



International Journal of Engineering Research and Science & Technology

www.ijerst.org

ISSN : 2319-5991

Vol. 21 No. 3 (1) 2025



ijerst.editor@gmail.com
editor@ijerst.com

Research Paper

A Study on Adoption and Effect of Social Media Marketing on performance of MSME's Aditya Birla Finance Limited

D.Nikhitha ^{*}, A.Srikanth ^{**}, M.Pavani ^{***}

^{*} Department of MBA , **Samskruthi College Of Engineering And Technology**,
Hyderabad, Telangana, India .

Corresponding Author Email: dheeravathnikitha15@gmail.com

^{**} Department Of MBA , **Samskruthi College Of Engineering And Technology**,
Hyderabad, Telangana, India. Email: srikanth.amudala5123@gmail.com

^{***} Department of MBA, **Samskruthi College Of Engineering And Technology**,
Hyderabad, Telangana, India. Email: drpavanikaran12@gmail.com

Abstract

The rapid growth of social media has significantly transformed the way businesses engage with customers, promote products, and build brand loyalty. For Micro, Small, and Medium Enterprises (MSMEs), particularly in the financial services sector, social media marketing has emerged as a cost-effective tool to reach wider audiences and enhance competitiveness. This study on “Adoption and Effect of Social Media Marketing on Performance of MSMEs with reference to Aditya Birla Finance Limited” explores the extent to which social media platforms such as Facebook, Instagram, LinkedIn, and Twitter have been adopted for marketing and customer engagement. The research further examines the impact of such adoption on business performance indicators, including customer acquisition, retention, sales growth, and brand visibility. Data was collected through a combination of primary surveys and secondary sources, highlighting both opportunities and challenges faced by MSMEs in leveraging digital marketing. The findings indicate that social media adoption significantly enhances market reach and operational efficiency, while also posing challenges related to digital skills, resource allocation, and measuring return on investment. The study concludes that strategic and innovative use of social media marketing can act as a catalyst for sustainable growth of MSMEs, with Aditya Birla

Finance Limited serving as a case reference to demonstrate best practices and industry trends.

Received: 12-7-2025

Accepted: 19-8-2025

Published: 26-8-2025

I.INTRODUCTION

Promoting entrepreneurship is one of the finest ways for a nation to progress in its economy and fascinate overseas investments that will gain enormous rewards in the future. MSME's are emerging businesses that contribute to the success of developing economies by employment generation and steering economic development. MSME's are projected to account up for more than 95 percent of all businesses in the globe, which amounts to 60 percent of private sector employment. MSME's in our nation have a high significance in the Indian economy with their contribution to GDP. The MSME sector is critical to our nation's economic growth and considering the recent policies by Government of India that includes various initiatives such as: Make in India, Startup-India, Digital India, etc. it has achieved a vital role in the Indian economy. In our country India, a separate Act, responsible namely Micro, Small and Medium Enterprises (MSME) development Act, 2006 is placed in the system for the uplifting and expansion of MSME sector . It was incorporated 02nd Oct, 2006.

The latest data available at MSME website reflects that currently Maharashtra is one of the prime states in India for MSME sector in terms of business with 17.7% share followed by Tamil Nadu as second with 11.4% and Bihar, Uttar Pradesh and Madhya Pradesh following subsequently. Through the availability of various schemes by government financial accessibility for the MSME's has eased out recently.

The Indian economy's Micro, Small, and Medium Enterprise (MSME) sector has evolved as an important sector, helping considerably for job creation, modernization, exports, and comprehensive growth. The MSME sector is one of the economy's most fundamental progress drivers. As per the latest NSS survey, there were over 630.5 lakh, 3.3 lakh, and over 5, 00,000 MSME businesses respectively, reflecting the prominence of the MSME's sector thereby providing employment to 124 million people.

