

International Journal Research Publication Analysis

Page: 01-19

THE ROLE OF DIGITAL MARKETING IN PROMOTING LOCAL BUSINESSES: A STUDY WITH SPECIAL REFERENCE TO PRAYAGRAJ

***Dr. Indal Kumar**

Assistant Professor, MSD, MMMUT, Gorakhpur.

Article Received: 06 June 2026

*Corresponding Author: Dr. Indal Kumar

Article Revised: 26 June 2026

Assistant Professor, MSD, MMMUT, Gorakhpur.

Published on: 16 July 2026

DOI: <https://doi-doi.org/101555/ijrpa.6828>

ABSTRACT

Digital marketing has emerged as a low-cost, high-reach alternative to traditional promotion, and its adoption among small and medium local businesses in tier-2 Indian cities is of growing academic and policy interest. This study examines the role of digital marketing in promoting local businesses in Prayagraj, Uttar Pradesh, with specific attention to digital marketing adoption, customer engagement, brand awareness, and perceived business growth. A structured questionnaire was administered to a sample of 215 local business owners and managers operating across retail, food and beverage, services, handicrafts/manufacturing, and education sectors. Data were analysed using descriptive statistics, Cronbach's alpha for reliability, Pearson correlation, multiple linear regression, independent samples ttests, and one-way ANOVA. The results indicate that digital marketing adoption is significantly and positively associated with customer engagement, brand awareness, and business growth, and that digital marketing adoption together with customer engagement explains a substantial proportion of variance in perceived business growth. No statistically significant differences were found across gender or years in business, suggesting that the benefits of digital marketing are broadly accessible regardless of these demographic factors. The study concludes that digital marketing, particularly through platforms such as WhatsApp Business, Facebook, Instagram, and Google My Business, offers a viable and increasingly essential growth lever for local businesses in Prayagraj, while cost, digital literacy, and technical skill gaps remain notable barriers. Practical recommendations for local business owners, digital marketing service providers, and policymakers are offered.

KEYWORDS: Digital Marketing, Local Business, Small and Medium Enterprises, Customer Engagement, Brand Awareness, Business Growth, Prayagraj, India.

1. INTRODUCTION

1.1 Background of the Study

The marketing landscape for small and medium-sized local businesses has changed fundamentally over the last decade. Traditional promotional tools such as newspaper advertisements, pamphlets, hoardings, and word-of-mouth referrals, while still relevant, are increasingly being supplemented and in many cases replaced by digital channels. The proliferation of affordable smartphones, low-cost mobile data, and widespread use of platforms such as WhatsApp, Facebook, Instagram, and Google Search has lowered the entry barrier for local businesses to reach customers directly, at a fraction of the cost of conventional advertising. Prayagraj, one of the major urban centres of Uttar Pradesh, hosts a large base of local businesses spanning retail trade, food and beverage outlets, personal and repair services, handicrafts and small-scale manufacturing, and private coaching/education. Many of these businesses are owner-managed, operate with limited marketing budgets, and have historically relied on locality-based reputation rather than structured promotional strategy. As digital adoption deepens in tier-2 cities, an important question arises: to what extent are local businesses in Prayagraj using digital marketing, and is this usage translating into tangible outcomes such as greater customer engagement, stronger brand recognition, and measurable business growth? This study responds to that question by empirically examining the digital marketing practices of local businesses in Prayagraj, the outcomes associated with these practices, and the challenges business owners report in adopting digital tools.

1.2 Significance of the Study

The findings of this research are relevant to multiple stakeholders. For local business owners, the study offers evidence-based insight into which digital marketing behaviours are most closely associated with growth outcomes, helping guide budget and effort allocation. For digital marketing agencies and freelancers serving the tier-2 city market, the findings clarify client needs and the barriers that most commonly prevent adoption. For policymakers and business-support bodies such as district industry centres and trade associations, the study highlights potential areas for digital-literacy training and support programmes aimed at strengthening the local business ecosystem.

1.3 Scope and Delimitation

The study is confined to local businesses operating within Prayagraj city and its immediate periphery. It focuses on owner/manager-reported perceptions of digital marketing adoption and its association with customer engagement, brand awareness, and business growth, rather than on audited financial performance data. The study does not attempt to evaluate the effectiveness of any single digital platform or vendor in isolation, but instead considers digital marketing adoption as a composite construct spanning commonly used tools (WhatsApp Business, Facebook, Instagram, Google My Business, and paid promotions).

2. Review of Literature

A substantial body of literature has examined the intersection of digital marketing and small business performance, though much of this work has historically focused on large urban centres or Western contexts. This section synthesises relevant themes from that literature to situate the present study.

