



“ Impact of Digital Marketing in Urban and Rural Areas of Karnataka with Special Reference to Shimoga District- An Empirical Study ”

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ABSTRACT:

Agriculture is a cornerstone of India's economy, employing 63% of the population and contributing about 14-15% to the GDP. It serves as the primary livelihood for over 80% of rural residents, with farming providing 52% of employment. However, rural regions face significant challenges in adopting digital marketing, such as lack of awareness, security concerns, high initial investments, poor infrastructure, and resistance to new technologies. The Digital India program aims to bridge these gaps and empower rural populations through digital tools, but progress has been slow. This study investigates the awareness and impact of digital marketing in Shimoga District, examining the differences between urban and rural areas to assess its potential for revolutionizing agricultural practices and fostering socio-economic development.

Key Words: Digital marketing, types, impact on rural and urban areas.

1. INTRODUCTION

Agriculture remains the cornerstone of India's economic development, serving as the primary source of income for approximately 63% of the nation's population and 60% of Karnataka's population. It plays a pivotal role in employment, contributing significantly to the livelihoods of rural communities. More than 80% of rural India relies on agriculture and related activities for sustenance, with farming providing 52% of employment. Agriculture's share in India's GDP ranges from 14% to 15%. Rural India holds vast potential for socio-economic development, and it plays a crucial role in achieving the Sustainable Development Goals (SDGs). With approximately 65% of the population residing in rural areas, and 47% depending on agriculture, these regions present valuable opportunities for transformation.

India is home to over 640,000 villages, inhabited by more than 830 million people, with the rural population growing from 743 million in 2001 to 833 million in 2011. Over time, rural women's participation in the workforce has also increased, from 24.8% in 2011-12 to 27.7% in 2020-21. These demographic trends make rural areas ripe for change, in line with India's vision for "Viksit Bharat" (developed India) by 2047, as articulated by the Prime Minister. His speeches have emphasized that transforming rural India is key to transforming the nation, citing initiatives like "Jandhan, Vandhan, and Gobardhan" as instrumental in fostering economic growth in villages (PM Speech, 2018).

To facilitate rural empowerment, the Indian government has launched various programs aimed at equitable and inclusive development. Agro-ecological approaches have also gained attention for their role in improving rural conditions, promoting sustainable food systems, conserving natural resources, and addressing climate change. These approaches balance ecological principles with social and economic considerations, contributing to rural development and the achievement of the UN-Sustainable Development Goals.

In this context, digital marketing is emerging as an innovative tool, especially in agriculture. The government's Digital India initiative, launched on July 1, 2015, aims to transform rural India into a digitally empowered economy. This movement has encouraged various industries, including agriculture, to leverage digital tools for product promotion and sales, reducing dependency on intermediaries. Despite its benefits, many farmers are still unaware of digital marketing's potential due to various barriers such as limited knowledge, security concerns, high startup costs, inadequate infrastructure, and reluctance to adopt new technologies. This study aims to assess the awareness, attitudes, and impact of digital marketing in both urban and rural communities of Shimoga District.

2. NEED FOR THE STUDY

The rapid evolution of technology has significantly altered the way products and services are marketed. Digital marketing has become increasingly popular due to its numerous advantages, including cost efficiency, time savings, affordability, and flexibility. However, in the agricultural sector, many farmers remain unaware of digital marketing tools and how they can use them to sell their produce. This study seeks to explore the perspectives of farmers and traders regarding digital marketing, examining their awareness levels, the positive and negative impacts it has had, and its potential in both the agricultural and urban sectors of Shimoga District.

3. METHODOLOGY AND DATA BASE

The research draws on both primary and secondary data sources. Primary data were collected through questionnaires and field surveys conducted with farmers and urban residents. Secondary data were gathered from a variety of published and unpublished reports, research papers, books, and other relevant sources.

3.1 Sampling Design

For this study, a simple random sampling method was employed. A total of 110 respondents were interviewed, with 20 individuals selected from each taluk. Efforts were made to ensure that the sample represented diverse age groups, income levels, educational backgrounds, and landholding sizes.

