

# A Study on Benefits Derived by SMEs from Online Presence

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## Abstract:

This descriptive research has attempted to assess the benefits gained by Small and Micro Enterprises (SMEs) by digitalizing their business with online presence by collecting data from 406 SMEs located in the metropolitan city of Chennai, selected using Convenience Sampling technique. Results of the study reveal that the SMEs surveyed have derived good degree of benefits in terms of bettering customer relations management, gaining good image at national level, enhancing efficiency of sales personnel, Lowering cost, providing 24-hour accessibility to customers, achieving better customer satisfaction and providing better customer service while they have derived average benefits in terms of market expansion, bettering turnover and enhanced return on capital employed. Enhanced turnover, return on capital employed, 24-hour accessibility and providing better customer service are casting significant impact on satisfaction derived by the SMEs from their online presence. Turnover and Return on Capital Employed are important determinants of satisfaction of SMEs towards online presence. 202 SMEs have derived better benefits from their online presence while 140 have derived modest benefit. Larger number of SMEs run by first generation entrepreneurs have been well benefitted by their online presence while those SMEs run by entrepreneurs who have some entrepreneurship backing are benefitted only to modest extent and not to large extent. Probably, SMEs run by fresh entrepreneurs have strong vigour towards utilisation of technology for their business which might be missing among traditionally bound entrepreneurs. SMEs run by middle aged and highly educated entrepreneurs, SMEs with a formal online presence investment methodology, those engaged in business for 5-10 years, those operating with high volume of investment in excess of 10 lakhs, those engaged in service business, those which have been in online business for 2-5 years, those operating with 3-5 IT staff, those which have used self funds for digitalising their business and those managing higher monthly turnover in excess of Rs. 100,000 have been well benefitted from their online presence while SMEs engaged in manufacturing, those in business for 2-5 years, those operating with an investment of 1-5 lakhs, those with less than 3 IT staff, those operating with staff strength of less than 20, those in online business for more than 5 years, those which have used purely borrowed funds for digitalising their business and those operating with monthly turnover of less than Rs. 50,000 have been reasonably Benefited. SMEs engaged in contractual jobs, those in business for a longer period of more than 10 years, those in online business for a shorter period of less than 2 years, those operating with staff strength in excess of 50 and IT staff in excess of 5, those which have used both self and borrowed funds and those operating with investment of less than Rs. 100,000 have been slightly Benefitted by their online presence.

Overall level of satisfaction of the SMEs with their online presence is quite good. Almost two-third of the SMEs have indicated good level of satisfaction towards their online presence while less than one-tenth of them only have expressed dissatisfaction with their online presence. This again stresses the fact that small businesses can make good gain by digitalising their business, which would result in them getting good level of satisfaction with their online presence.

**Keywords:** SMEs, Online business, Benefits, Satisfaction.

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## I. INTRODUCTION

Micro enterprises are those which have invested not more than Rs. 25 lakhs on plant and machinery (in the case of manufacturing business while the ceiling is Rs. 10 lakhs in the case of firms engaged in services). Small enterprises are those which have invested Rs. 25 lakhs to 5 crores on plant and machinery (in the case of firms engaged in manufacturing while it is Rs. 10 lakhs to 2 crores in the case of firms engaged in services). According to 2016-17 annual report of Ministry of MSMEs, SMEs contributed to 40% of India's GDP, 21% of country's employment and 21.9% of the country's exports. However, SMEs have contributed to almost 40% of India's exports just five years before.

### Importance of SMEs

SMEs play a significant role in ensuring sustained development of a nation. They contribute to significant part of the nation's production, employment, exports and GDP.

### Challenges Confronted by SMEs

Despite SMEs resulting in better Team Spirit, entrepreneurs having direct control over the enterprise and decision-making process and availability of many government's schemes for providing financial and other assistance, their survival has been threatened by many factors. They confront numerous challenges posed by both internal and external environmental factors. Ever-changing social, political, economic and cultural conditions, changing market conditions, environmental changes and turbulent market conditions complicate smooth functioning of the SMEs while internal conditions casting a bearing on the smooth functioning of SMEs include availability of skilled personnel, finance at economic rates, upgraded technology and quality inputs for enhancing production and productivity and other internal infrastructural facilities available in the firm. Further, extensive competition from other sectors pose serious threat to

the very survival of the SMEs. These factors have largely affected SMEs, leading to decline in contribution made by them to the country's exports. Finance appears to be the major hindrance for growth of the SME sector while competition posed to them by other larger firms from rest of the country and the world is shaking their very existence. Volatility of the economy is also testing the competence of SMEs to survive.