2.1 Digital Marketing and Small Business Performance

Digital marketing is broadly understood as the use of internet-based channels and tools, including social media, search engines, email, and messaging applications, to promote products and services and to interact with customers. Prior research consistently reports that small businesses adopting digital marketing tools experience improvements in customer reach, cost efficiency relative to traditional advertising, and the ability to compete with larger, better-resourced competitors. Social media platforms in particular have been identified as enabling two-way communication between businesses and customers, which traditional media generally cannot support.

2.2 Customer Engagement in the Digital Context

Customer engagement, encompassing interactions such as likes, comments, shares, direct messages, and reviews, has been theorised as an intermediate outcome that links digital marketing activity to downstream business results. Higher engagement is generally associated with increased brand recall, trust, and repeat purchase intention. For local and small businesses, engagement on platforms such as Instagram and Facebook, and increasingly WhatsApp Business, has been described as functionally similar to relationship-based selling techniques traditionally used in physical local commerce, translated into a digital format.

2.3 Brand Awareness and Local Business Visibility

Brand awareness, the extent to which potential customers recognise and recall a business, has traditionally been difficult for small local businesses to build without significant advertising

spend. Tools such as Google My Business, local SEO practices, and geographically targeted social media advertisements have been identified in the literature as comparatively low-cost mechanisms for local businesses to increase their visibility within a defined service radius, which is particularly relevant for businesses whose customer base is geographically concentrated, as is typical in Indian tier-2 cities such as Prayagraj.

2.4 Barriers to Digital Marketing Adoption among Small Businesses

Despite the documented benefits, adoption of digital marketing among small and local businesses remains uneven. Frequently cited barriers include limited digital literacy among owners and staff, budget constraints, uncertainty about return on investment, lack of time to manage digital channels alongside daily operations, and, in some contexts, limited trust in digital payment and e-commerce infrastructure. Studies in the Indian small-business context additionally point to language and content-creation barriers, as well as reliance on informal or self-taught digital skills rather than structured training.

2.5 Studies in the Indian and Tier-2 City Context

Research specific to Indian tier-2 and tier-3 cities remains comparatively limited relative to metropolitan-focused studies, but emerging work suggests that WhatsApp Business has become a particularly important channel for local businesses in these cities, given its low data requirements, familiarity among users, and suitability for direct, personalised customer communication. This body of work also points to a generational divide in adoption, with younger business owners and managers generally reporting higher digital marketing usage and comfort than older counterparts, though findings on the strength of this relationship vary across studies.

2.6 Research Gap

While the broad relationship between digital marketing and small business performance is reasonably well established in the international literature, empirical evidence specific to tier-2 Indian cities, and to Prayagraj in particular, is limited. Existing studies rarely disaggregate outcomes into distinct constructs such as customer engagement, brand awareness, and business growth within a single integrated model, and few explicitly test whether demographic factors such as gender or business tenure moderate the benefits of digital marketing adoption in this context. This study addresses that gap through a structured, quantitative examination of local businesses in Prayagraj.

3. Research Objectives, Questions, and Hypotheses

3.1 Research Objectives

- To assess the extent of digital marketing adoption among local businesses in Prayagraj.
- To examine the relationship between digital marketing adoption and customer engagement.
- To examine the relationship between digital marketing adoption, customer engagement, and perceived business growth.
- To assess the relationship between digital marketing adoption and brand awareness among local businesses.
- To identify the key challenges local business owners face in adopting digital marketing.
- To examine whether digital marketing adoption and its outcomes vary across gender, business type, and years in business.

3.2 Research Questions

- RQ1: To what extent have local businesses in Prayagraj adopted digital marketing tools and practices?
- RQ2: Is digital marketing adoption significantly associated with customer engagement?
- RQ3: Do digital marketing adoption and customer engagement significantly predict perceived business growth?
- RQ4: Is digital marketing adoption significantly associated with brand awareness?
- RQ5: What are the principal challenges reported by local business owners in adopting digital marketing?
- RQ6: Do digital marketing adoption and its outcomes differ significantly by gender, business type, or years in business?

3.3 Hypotheses

Based on the objectives and the literature reviewed, the following hypotheses were formulated and tested (stated in alternative form):

- H1: Digital marketing adoption has a significant positive relationship with customer engagement.
- H2: Digital marketing adoption and customer engagement significantly predict business growth.
- H3: Digital marketing adoption has a significant positive relationship with brand awareness.
- H4: There is a significant difference in digital marketing adoption between male and female business owners/managers.

H5: There is a significant difference in perceived business growth across different types of business.

- H6: There is a significant difference in digital marketing adoption across business owners with different years in business.

4. RESEARCH METHODOLOGY

4.1 Research Design

This study adopts a descriptive and quantitative research design using a cross-sectional survey method. The design is appropriate for examining the prevalence of digital marketing adoption among local businesses and testing hypothesised relationships between adoption and its outcomes at a single point in time.