3.2 Objectives to the Study :

- ❖ To highlight the advantages of digital marketing.
- ❖ To focus on the types of digital marketing.
- ❖ To analyse the impact of digital marketing in urban and rural areas
- ❖ To testify awareness level of digital marketing in urban sector and agricultural sector.
- ❖ To suggest the measures to increase awareness about digital marketing.

3.3 Hypotheses of the Study

- Farmers do not utilise benefits of digital marketing fully.
- Demand for digital marketing is low .
- Awareness level of digital marketing is low.

3.4 Techniques of Analysis

The data thus collected have been converted into tables for interpretation and analysis. Statistical tools employed to depict the analysis. Some statistical tools like percentage, average and Chi-square test are used to analyse the data and test the hypothesis.

Chi – square test :

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

Where, χ^2 = Chi – square value

O = Observed frequencies

E = Expected frequencies

3.5 Period of the study: the present study was conducted during 2023-24.

3.6 Limitations

1. The study is focussed only impact of digital marketing .
2. The present study is limited to 5 selected taluks of Shimoga District.
3. Respondents are hesitant provide the necessary information , only 110 respondents are selected from both urban and rural sectors.

4. Origin, Meaning, and Definition of Digital Farming

The term "digital" originates from the Latin word *digitus*, meaning "finger" or "toe," which eventually came to signify numerical digits. In the realm of technology, "digital" refers to the use of discrete values, often binary (0s and 1s), to represent data, as opposed to continuous signals. On the other hand, the term "marketing" is derived from the Latin *mercatus*, meaning "marketplace" or "trade." Initially, it referred to activities related to the buying and selling of goods, but it has since evolved to cover a wider range of promotional activities, such as advertising, public relations, and sales strategies. When combined, "digital marketing" refers to the use of digital channels and technologies to promote or advertise products or services. This typically involves online campaigns that are displayed across various devices, such as computers, smartphones, and tablets, and can take many forms, including video ads, search engine marketing, paid social media ads, and posts. Digital marketing is often contrasted with traditional marketing methods, such as billboards, print media, and direct mail, with television often classified as traditional marketing.

Prominent figures in the field have defined digital marketing in various ways. For instance, Neil Patel, a renowned digital marketer, describes digital marketing as "any marketing activity that uses electronic devices." Seth Godin emphasizes the concept of "permission marketing," which he defines as the "privilege of delivering anticipated, personal, and relevant messages to people who are willing to receive them." Rand Fishkin, the co-founder of Moz, echoes this sentiment, noting that digital marketing involves "any marketing that requires electronic devices," while highlighting the importance of creating valuable, shareable content. With the growing accessibility of digital platforms, digital marketing has gained tremendous significance. As of July 2024, there were 5.45 billion internet users worldwide, underlining the global reach of these digital channels.

4.1 Types of Digital Marketing

1. Search Engine Optimization (SEO)
2. Social Media Marketing
3. Content Marketing
4. Email Marketing
5. Pay-Per-Click (PPC) Advertising
6. Affiliate Marketing
7. Influencer Marketing
8. Video Marketing
9. Local Search Marketing
10. Mobile Marketing
11. E-Commerce Marketing
12. B2B Marketing
13. B2C Marketing
14. Interactive Marketing
15. Viral Marketing
16. Guerrilla Marketing
17. Behavioural Retargeting
18. Conversational Marketing

4.2 Advantages of Digital Marketing

- **Global Reach:** Digital marketing allows businesses to target audiences on a global scale.
- **Precise Audience Targeting:** Digital tools enable marketers to tailor their campaigns to specific demographics.
- **Qualified Leads:** Digital marketing can attract leads that are more likely to convert.
- **High ROI:** Digital marketing often yields higher returns on investment compared to traditional marketing methods.
- **Measurable Results:** Analytics tools provide clear, quantifiable data on campaign performance.
- **Increased Sales:** A well-executed digital marketing strategy can lead to higher conversion rates and increased revenue.
- **Cost-Effective:** Digital marketing is often more affordable than traditional marketing.
- **Improved Customer Engagement:** Digital platforms enable direct interaction with customers, leading to stronger relationships.
- **Flexible and Versatile:** Digital marketing strategies can be adjusted and optimized based on performance metrics.

5. Impact of digital marketing in Urban and Rural sector

This research article attempts to examine the Impact of digital marketing in urban and rural sector in the study area. The observation in the study is basically based on the field survey conducted on 110 sample beneficiaries. The results of Primary data analysis are presented in this chapter under following sections.