However, it has been well established that SMEs need to be nurtured as they contribute to the employment of innumerable persons in the country. To confront the challenges posed by changing environment, it is indispensable for the SMEs to chalk out innovative plans and programmes to tackle the threat posed to them and converting such threat into opportunities. Digitalising the business is one such effective strategy which could be utilised by the SMEs to protect themselves from being killed.

This paper has made an attempt to study the benefits gained by SMEs due to digitalisation of their business and satisfaction derived by them out of their online presence.

## II. REVIEW OF LITERATURE

Australian bureau statistics (1998, 1999) exposed the prevalence of substantial favourable effect of usage of computer and web resources on augmentation and performance of small sized firms in the form of enhanced earnings for them.

Bartezzaghi and Ronchi (2003) have indicated that using digitalisation by businesses for procuring improves the efficiency of acquiring needed inputs for business, reduces cost of transactions and encourages effective mode of collaborating with vendors.

KPMG report (2018) has commented that online users in India has crossed the 45 crore mark and the number of online visits shall exceed a whopping 2 crores by 2021 while the French report UFB-locabail (2000) reported that online usage by SMEs results in them accomplishing better profits, sales, investment and overall performance.

Kandampully (2003) talks about e-markets and e-hub and comments that online business shall be the

best suited business model, especially for B-B businesses.

Kehoe and Boughton (2001) have loaded the role of online media in enhancing the efficiency of supply chain in manufacturing industries as all data pertinent to the market forces are made readily available which can be used by the firms to foresee and forecast with greater degree of reliability, fluctuating demand conditions.

Mccormack and Kasper (2002) have found that online presence of businesses has resulted in digitalising the supply chain process, thus enhancing efficacy of supply chain, especially in the B-B Business model by effectively linking vendors and clients of the business.

Mullane et al. (2001) have advocated that B-B businesses with online presence can reap the advantages of enhanced customer-base, market penetration at world level and diversification of products.

Murtaza et al. (2004) suggested that digitalisation of business results in minimisation of cost and maximisation of efficacy while Rasmussen (2000) has hinted that digitalisation of business shall result in decline in marketing and selling expenses, enhanced market penetration and lesser locking of funds on stocking. Hence, digitalisation of business results in maximising efficacy and minimising cost which are the twin goals of any business. However, Proudlock et al. (2009) have exposed that small sized firms gain very little from digitalisation of business due to high cost and non-availability of sufficient data for such small firms.

Pujari (2004) have identified that the B-B business model utilising online presence by small firms in Canada derive satisfaction from such online presence and such satisfaction is driven by some important factors such as minimising time and cost, enhanced reliability, pace of transactions, process efficacy, any-time accessibility and convenience.

Rowley (2004) has observed that online presence serves as an effective outlet to market goods as it facilitates accessibility, interactivity, ubiquity and integration of transmission of information with the

servicing and delivering processes, thus aiding trade and industrial transactions. Digitalisation facilitates creation of relations as information can be transmitted to vast sections of people in a very effective and economical manner, thereby resulting in exposing the business to people which finally ends up with immense value creation.

Sharma (2002) has remarked that online business is changing the B to B operations by boosting the efficacy of conducting operations yielding comparative advantage to firms opting for online business than those sticking to the orthodox manual business. The author has cited the instance of Dell gaining tremendously in the computer market when compared with companies like Compaq using the orthodox marketing mechanism. Hence, the author has concluded that business firms utilising online can best serve requirements of their customers which might cast a serious influence on element of cost and time, competition and situation of business.

StaticsCanada (1997) has unearthed that online presence has cast a positive bearing on business performance of smaller sized firms with drastic reduction in defects of transmission of data, enhanced pace of completing payment mechanism, close interaction with stakeholders and increased pace of successfully evolving new products.

Subramaniam et al. (2003) have found that acquisition of inputs needed for business in the form of procurement using electronic media is easy, effective and highly satisfying for the firms as it reduces possibilities of committing mistakes and eccentric purchasing associated with lesser effective and difficult process of doing the purchases manually. They have also found that purchasing through electronic mode has contributed to enhancing centralising the buying mechanism.