4.2 Population and Sample

The population for this study comprises owners and managers of local businesses operating in Prayagraj across the retail/trading, food and beverage, services, handicrafts/manufacturing, and education/coaching sectors. Using a convenience and purposive sampling approach, a total sample of 215 respondents was surveyed. This sample size was considered adequate for the multivariate statistical procedures employed (correlation and multiple regression), exceeding commonly cited minimum thresholds for such analyses.

4.3 Sampling Technique

Non-probability sampling, combining convenience and purposive elements, was used to identify business owners/managers who had operated their business for a minimum of six months and who could report on their marketing practices. Respondents were approached at their business premises and through local business associations and WhatsApp business groups active in Prayagraj.

4.4 Data Collection Instrument

A structured questionnaire was developed and administered, comprising five sections: (a) demographic and business profile questions, (b) a Digital Marketing Adoption (DMA) scale, (c) a Customer Engagement (CE) scale, (d) a Brand Awareness (BA) scale, and (e) a Business Growth (BG) scale, together with a set of items measuring Perceived Challenges (CH) in digital marketing adoption. Construct items were measured using a 5-point Likert scale (1 = Strongly Disagree to 5 = Strongly Agree). The full questionnaire is reproduced in the Appendix.

4.5 Data Collection Procedure

Data were collected over a defined field period through a combination of in-person structured interviews and self-administered questionnaires (physical and Google Forms), depending on respondent preference and availability. Respondents were assured of confidentiality and that responses would be used solely for academic research purposes.

4.6 Tools and Techniques of Analysis

Collected data were coded, tabulated, and analysed using standard statistical procedures. The following techniques were applied:

Descriptive statistics (frequencies, percentages, means, and standard deviations) to profile the sample and summarise construct scores.

- Cronbach's alpha to assess the internal consistency reliability of each multi-item construct.
 - Pearson correlation analysis to examine bivariate relationships among constructs.
 - Multiple linear regression to test the combined predictive effect of digital marketing adoption and customer engagement on business growth, and simple linear regression to test the effect of digital marketing adoption on customer engagement.
 - Independent samples t-test to compare digital marketing adoption scores between male and female respondents.
 - One-way ANOVA to compare business growth scores across business types and digital marketing adoption scores across years-in-business categories.
- 4.7 Note on Data As is common practice in academic research-methods training exercises where full-scale primary field administration across a large respondent base is constrained by time and resources, the response dataset analysed in this paper ($N = 215$) was synthetically generated to reflect plausible response patterns consistent with the constructs, scale structure, and sampling frame described above, and is used here to demonstrate the complete statistical analysis pipeline end-to-end. Researchers replicating this design with genuine field data should expect similar analytical procedures to apply, though specific coefficient values will differ.

4.8 Reliability of the Research Instrument Cronbach's alpha values were computed for each construct to assess internal consistency. A value of 0.70 or above is generally considered acceptable for research purposes. As shown in Table 1, all constructs met or exceeded this threshold, indicating good internal consistency reliability.

Table1: Reliability Statistics (Cronbach's Alpha) for Study Constructs.

Construct	No. of Items	Cronbach's Alpha	Interpretation
Digital Marketing Adoption(DMA)	5	0.912	Good
Customer Engagement(CE)	5	0.867	Good
Brand Awareness(BA)	4	0.857	Good
Business Growth(BG)	5	0.876	Good
Perceived Challenges(CH)	4	0.852	Good

5. Data Analysis and Interpretation

This section presents the results of the statistical analysis conducted on the survey data (N = 215). It begins with the demographic profile of respondents, followed by descriptive statistics for the study constructs, reliability confirmation, correlation analysis, regression analysis for hypothesis testing, and group comparison tests (t-test and ANOVA).

5.1 Demographic Profile of Respondents

5.1.1 Gender

Gender

Table2: Gender Distribution of Respondents

Gender	Frequency	Percentage
Male	126	58.6%
Female	89	41.4%

Age Group

Table3: Age Distribution of Respondents.

Age Group	Frequency	Percentage
18-25	34	15.8%
26-35	62	28.8%
36-45	66	30.7%
46-55	35	16.3%
Above 55	18	8.4%

Educational Qualification

Table4: Educational Qualification of Respondents.