Definition:

According to Chaffey, he defines digital marketing as “achieving marketing objectives through applying digital technologies.” The usage of the Internet, mobile gadgets, social media, search engines, and other platforms to customers and prospects can be referred to as digital marketing. As compared to conventional marketing, various marketing specialists consider digital marketing to be an entirely new effort that requires a fresh approach for customers to get insights of valuable information that how customers behave. The rapid spread of social media is one of the most significant revolutions in human interaction. Real-world social contacts have transitioned to the virtual realm, resulting in the creation of online communities of people from all over the globe. This push into the digital era enables people to share knowledge, entertain one another, and promote cross-cultural conversation.

Acceptance for social media (SM) can foster efficiency and improvised company performance in micro, small and medium-sized businesses (MSME's). Small businesses may benefit substantially from the use of Social Media Marketing. The successful implementation of the SM acceptance framework is expected to allow MSME's

to enhance their mutual flexibility and internal capabilities.

If most clients intermingle with social media, firms should also interact with social media. Consequently, SME's have also incorporated the Social Media Marketing (SMM) mechanisms to enhance on their visibility and growth parameters. This includes like of Facebook marketing, YouTube marketing, Instagram pages, Twitter, WhatsApp, etc. Because social media is such an important aspect of digital marketing, it is critical for businesses to make the most of it in order to stay on top of their game. Marketers are spending the majority of their time on marketing campaigns and profitability as a result of the adoption of digital marketing channels, which has transformed the whole landscape of advertising.

Research Problem:

In today's competitive business environment, MSMEs face several challenges such as limited financial resources, difficulty in reaching wider markets, and lack of brand recognition. Social media marketing has emerged as a cost-effective and impactful strategy to overcome these limitations. However, despite its potential, many MSMEs

struggle with the systematic adoption of social media platforms due to factors like inadequate digital literacy, lack of strategic planning, and uncertainty about measuring effectiveness. Specifically, in the case of Aditya Birla Finance Limited, while the company has made strides in digital marketing, the extent to which social media adoption directly contributes to enhanced performance, customer engagement, and sustainable growth remains underexplored. Thus, the core research problem lies in understanding how the adoption of social media marketing influences the performance of MSMEs, and what challenges or barriers exist in fully leveraging these platforms for business growth.

Research Methodology:

The research methodology is a set of specific procedure used to identify the process and analyze the data of the topic. The research process majorly consists of six steps including research questions, methodology, collections of data, data analysis & interpretation and last, report writing (Rubin and Babbie, 2010 and Thyer, 2010).

OBJECTIVES OF THE STUDY

1. To examine the antecedents to the adoption of Social Media Marketing by MSME's
2. To ascertain the purpose for which Social Media Marketing is used by MSME's.
3. To determine the effect of Social Media Marketing on performance of MSME's.

RESEARCH QUESTIONS

1. What are the antecedents that have led to the adoption of Social Media Marketing by MSME's?
2. What are the purposes for which Social Media Marketing is utilized by MSME's?
3. What has been the effect of Social Media Marketing on the performance of MSME's?

RESEARCH DESIGN

The proposed research study will adopt a descriptive research design to identify the reasons for adoption of Social Media Marketing is utilized by MSME's and what effect does it have on the performance of MSME's.

II.LITERATURE REVIEW

1. Kadam, J. and Laturkar, V. (2011) A study of Financial Management in Small

Scale Industries in India. Small Scale industries encompass vast scope covering activities like manufacturing, servicing, Financing, construction, infrastructure etc. In view of Government of India's ever increasing Importance given to the small scale industries in the national economy more & more small scale Industries are to be set up in the years to come. By contributing its increasing share to the National production, employment & exports, small scale industries also contribute to the Economic development of the country. However, these industries are also plagued by the Problems of raw material, finance, marketing, underutilization of capacity, etc. cash has become a big problem for small & even big businesses today.