US SBA (1999) has reported that more than three-fourth of the small business firms (78%) are using online platform for their business to expand their market hold.

Williams et al. (2001) have hinted on the backdrop of economies going hard for globalising, customising and catering to requirements of

customers, business establishments belonging to the older economies might find it difficult to adopt to the demands of emerging economies and going online shall be the best option for such firms to confront the threats posed to them and converting such threats to opportunities.

Yetton et al. (1994); Sanctosus (1995) have commented that small sized business firms can make significant gains from digitalising their business.

Zinkhan (2002) commented that online presence of business results in great revolution in business as it enhances the efficacy of creating, promoting and delivering services.

A close scrutiny of available literature have revealed that doing business through online is beneficial to all types of firms. Studies have hinted that online business is highly beneficial for small sized firms. However, there has been a dearth in studies on benefits gained by SMEs through online presence under Indian context and this study tries to use this gap and throw light on benefits gained by SMEs in India from online presence and their satisfaction level with doing online business.

### Objectives of the Study

- To assess the benefits gained by SMEs through online business;
- To assess the level of satisfaction derived by SMEs from doing online business;
- To unearth the impact exerted by benefits gained from online presence on the level of satisfaction derived by the SMEs from their online presence.

### Methodology

This study is descriptive in nature, based purely on primary data collected by administering a structured questionnaire to entrepreneurs managing 406 SMEs, located in the metropolitan city of Chennai, selected using Convenience Sampling method. Data collected have been tested for validity, Homogeneity, multicollinearity and normality and

then analysed using SPSS, employing the statistical tools of Frequency, Percentage, Mean, Cluster Analysis, Chi-Square Analysis and Correspondence Analysis.

### DATA ANALYSIS AND REPRESENTATION

#### Demographic Characteristics of the Small and Micro Entrepreneurs

37.4% of the entrepreneurs surveyed are aged 30-50 years while 55.2% are aged less than 30 years and 7.4% are aged above 50 years; 32.8% are females while 67.2% are males; 1.7% of the entrepreneurs do not possess any formal education while 7.6% possess diploma/technical education, 37.9% have education upto school level, 37.4% possess graduation and 15.3% possess post-graduation as their educational qualifications; 69.0% are first generation entrepreneurs while 31.0% are not first generation entrepreneurs.

#### Characteristics of the SMEs Surveyed

8.9% of the SMEs are engaged in contractual job, 19.5% are engaged in manufacturing, 34.2% are engaged in providing services and 37.4% are engaged in retailing/reselling; a mere 3.9% of the SMEs are engaged in business for less than 2 years, 9.1% for more than 10 years, 30.3% for 2-5 years and 56.7% are engaged in business for a period of 5-10 years; 9.4% are operating their business with an investment of more than Rs. 10 lakhs, 15.0% have investment of less than Rs. one lakh, 42.1% have investment of Rs. 1-5 lakhs and 33.5% are operating with an investment of Rs. 5-10 lakhs; 16.0% are able to manage a monthly turnover of less than Rs. 50,000, 12.1% have monthly turnover of more than Rs. 2 lakhs, 28.3% have monthly turnover of Rs. 1-2 lakhs and 43.6% are managing a monthly turnover of Rs. 50,000-100,000; 11.3% are managing to earn a monthly net profit of less than Rs. 5,000, 34.0% are earning Rs. 5,000-10,000, 27.8% are earning Rs. 10,000-20,000 and 26.8% are earning monthly profits of more than Rs. 20,000; 78.1% of the SMEs

are operating with less than 20 employees, 10.6% have 20-50 employees and 11.3% are operating with more than 50 employees; 50.2% of the SMEs are operating with less than 3 IT staff, 43.6% have 3-5 IT staff and 6.2% have more than 5 IT staff; 30.3% of the SMEs have utilised both self and borrowed funds for digitalising their business while 46.3% have used own funds and 23.4% have used borrowed funds for digitalising their business; 51.0% of the SMEs are in online business for the past 2-5 years while 33.5% for more than 5 years and 15.5% have online presence for less than 2 years; 31.8% of the SMEs do not have a formalised Online investment evaluation and benefits realization methodology while 68.2% possess such a methodology.

Benefits Derived by the SMEs due to their Online presence

Benefits derived by the SMEs due to online presence has been obtained in Likert's five point scale statements and the outcome is displayed in table 1.