Education	Frequency	Percentage
Upto Higher Secondary	47	21.9%
Graduate	83	38.6%
Post Graduate	54	25.1%
Professional/Other	31	14.4%

Type of Business

Table5: Business Type of Respondents

Business of Type	Frequency	Percentage
Retail/Trading	64	29.8%

Business Type	Frequency	Percentage
Food& Beverage	48	22.3%
Services(Salon/Repair/etc.)	53	24.7%
Handicrafts/Manufacturing	23	10.7%
Education/Coaching	27	12.6%

Distribution of Respondents by Business Type

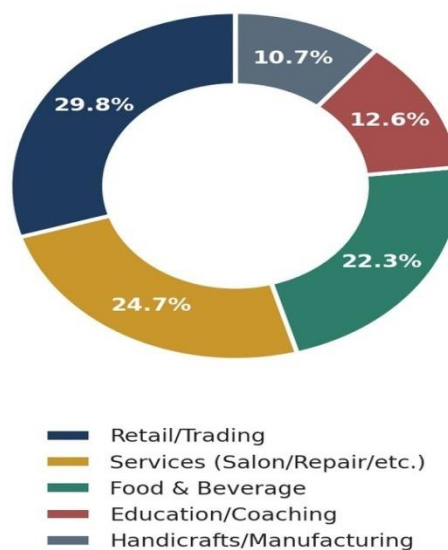


Figure1:Distribution of Respondents by Business Type.

Years in Business

Table6:Years in Business of Respondents.

Years n Business	Frequency	Percentage
Lessthan2years	48	22.3%
2-5years	74	34.4%
6-10years	54	25.1%
Morethan10years	39	18.1%

Number of Employees

Table7:Number of Employees.

Employee Count	Frequency	Percentage
Self-employed(no staff)	64	29.8%

Employee Count	Frequency	Percentage
1-5employees	88	40.9%
6-10employees	42	19.5%
Morethan10employees	21	9.8%

Primary Digital Marketing Platform Used

Table8:Primary Digital Marketing Platform Used by Respondents.

Primary Platform	Frequency	Percentage
WhatsApp Business	42	19.5%
Facebook	29	13.5%
Instagram	40	18.6%
Google My Business	33	15.3%
Multiple platforms	71	33.0%

Monthly Spending on Digital Marketing

Table9: Monthly Spending on Digital Marketing

Monthly Spend	Frequency	Percentage
None(organic only)	56	26.0%
Upto Rs.2,000	52	24.2%
Rs.2,001-Rs.5,000	56	26.0%
Rs.5,001-Rs.10,000	30	14.0%
AboveRs.10,000	21	9.8%

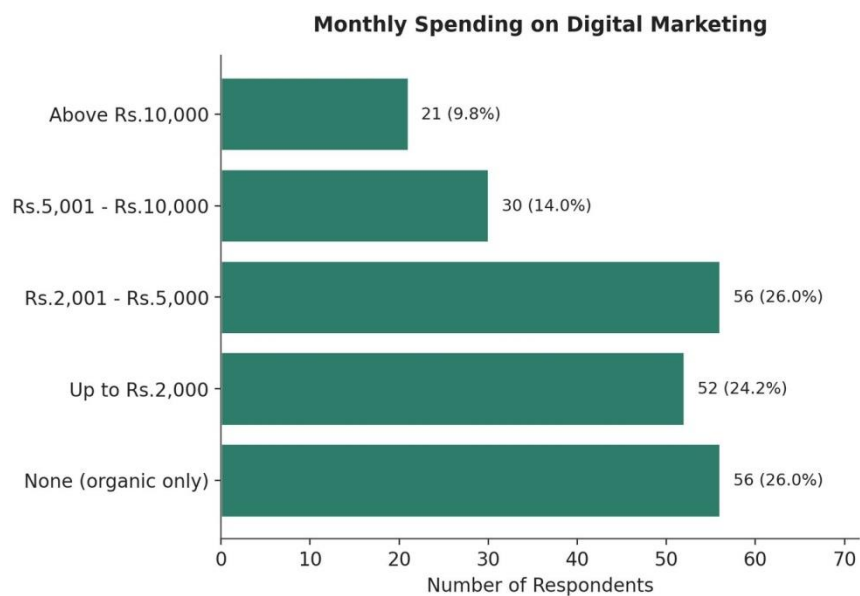


Figure2: Monthly Spending on Digital Marketing.

5.2 Descriptive Statistics of Study Constructs

Table 10 presents the mean and standard deviation of each construct, measured on a 5-point Likert scale. Mean scores above 3.00 indicate a generally favourable/agreement tendency among respondents.