Section – I Socio – Economic profile of the respondents.

Section – II Utilisation of digital marketing benefits.

5.1 SECTION – I SOCIO – ECONOMIC PROFILE OF THE RESPONDENTS

5.1.1 Sample respondents

Simple random sampling method was used for surveying the respondents. The number of sample respondents interviewed and response were collected. The data has been collected

from the 110 sample beneficiaries, 20 beneficiaries have been selected from each selected taluks.

5.1.2 Age Group

Tabl-1 shows that majority 39(35.4 percent) of the respondents are belongs to the age group of 26 – 35. Also about 25 (22.7 percent) of the respondents belong to the age group of 15-25 which could be utilized for their education and building up ones personality. The education and building up ones personality. The date shows that the age of the respondent is in the range between 18 to 65 years and the average age is calculated as 35 years.

Table – 1
Age – Wise Classification of Sample Respondents Interviewed

Age Group	No. of Respondent	Percentage
15-25	25	22.7
26-35	39	35.4
36-45	27	24.6
46-55	13	11.8
56-65	6	5.4
Total	110	100

Source : Survey data

Note : Figures in the brackets represent percentage.

5.1.3 Educational status of the Respondents

Level of education which is categorized as illiterates, primary, high school to PUC and Degree and above education which is reflected in table-2

Table – 2
Educational Status of the Respondents

Level of education	No. of Respondent	Percentage
Illiterate	17	15.5
Primary	74	67.2
High school to PUC	17	15.5
Degree and above	2	1.8
Total	110	100

Source : Survey data

Note : Figures in the brackets represent percentage.

The table-2 reveals that out of total 110 sample respondents, large number of respondents 74 (63.3 percent) have completed their primary education . Only 17 (15.5) respondents were illiterate. Where as only 2 (1.8 percent) respondents have educated up to Degree and above. This was due to the poverty of their parents.

5.1.4 Family Size

Family size is an important socio-economic determinant. Table- 3 reveals that out of the 110 sample respondents in selected villages 79 (71.8 percent) were having an average family size of 4 – 6 numbers : where as the 4 (3.6 percent) were having an average family size of above 6 members. The rest of the members stated that family size to be 1-3 (24.5 percent)

Table – 3
Family size of the Respondents

No. of Member in family	No. of Respondent	Percentage
1 – 3	27	24.5
4 – 6	79	71.8
Above 6	4	3.6
Total	110	100

Source : Survey data

Note : Figures in the brackets represent percentage.

5.2 SECTION : II

5.2.1 UTILISATION OF DIGITAL MARKETING

The section reveals the utilisation of digital marketing in both sectors. Many respondents do not utilise the digital marketing for the said purposes most of the people in urban have fully utilised compared to rural sector.

Table – 4
Utilisation of Digital marketing

Utilisation / Respondents Sectors	Fully utilized	Partially utilized	Total
Urban sector	75 (93.75)	05 (6.25)	80 (100)
Rural sector	10	20	30

	(33.3)	(66.6)	(100)
Total	85 (77.3)	25 (22.7)	110 (100)
Chi-square test : $\chi^2 = 0.935$; d. f = 1 : significant at 5% level			

Source : Survey data

Note : Figures in brackets represent percentage

Table-4 revealed that there is a difference between rural and urban sector in utilizing digital marketing benefits. Out of 110 respondents, 85 (77.3 percent) respondents of both sectors are fully utilized and 25 (22.7 percent) respondents of both sectors are partially utilized. In Urban sector 75 (93.75 percent) of respondents are fully utilized digital marketing and 5 (6.25 percent) respondents are partially utilized.

- The Chi-square test of significance is applied for the testing the hypothesis “Farmers do not utilise benefits of digital marketing.” This hypothesis accepted because the calculated value is 0.935 which is less than the table value 3.84 at 5% level of significance (degrees of freedom is 1).

Conclude that utilization of benefits of digital marketing is very low. compared to the urban sector.

5.2.2 DEMAND FOR DIGITAL MARKETING

Demand for digital marketing is low. This hypothesis is rejected .