2. Bhavsar, S. and Kalam, P. (2012) A study of entrepreneurship development in small scale industries with special reference to Beed district in Maharashtra India. The present study shows the study of entrepreneurship developed in small scale industries In Maharashtra with special reference to Beed district. The study examines the role of entrepreneurship in the development of SS!. It shows the emphasis of entrepreneurship for the generation of employment. The study is based on

primary and secondary data. The primary data was collected with the samples while secondary data was collected from population census, statistical reports, Industrial Reports of Government of Maharashtra, annual survey of industries etc. The study reveals that Customer, Land, Raw Material and nearest market place played very important role in entrepreneurship development in small business.

3. Jain, V. and Jain, A. (2012) A Study and scope of SME'S in Uttarakhand and problems faced by them. Uttarakhand State was carved out of the state of Uttar Pradesh in the year 2000. The formation of the new state had to fulfill the high expectations of the local people related to development and better living standards. However, within Uttarakhand there is a geographical inequality between the hills and the plains that divides the state critically. The State Infrastructure & Industrial Development Corporation of Uttarakhand Limited (SIDCUL), a government of Uttarakhand enterprise, was incorporated as a limited company in the year 2002 to promote industrial development in the state. It provides financial assistance to promote industries and develop industrial

infrastructure in the state of Uttarakhand directly or through Special Purpose Vehicles, Joint Ventures, assisted companies, etc. An Integrated Industrial Development Policy 2008 was launched for the industrial development of hilly and remote areas in the state.

4. Kadam, R. (2012) Financial management: the key strategy for the Sustained growth of small scale industries in India. Finance is the key input for sustained growth of small scale sector and its accessibility continues to be a matter of concern. The small scale industries need both long run as well as short run Credit. The financial management plays a vital role in the survival, growth and development of these industries. In India, Small scale industries account for 95 per cent of the industrial units in the country. The contribution of small industries to the balanced regional development of India is remarkable. SSIs can be extensively spread without any location and regional constraints.

5. Kalyan Kumar, N. And Gulhot, S. (2012) Micro, Small and Medium enterprises in the 21st century. The aim of the article is to evaluate the presentation of MSMEs, before and after liberalization contrast them with average annual growth rates, and know the

impact of globalization on the performance of MSMEs and the development of MSMEs new opportunities for Employment in a country. The period of the study is 1999-2010 and based on secondary information. The MSMEs form a leading part of Indian industry and causal to a momentous proportion of production, exports and employments. The present study analyzes the collision of globalization on Indian MSMEs. Government's programs are unstructured and indistinct, and fall short of delivering the intended outputs. This necessitates the enterprises to think strategically by focusing on major issues. The prime intent of the study of policy recommendations to ensure the sustenance and competitive growth of MSMEs in India.

III. DATA ANALYSIS AND INTERPRETATION

Particulars	No. of Respondents	Percentage of Respondents
Below – 20	10	7.8%
20 – 30	96	75%
30 – 40	18	14.1%
40 – Above	04	3.1%
Total	128	100%

AGE
128 responses

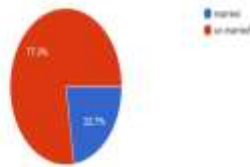


Interpretation

From the above data total Respondents are 128 from which 10 members are Below 20 means 7.8%, 96 members are between 20 -30 means 75%, 18 members are between 30 – 40 means 14.1%, and 04 members are 40 – Above means 3.1%.

Particulars	No. of Respondents	Percentage of Respondents
Married	29	22.7%
Un Married	99	77.3%
Total	128	100%

MARITAL STATUS
(128 responses)

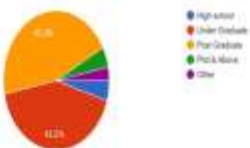


Interpretation:

From the above data total respondents are 128 from which 77.3% are the Respondents are Married & 22.7% are Un Married.

Particulars	No. of Respondents	Percentage of the Respondents
High School	06	4.7%
Undergraduate	54	42.2%
Post Graduate	58	45.3%
PhD & Above	06	4.7%
Other	04	3.1%
Total	128	100%

QUALIFICATION
(128 responses)



INTERPRETATION:

From the above data total Respondents are 128 from which 58 members i.e.,

45.3% are Post Graduate, 54 members i.e., 42.2% are Under Graduate, 06 members i.e., 4.7% are High School, also 06 member i.e., 4.7% are PhD & Above and the 04 members i.e., 3.1% are others.