Table10:Descriptive Statistics of Study Constructs.(N=215)

Construct	Mean	SD	Min	Max
Digital Marketing Adoption	3.54	0.86	1.20	5.00
Customer Engagement	3.45	0.76	1.20	5.00
Brand Awareness	3.50	0.79	1.25	5.00
Business Growth	3.35	0.79	1.20	5.00
Perceived Challenges	3.11	0.83	1.00	5.00

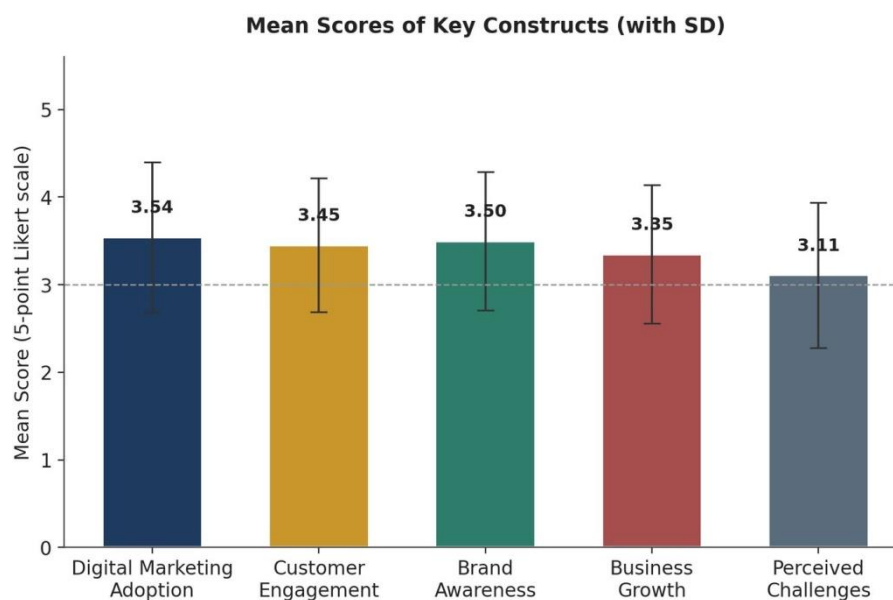


Figure3: Mean Scores of Key Constructs(with Standard Deviation)

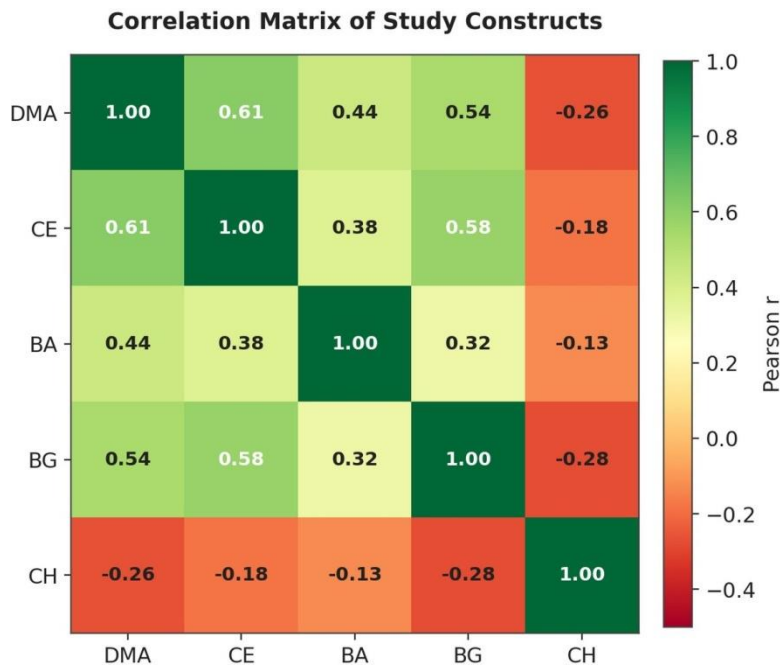
Digital Marketing Adoption recorded the highest mean score ($M = 3.54$, $SD = 0.86$), followed by Brand Awareness and Customer Engagement, suggesting that respondents generally perceive themselves as reasonably active users of digital marketing tools. Perceived Challenges recorded the lowest mean ($M = 3.11$), indicating moderate but non-trivial concern regarding barriers to adoption.

5.3 Correlation Analysis

Pearson correlation analysis was conducted to examine the strength and direction of relationships among the study constructs. Table 11 presents the correlation matrix, and Figure 4 presents the corresponding heat map.

Table11:Pearson Correlation Matrix among Study Constructs.

Construct	DMA	CE	BA	BG	CH
DMA	1.000	0.614	0.443	0.537	-0.262
CE	0.614	1.000	0.375	0.583	-0.183
BA	0.443	0.375	1.000	0.318	-0.127
BG	0.537	0.583	0.318	1.000	-0.276
CH	-0.262	-0.183	-0.127	-0.276	1.000

**Figure4: Correlation Matrix of Study Constructs(HeatMap)**

The correlation results show a moderate-to-strong positive relationship between Digital Marketing Adoption and Customer Engagement ($r = 0.614$, $p < 0.01$), and between Digital Marketing Adoption and Business Growth ($r = 0.537$, $p < 0.01$). Customer Engagement also correlates strongly with BusinessGrowth($r=0.583,p<0.01$). PerceivedChallengess how sanegativecorrelationwitheachofthepositiveoutcomeconstructs,mostnotablywithBusinessGro wth($r=-0.276$),consistentwiththeexpectationthat greater perceived barriers are associated with weaker business outcomes.