Table – 5
Opinions of Respondents

Opinion / Sectors	High Demand	Low Demand	Total
Rural sector	10 (33.3)	20(66.6)	30 (100)
Urban sector	70(87.5)	10(12.5)	80 (100)
Total	80 (72.7)	30 (27.2)	110 (100)
Chi – square test : $\chi^2 = 32.67$; d. f = 1 : no significant at 5 % level			

Source : Survey data

Note : Figures in Brackets represent percentage.

Table – 5 indicated that the There is a high Demand for digital marketing in urban sector, because 70 respondents demanded and 10 demanded less “Demand for digital marketing is

low” This hypothesis is rejected by applying Chi-Squat test, because calculated value is 32.67 which is greater than the table value 3.841 at 5% level of significance. (d.f = 1)

5.2.3 Awareness level of digital marketing

Awareness level of digital marketing is low in rural sector compared to urban sector

Table – 6: Awareness Level of Digital Marketing

Sectors / awareness level	Increase	Decrease	Total
Urban sector	80 (88.8)	10 (11.1)	90 (100)
Rural sector	15 (75)	05 (25)	20 (100)
Total	95 (86.3)	15 (13.6)	110 (100)
Chi – square test : $\chi^2 = 0.454$; $d.f = 1$: significant at 5 % level			

Source : Survey data.

Note : Figures in the brackets represent percentage.

Note : Figures in the brackets represent percentage.

Table –6 revealed that awareness level of Urban sector is very high that is 80 when compared to the Rural sector that is 15. This Hypothesis is accepted because calculated value is 0.454 which is less than the table value 3.841 at 5% level of significance.

6. Major Findings

- Utilisation of digital marketing in both sectors. Many respondents do not utilise the digital marketing for the said purposes most of the people in urban have fully utilised compared to rural sector. There is a difference between rural and urban sector in utilizing digital marketing benefits. Out of 110 respondents, 85 (77.3 percent) respondents of both sectors are fully utilized and 25 (22.7 percent) respondents of both sectors are partially utilized. In Urban sector 75 (93.75 percent) of respondents are fully utilized digital marketing and 5 (6.25 percent) respondents are partially utilized. The Chi-square test of significance is applied for the testing the hypothesis

“Farmers do not utilise benefits of digital marketing.” This hypothesis accepted because the calculated value is 0.935 which is less than the table value 3.84 at 5% level of significance (degrees of freedom is 1). Conclude that utilization of benefits of digital marketing is very low. compared to the urban sector.

- There is a high Demand for digital marketing in urban sector, because 70 respondents demanded and 10 demanded less “Demand for digital marketing is low” This hypothesis is rejected by applying Chi-Squat test, because calculated value is 32.67 which is greater than the table value 3.841 at 5% level of significance. (d.f = 1)
- Awareness level of Urban sector is very high that is 80 when compared to the Rural sector that is 15. This Hypothesis is accepted because calculated value is 0.454 which is less than the table value 3.841 at 5% level of significance.

7. Suggestions

- Promote better understanding of the tools and techniques used in digital marketing.
- Launch awareness campaigns that educate farmers on how to effectively utilize digital marketing to increase demand for their products.
- Digital marketing platforms should ensure that farmers can access fair pricing for their produce.
- Banks should host awareness programs for farmers, encouraging them to adopt digital marketing practices, and offer financial support tailored to these needs.
- Develop mechanisms that link farmers with digital marketing tools and platforms.
- NGOs, such as Krishimitra, are already helping to educate farmers on the use of ICT (Information and Communication Technology) tools.
- Encourage the practice of contract farming in Shimoga District to improve market access and reliability for farmers.

8. Conclusion

Digital marketing plays a crucial role in determining fair pricing for agricultural products. It offers farmers valuable opportunities to boost sales and demand for their goods. A significant number of farmers are open to adopting digital marketing strategies, but they require the proper training and support. Both state and central governments must provide adequate training programs on digital farming techniques to help farmers make the most of available tools. Awareness campaigns focused on the practical use of digital marketing can help sustain

the growth of digital agriculture. As the demand for digital agricultural markets increases, it is clear that traditional marketing methods have become less effective due to the interference of middlemen and the associated costs. To support the growth of digital agriculture, continued liberalization of the industry and efforts to improve the user experience for both farmers and customers on digital platforms are essential.

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