**Table 1:** Benefits Derived from Online Presence

Benefit	Mean
return on capital employed	3.0369
Turnover	3.2291
Market expansion	3.3818
24-hour accessibility	3.6207
Providing better customer service	3.5123
Achieving more customer satisfaction	3.6133
Gaining good Image at national level	3.7365
Enhanced efficiency of sales staff	3.6847
Lowering cost	3.6724
Good Customer Relations Management	3.8892

SMEs have been largely benefitted through their online presence on grounds of bettering customer relations management, gaining good image at national level, enhancing efficiency of sales personnel, Lowering cost, providing 24-hour accessibility to customers, achieving better customer satisfaction and providing better customer service. They have been benefitted to an average extent on grounds of market expansion, bettering turnover and

enhanced return on capital employed.

Grouping the SMEs based on Benefits Derived from Online presence

**Table 2:** Grouping SMEs Based on Benefits Derived from Online Presence

Benefit	C1	C2	C3	F	Sig.
return on capital employed	3.72	2.81	1.39	188.174	0.000
Turnover	3.97	2.71	2.02	237.744	0.000
Market expansion	4.03	3.15	1.84	204.527	0.000
24-hour accessibility	4.12	3.39	2.53	92.954	0.000
Providing better customer service	3.98	3.29	2.53	74.040	0.000
Achieving more customer satisfaction	4.24	3.13	2.69	111.715	0.000
Gaining good Image at national level	4.22	3.46	2.80	73.068	0.000
Enhanced efficiency of sales staff	4.23	3.31	2.77	84.405	0.000
Lowering cost	4.18	3.47	2.52	91.039	0.000
Good Customer Relations Management	4.28	3.74	2.97	51.551	0.000
No. of Cases	202	140	64		

Based on benefits derived by SMEs from their online presence, they have been grouped into three categories using Cluster Analysis. All statements used to assess the benefits derived by the SMEs from their online presence has played a significant part in the grouping process as the F values in respect of all the statements is statistically significant at one per cent level.

Based on the mean values, the three clusters may be labelled as "Well Benefitted Firms", "Reasonably Benefitted Firms" and "Slightly Benefitted Firms", each encompassing 202, 140 and 64 SMEs respectively

Association Between Demographic

Characteristics of Entrepreneurs and Clusters (Benefits from Online Presence)

The prevalence of substantial association between the clusters formed on the basis of benefits derived by the SMEs from their online presence and the demographic characteristics of the entrepreneurs has been exposed using Pearson Chi-Square Analysis and the results are showcased in table 3.

**Table 3.** Association Between Demographic Characteristics of Entrepreneurs and Clusters (Benefits from Online Presence)

Profile	Pearson Chi-Square	Profile	Pearson Chi-Square
Age	0.000	Gender	0.000
Education	0.003	Entrepreneurship Generation	0.000

Table 3 exposes the prevalence of substantial association between the demographic characteristics of entrepreneurs and the clusters of SMEs formed on the basis of benefits derived by them due to their online presence. The nature of such association has been explored using Chi-square Analysis and Correspondence Analysis and the results are showcased in table 4 and figures 1-2.

**Table 4.** Association Between Entrepreneurship Generation and Clusters (Benefits from Online Presence)

Profile	Well Benefited firms	Reasonably Benefited Firms	Slightly Benefited firms		
Entrepreneurship Generation	First Generation	164	85	31	280
	Not First Generation	38	55	33	126
Gender	Males	149	92	32	273
	Females	53	48	32	133

Larger number of SMEs run by male, female and

first generation entrepreneurs have been well benefitted by their online presence followed by those which have been reasonably benefitted and those which have been slightly benefitted. However, larger number of SMEs run by entrepreneurs who are not first generation entrepreneurs have been reasonably benefitted from their online presence while the number of firms which have been well benefitted and slightly benefitted do not differ by much.

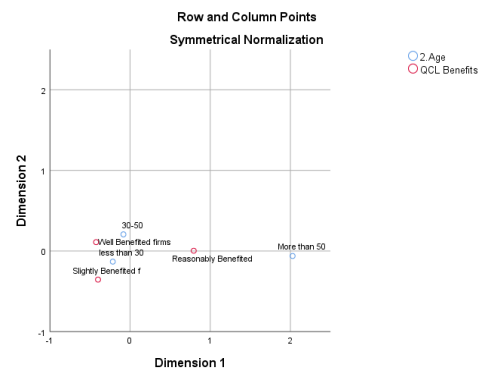


Fig 1: Association Between Age of Entrepreneurs and Clusters (Benefits from Online Presence)

SMEs run by entrepreneurs aged 30-50 years have been well benefitted by their online presence while those run by young entrepreneurs aged less than 30 years have been slightly benefitted.