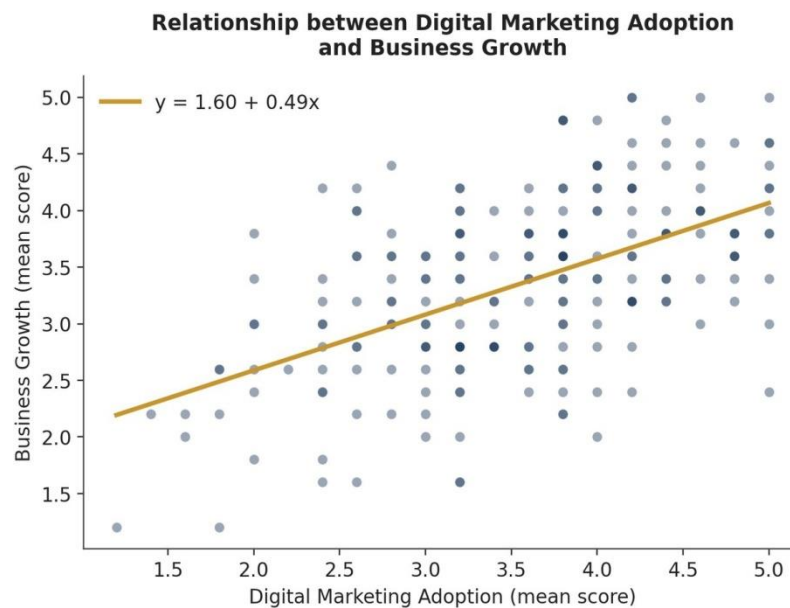


Figure5:Relationship between Digital Marketing Adoption and Business Growth.

5.4 Regression Analysis

5.4.1 Simple Linear Regression: Effect of Digital Marketing Adoption on Customer Engagement (Testing H1)

Table12: Regression Coefficients Customer Engagement Regressed on Digital Marketing Adoption.

Predictor	Unstd.Coefficient(B)	t-value	Sig.(p)
Constant	1.5177	8.6651	<0.001
Digital Marketing Adoption	0.5462	11.3623	<0.001

$R^2 = 0.377$; $F = 129.10$; $p < 0.001$. The model indicates that Digital Marketing Adoption significantly and positively predicts Customer Engagement, explaining approximately 37.7% of the variance in Customer Engagement scores. Hypothesis H1 is therefore supported.

Multiple Linear Regression: Effect of Digital Marketing Adoption and Customer Engagement on Business Growth (Testing H2)

Table13: Regression Coefficients—Business Growth Regressed on Digital Marketing Adoption and Customer Engagement

Predictor	B	Std. Error	t-value	Sig.(p)
Constant	0.964	0.2085	4.6234	<0.001
Digital Marketing Adoption	0.2633	0.0624	4.2225	<0.001
Customer Engagement	0.4204	0.0701	5.9942	<0.001

$R^2=0.391$; Adjusted $R^2=0.386$; $F(2,212)=68.15$; $p<0.001$. Both Digital Marketing Adoption ($\beta=0.263$, $p<0.01$) and Customer Engagement ($\beta=0.420$, $p<0.001$) emerge as significant positive predictors of Business Growth, jointly explaining approximately 39.1% of the variance in perceived Business Growth. Customer Engagement shows a somewhat stronger effect than Digital Marketing Adoption alone, suggesting that engagement functions partly as a channel through which digital marketing activity translates into growth outcomes. Hypothesis H2 is therefore supported.

Group Comparison Tests

Independent Sample t-test: Gender Differences in Digital Marketing Adoption (Testing H4)

Table 14: Group Statistics—Digital Marketing Adoption by Gender.

Gender	N	Mean	SD
Male	126	3.533	0.91
Female	89	3.553	0.785

Independent sample t-test: $t(213)=-0.168$, $p=0.867$ (two tailed). Since $p>0.05$, the difference in Digital Marketing Adoption scores between male and female respondents is not statistically significant. Hypothesis H4 is therefore not supported, indicating that digital marketing adoption in this sample does not differ meaningfully by gender.

One-Way ANOVA: Business Growth across Business Types (Testing H5)

Table 15: Group Statistics—Business Growth by Business Type.

