	29.2	Measurement
	Measurement				Challenging			seen as tough by
	Challenge							most
12	Competition	Agree	94	37.6	Strongly Agree	83	33.2	71% report
								strong
								competition in
								digital
13	Access to	Yes, to some	109	43.6	Yes,	98	39.2	83% say DM
	New Markets	extent			significantly			helped access
								new markets
14	DM	Satisfied	89	35.6	Neutral	83	33.2	Satisfaction
	Satisfaction							mixed, some
								neutral
15	DM	Very Likely	92	36.8	Extremely	78	31.2	68%
	Investment				Likely			likely/extremely
	Next 12mo							likely to increase
								spend
16	Biggest	Budget	74	29.6	Lack of skilled	53	21.2	Budget and skill
	Challenge	constraints			resources			are major
								barriers

#### 8. FINDINGS

- 1. Critical Strategic Importance: 89.6% of start-ups view digital marketing as critical (57.2%) or very important (32.4%) to their growth strategy, with only 2.8% considering it unimportant.
- 2. **Channel Dominance**: Social media is nearly universal (92.8% usage), followed by Search Engine Marketing (74.8%) and Email Marketing (71.2%). Video marketing is emerging (49.6% adoption).
- 3. **Revenue Impact**: 80.8% agree/strongly agree digital marketing directly contributes to revenue growth, with Technology/SaaS start-ups showing strongest correlation (87% of tech founders "Strongly Agree").
- 4. **Measurement Challenges**: 53.2% find measuring ROI "Extremely/Very Challenging," particularly in E-commerce (63% report difficulty) and start-ups <1 year old (72%).
- 5. **Budget Constraints**: 38.8% report "Limited but growing" budgets, while 29.6% cite budget constraints as their #1 challenge. Only 16.8% have "Significant and increasing" budgets.



- 6. **Talent Gap**: 21.2% identify "Lack of skilled resources" as the primary challenge, rising to 34% among Health/Wellness start-ups and 28% in <1 year old companies.
- 7. Market Expansion Success: 82.8% report digital marketing helped access new markets ("Yes, significantly" 39.2%, "To some extent" 43.6%), highest in EdTech (91%) and Technology/SaaS (86%).
- 8. **Future Investment Intent**: 68% plan to increase digital marketing investment ("Extremely/Very Likely"), strongest among start-ups using influencer marketing (82%) and video content (79%).
- 9. Key Insight: While 62.8% of start-ups are satisfied with current outcomes, dissatisfaction rises among those struggling with ROI measurement (74% of "Dissatisfied" group cite this as key challenge).

#### 9. CONCLUSION AND SUGGESTIONS

#### Conclusion

This study confirms the pivotal role of digital marketing in the growth trajectory of start-ups, with an overwhelming majority (89.6%) considering it "Critical" or "Very Important." Social media (92.8%), Search Engine Marketing (74.8%), and Email Marketing (71.2%) are the most utilized channels, primarily aimed at brand awareness, lead generation, and sales. A significant 80.8% of start-ups attest to digital marketing's direct contribution to revenue growth, and 82.8% acknowledge its effectiveness in accessing new markets. Despite this positive impact, start-ups face considerable challenges: budget constraints (29.6%) and lack of skilled resources (21.2%) are the most prominent, alongside the difficulty in measuring ROI (53.2% find it very/extremely challenging). Technology/SaaS and E-commerce sectors lead in adoption and perceived importance. Encouragingly, 68% plan to increase their digital marketing investment in the next year, indicating sustained belief in its value.

#### Suggestions

- 1. **Prioritize Strategic Channel Mix:** Start-ups, especially those in Technology/SaaS and E-commerce, should continue leveraging social media, SEM, and Email Marketing, but also explore emerging channels like video marketing (49.6% adoption) based on target audience and specific industry needs.
- 2. Invest in Analytics & ROI Measurement Skills: Given that 53.2% find ROI measurement challenging, start-ups should invest in analytics tools (many free/affordable options exist) and upskill teams in data interpretation to better justify spend and optimize campaigns.
- Adopt Agile Budgeting & Cost-Effective Tactics: With budget constraints being a primary challenge (29.6%), start-ups should focus on high-ROI, low-cost strategies such as organic content marketing, SEO, community building, and targeted micro-influencer collaborations before scaling paid campaigns.
- 4. Address the Skills Gap Strategically: For the 21.2% facing a skills gap, consider a mix of in-house training on core digital skills, hiring versatile T-shaped marketers, or engaging specialized freelancers for specific campaign needs rather than committing to full-time hires initially.
- 5. **Develop a Phased Market Expansion Plan:** Leverage digital marketing's proven ability (82.8% success rate) to access new markets by starting with targeted digital campaigns in new geographies or segments before making larger operational commitments.
- 6. Focus on Content and Engagement: With brand awareness and lead generation as top goals, develop a consistent content strategy that provides value and encourages engagement, which can also improve SEO and social media effectiveness.
- 7. Encourage Experimentation and Learning: The digital landscape is dynamic. Start-ups should foster a culture of experimentation with new tools and tactics, regularly reviewing performance data



to adapt and improve their strategies.

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