Particulars	No. of Respondents	Percentage of Respondents
Monthly Once	40	31.7%
Monthly Twice	38	30.2%
Six Month	16	12.7%
Yearly	01	0.8%
Occasionally	31	24.6%
Total	128	100%

How often you do online shopping
(128 responses)

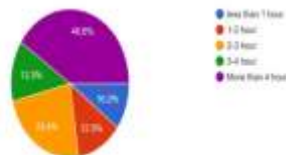


INTERPRETATION:

In the above data total no. of Respondents are 128 in which 40 members are shopping online in monthly once i.e., 31.7%, 38 members are doing monthly twice i.e., 30.2%, 16 members are doing online shopping in 16 months at once i.e., 12.7%, 01 member are doing yearly i.e., 0.8% and 31 members is doing occasionally i.e., 24.6%.

Particulars	No of Respondents	Percentage of Respondents
Less than 1 hr.	13	10.2%
1 – 2 hr.	16	12.5%
2 – 3 hr.	30	23.4%
3 – 4 hr.	17	13.3%
More than 4 hr.	52	40.6%
Total	128	100%

How often do you use internet everyday?
128 responses



Interpretation:

In the above data total number. of members are 128 in which 13 members are using the internet less than 1 year i.e., 10.2%, 16 members are using the internet 1 – 2hr. i.e., 12.5% 30 members are using the internet daily 2 – 3hr. i.e.23.4%, 17 members are using the internet daily 3 – 4hr. and 52 members are using the internet daily more than 4 hr. i.e., 40.6%

IV.FINDINGS

I find that 93% of all marketers indicated that their social media efforts have generated more exposure to their business, increased traffic was the second major benefit, with 87% reporting positive results.

1. Majority of the respondents are between 20-30 years old i.e 75%
2. Majority of the respondents are Male i.e 78.9%

3. Majority of the respondents are Unmarried i.e 77.3%
4. Majority of the respondents are Post graduate i.e 45.3%
5. Majority of the respondents are students i.e 43.8%
6. Majority of the respondents are Bellow - 2,00,000 i.e 60.2%
7. Majority of the respondents are doing online shopping i.e 98.4%
8. Majority of the respondents are doing online shopping is monthly once i.e 31.7%
9. Majority of the consumer responds that they are doing online shopping for more than 2-5years i.e 39.8%
10. Majority of the consumer are Respond that they are doing online shopping due to convenience and time savings i.e 55.5%
11. Majority of the consumer are respondents that they facing the problem while they are doing online shopping i.e 64.1%
12. Majority of the consumer shows their respondents that what they facing the problem the cheap quality of product i.e 44.5%
13. Majority of the consumers show the respondents that they often use the internet more than 4hrs. In a day i.e 40.6%

14. Majority of the members shows that they are intermediate to describe the internet proficiency i.e 55.5%
15. Majority of consumer shows the respondents to often use internet for shopping is occasionally i.e 40.6%
16. Majority of the members respondents how much involved in the decision making process for buying any product at his family level to moderate extent i.e 36.7%
17. Majority of the members Shows the Respondents ever had online shopping for other reason i.e 53.9%
18. Majority of the member responds that they sometimes rely on information available on social media if they have uncertainties regarding a purchase i.e 37.5%
19. Majority of the members are showing sometimes they change their initial after searching relevant information via social media sites i.e 47.7%
20. Majority of members are agree to show the Respondents have higher credibility than Advertisements / editorials / other marketing means on mass media i.e 45.3%