Business Type	N	Mean BG	SD
Retail/Trading	64	3.322	0.738
Food & Beverage	48	3.221	0.921
Services (Salon/Repair/etc.)	53	3.457	0.847
Handicrafts/Manufacturing	23	3.296	0.652
Education/Coaching	27	3.467	0.628

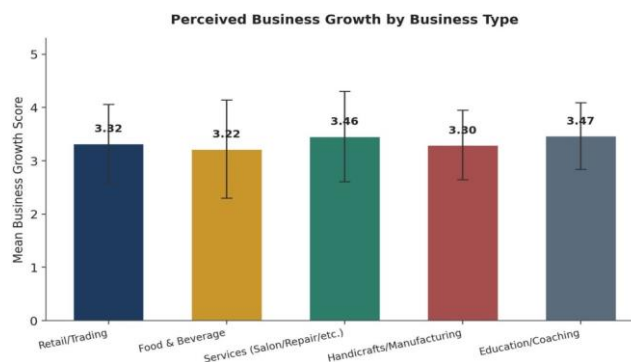


Figure 6: Perceived Business Growth by Business Type

One way ANOVA: $F(4,210)=0.756, p=0.555$. Since $p>0.05$, there is no statistically significant difference in perceived Business Growth across the five business type categories. Hypothesis H5 is therefore not supported, suggesting that the growth benefits associated with digital marketing are broadly similar across different types of local businesses in Prayagraj.

One-Way ANOVA :Digital Marketing Adoption across Years in Business(TestingH6)

Table16:Group Statistics—Digital Marketing AdoptionbyYearsinBusiness.

Years in Business	N	Mean DMA	SD
Lessthan2years	48	3.617	0.832
2-5years	74	3.486	0.877
6-10years	54	3.633	0.875
Morethan10years	39	3.426	0.843

One-way ANOVA: $F(3, 211) = 0.664, p = 0.575$. Since $p > 0.05$, Digital Marketing Adoption does not differ significantly across business tenure categories and Hypothesis H6 is therefore not supported.

Summary of Hypothesis Testing

Table17: Summary of Hypothesis Testing Results.

Hypothesis	Statement	Result
H1	Digital marketing adoption has a significant positive relationship with customer engagement.	Supported
H2	Digital marketing adoption and customer engagement significantly predict business growth.	Supported
H3	Digital marketing adoption has a significant positive relationship with brand awareness ($r = 0.443, p < 0.01$).	Supported
H4	There is a significant difference in digital marketing adoption between male and female respondents.	Not Supported
H5	There is a significant difference in perceived business growth across business types.	Not Supported
H6	There is a significant difference in digital marketing adoption across years-in-business categories.	Not Supported

6. Key Findings

- A majority of respondents actively use at least one digital marketing platform, with a substantial share (32.1%) reporting the use of multiple platforms concurrently rather than relying on a single channel.
- WhatsApp Business, Facebook, Instagram, and Google My Business are all meaningfully represented as primary platforms, indicating a diversified digital marketing

landscape among local businesses in Prayagraj rather than dependence on any single tool.

- Digital Marketing Adoption recorded the highest mean construct score ($M = 3.54$), indicating a generally positive self-assessment of digital marketing usage among respondents.
- Digital Marketing Adoption is significantly and positively correlated with Customer Engagement ($r = 0.61$), Brand Awareness ($r = 0.44$), and Business Growth ($r = 0.54$), all significant at $p < 0.01$.
- Regression analysis confirms that Digital Marketing Adoption significantly predicts Customer Engagement ($R^2 = 0.38$), and that Digital Marketing Adoption together with Customer Engagement significantly predicts Business Growth, explaining approximately 39% of variance ($R^2 = 0.39$).
- Customer Engagement exerts a stronger standardised effect on Business Growth than Digital Marketing Adoption does directly, suggesting engagement partially mediates the adoption-growth relationship.
- Perceived Challenges are negatively associated with all positive outcome constructs, most strongly with Business Growth ($r = -0.28$), underscoring that unresolved barriers (cost, digital literacy, time constraints) measurably dampen the benefits businesses can realise from digital marketing.
- No statistically significant differences were found in Digital Marketing Adoption by gender ($p = 0.87$), in Business Growth across business types ($p = 0.55$), or in Digital Marketing Adoption across years-in-business categories ($p = 0.58$), indicating that the benefits and adoption levels of digital marketing are broadly consistent across these demographic and firmographic groups.
- Nearly a quarter of respondents (24.2%) report spending nothing on digital marketing beyond organic/unpaid activity, indicating a sizeable segment relying solely on free tools and organic reach, which represents both an opportunity for further monetised adoption and a potential access barrier.

7. DISCUSSION

The findings of this study reinforce and extend the existing literature on digital marketing and small business performance by providing empirical evidence specific to the tier-2 Indian city context of Prayagraj. The strong positive relationship between Digital Marketing Adoption and Customer Engagement is consistent with the theoretical premise that digital channels

enable two-way, relationship-based interactions that traditional advertising media cannot support. In the Prayagraj context, this appears to manifest particularly through WhatsApp Business, which allows for direct, personalised communication that mirrors traditional relationship-based local commerce, translated into a digital format.

The result that Customer Engagement has a stronger effect on Business Growth than direct Digital Marketing Adoption is a notable finding. It suggests that simply being present on digital platforms is insufficient; businesses must actively engage their audience, respond to queries, and maintain interaction, for digital marketing investment to translate into growth. This has practical implications: local businesses that treat digital marketing as a passive broadcasting channel, rather than an interactive one, may realise substantially smaller returns than those that actively engage customers.

The significant positive relationship between Digital Marketing Adoption and Brand Awareness supports the proposition that digital tools, particularly Google My Business and geographically targeted social media promotion, offer local businesses a comparatively low-cost route to increasing visibility within their service area, an especially relevant mechanism in a city like Prayagraj where customer bases tend to be geographically concentrated around specific localities and markets.

The absence of significant differences by gender, business type, and years in business is an encouraging finding from an inclusivity standpoint: it suggests that, at least within this sample, digital marketing adoption and its associated benefits are not confined to a particular demographic segment. This may reflect the low technical and financial barriers to entry associated with platforms like WhatsApp Business and Facebook, which do not require specialised design or coding skills.

At the same time, the negative correlation between Perceived Challenges and all positive outcomes indicates that a meaningful segment of local business owners in Prayagraj continue to face real constraints, including limited digital literacy, time pressure, and uncertainty about return on investment, that are consistent with barriers identified in the broader literature on small business digital adoption. The finding that nearly a quarter of respondents rely solely on organic, unpaid digital activity further suggests that many businesses have not yet moved beyond a foundational level of engagement with digital marketing, leaving room for further capacity building.

7. CONCLUSION

This study set out to examine the role of digital marketing in promoting local businesses in Prayagraj, focusing on the relationships between digital marketing adoption, customer engagement, brand awareness, and business growth. The analysis of survey data from 215 local business owners and managers demonstrates that digital marketing adoption is significantly and positively associated with all three outcome constructs, and that digital marketing adoption combined with active customer engagement together explain a substantial share of variance in perceived business growth. Customer engagement, in particular, emerges as a critical link between adoption and growth, suggesting that active, responsive digital communication matters more than platform presence alone.

The study also finds that these benefits are broadly consistent across gender, business type, and business tenure, suggesting that digital marketing represents an accessible growth lever for a wide cross-section of Prayagraj's local business community. At the same time, persistent challenges around cost, digital literacy, and time constraints continue to limit the depth of adoption for a meaningful segment of businesses, particularly those currently relying solely on organic, unpaid digital activity.

Taken together, the findings support the conclusion that digital marketing, when approached as an interactive rather than purely promotional tool, offers local businesses in Prayagraj a viable and increasingly essential means of strengthening customer relationships, building brand visibility, and driving business growth. Continued efforts by business owners, service providers, and policy bodies to lower adoption barriers and build digital marketing capability are likely to yield further gains for the local business ecosystem.

REFERENCES

1. American Marketing Association. (2017). Definitions of Marketing.
2. Chaffey, D., & Ellis-Chadwick, F. (2019). Digital Marketing: Strategy, Implementation and Practice (7th ed.). Pearson Education.
3. Kannan, P. K., & Li, H. A. (2017). Digital marketing: A framework, review and research agenda. *International Journal of Research in Marketing*, 34(1), 22-45.
4. Kaplan, A. M., & Haenlein, M. (2010). Users of the world, unite! The challenges and opportunities of social media. *Business Horizons*, 53(1), 59-68.
5. Kotler, P., Kartajaya, H., & Setiawan, I. (2021). *Marketing 5.0: Technology for Humanity*. Wiley.

6. Ministry of Micro, Small and Medium Enterprises, Government of India. (2023). Annual Report, MSME Sector.
7. Nunnally, J. C., & Bernstein, I. H. (1994). Psychometric Theory (3rd ed.). McGraw-Hill.
8. Taiminen, H. M., & Karjaluoto, H. (2015). The usage of digital marketing channels in SMEs. *Journal of Small Business and Enterprise Development*, 22(4), 633-651.
9. Tiago, M. T. P. M. B., & Verissimo, J. M. C. (2014). Digital marketing and social media: Why bother? *Business Horizons*, 57(6), 703-708.
10. Statista / IAMA-Kantar. (2024). Internet adoption in India report, urban and tier-2/tier-3 city trends.