21. Majority of the members are getting responds that social media have highest media potential i.e 78.9%

V.CONCLUSION

The study on “Adoption and Effect of Social Media Marketing on Performance of MSMEs with reference to Aditya Birla Finance Limited” highlights that social media marketing has become an indispensable tool for enhancing the visibility, customer engagement, and overall performance of MSMEs. The findings suggest that platforms such as Facebook, Instagram, LinkedIn, and Twitter enable MSMEs to reach wider audiences with relatively low marketing costs compared to traditional methods. For Aditya Birla Finance Limited, adopting social media marketing not only improves customer awareness and trust but also provides measurable benefits like higher lead generation, stronger customer relationships, and greater brand loyalty. However, challenges such as lack of technical expertise, inconsistent content strategies, and limited budgets still restrict MSMEs from utilizing social media to its fullest potential. The study concludes that systematic training, digital literacy programs, and a strategic adoption framework are essential for MSMEs to maximize the benefits of social media

marketing. Therefore, social media adoption is not just a marketing choice but a necessity for sustainable growth and competitiveness in the digital era.

VI. REFERENCES

- [1] Kaplan, A. M., & Haenlein, M. (2010). Users of the world, unite! The challenges and opportunities of social media. *Business Horizons*, 53(1), 59–68.
- [2] Mangold, W. G., & Faulds, D. J. (2009). Social media: The new hybrid element of the promotion mix. *Business Horizons*, 52(4), 357–365.
- [3] Kietzmann, J. H., Hermkens, K., McCarthy, I. P., & Silvestre, B. S. (2011). Social media? Get serious! Understanding the functional building blocks of social media. *Business Horizons*, 54(3), 241–251.
- [4] Chatterjee, S., Rana, N. P., Tamilmani, K., & Sharma, A. (2020). The adoption of social media marketing in SMEs: A review. *International Journal of Information Management*, 53, 102104.
- [5] Agnihotri, R., Dingus, R., Hu, M. Y., & Krush, M. T. (2016). Social media: Influencing customer satisfaction in B2B sales. *Industrial Marketing Management*, 53, 172–180.
- [6] Dwivedi, Y. K., Kapoor, K. K., & Chen, H. (2015). Social media marketing and advertising. *Marketing Review*, 15(3), 289–309.
- [7] Alalwan, A. A., Rana, N. P., Dwivedi, Y. K., & Algharabat, R. (2017). Social media in marketing: A review and analysis of the existing literature. *Telematics and Informatics*, 34(7), 1177–1190.
- [8] Tiago, M. T. P. M. B., & Veríssimo, J. M. C. (2014). Digital marketing and social media: Why bother? *Business Horizons*, 57(6), 703–708.
- [9] Ahmad, S. Z., Ahmad, N., & Bakar, A. R. A. (2018). Reflections of entrepreneurs of small and medium-sized enterprises concerning the adoption of social media and its impact on performance outcomes. *Telematics and Informatics*, 35(1), 6–17.
- [10] Trainor, K. J., Andzulis, J. M., Rapp, A., & Agnihotri, R. (2014). Social media technology usage and customer relationship performance: A capabilities-based examination. *Journal of Business Research*, 67(6), 1201–1208.
- [11] Parveen, F., Jaafar, N. I., & Ainin, S. (2016). Social media usage and organizational performance: Reflections

of Malaysian social media managers.
Telematics and Informatics, 33(1), 67–78.

[12] Felix, R., Rauschnabel, P. A., & Hinsch, C. (2017). Elements of strategic social media marketing: A holistic framework. *Journal of Business Research*, 70, 118–126.

[13] Michaelidou, N., Siamagka, N. T., & Christodoulides, G. (2011). Usage, barriers, and measurement of social media marketing: An exploratory investigation of small and medium B2B brands. *Industrial Marketing Management*, 40(7), 1153–1159.

[14] Kapoor, K., Dwivedi, Y., Piercy, N., & Rana, N. (2016). Social media and SMEs: Opportunities and challenges. *Journal of Small Business and Enterprise Development*, 23(4), 1165–1188.

[15] Ghezzi, A., Gastaldi, L., Lettieri, E., Martini, A., & Corso, M. (2016). A role for startups in unleashing the disruptive power of social media. *International Journal of Information Management*, 36(6), 1152–1162.