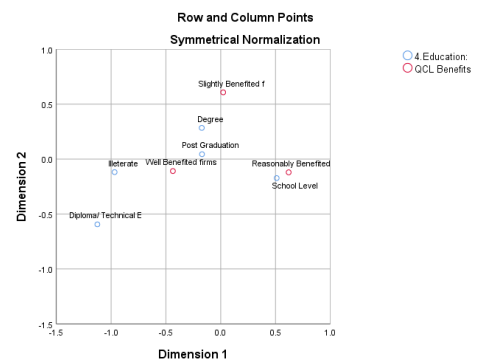


Fig 2: Association Between Educational Qualifications of Entrepreneurs and Clusters (Benefits from Online Presence)

SMEs run by entrepreneurs possessing post-graduation as their education have been well benefitted due to their online presence while those run by entrepreneurs with school level education have been reasonably Benefited and those SMEs run by entrepreneurs with degree qualifications have been slightly Benefitted

Association Between Demographic

Characteristics of SMEs and Clusters (Benefits from Online Presence)

The prevalence of substantial association between the clusters formed on the basis of benefits derived by the SMEs from their online presence and the demographic characteristics of the SMEs has been exposed using Pearson Chi-Square Analysis and the results are showcased in table 5.

**Table 5.** Association Between Demographic Characteristics of SMEs and Clusters (Benefits from Online Presence)

Profile	Pearson Chi-Square	Profile	Pearson Chi-Square
Nature of Business	0.003	Length of Existence	0.000
Investment	0.000	Turnover	0.000
Net Profits	0.132	Staff Strength	0.000
IT Staff	0.013	Source of Funds	0.000
Period of Online Presence	0.006	Presence of online investment evaluation methodology	0.000

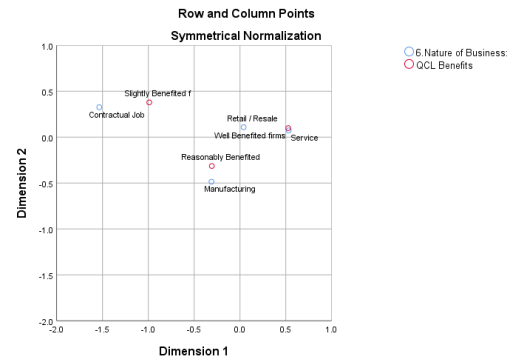
Prevalence of substantial association has been exposed between all demographic variables of the SMEs surveyed excepting net profits at one per cent level and the nature of such association has been explored using Chi-square Analysis and Correspondence Analysis and the results are depicted in table 6 and figures 3-10.

**Table 6.** Association Between Presence of Online Investment Evaluation Methodology and Clusters (Benefits from Online Presence)

Presence of Online Investment Evaluation Methodology	Well Benefited firms	Reasonably Benefited Firms	Slightly Benefited firms	
Yes	164	103	10	277
No	38	37	54	129
Total	202	140	64	406

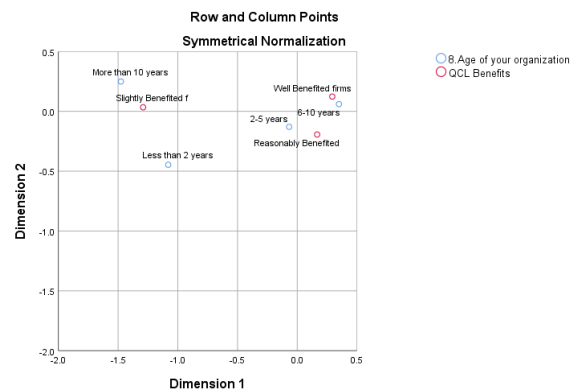
Larger number of SMEs possessing a formalised online presence investment methodology have been well benefitted from their online presence followed by those which have been reasonably benefitted and

finally by those which have been slightly benefitted while larger number of SMEs without such methodology have derived only slight benefit from their online presence followed by those which have been well and reasonably benefitted.



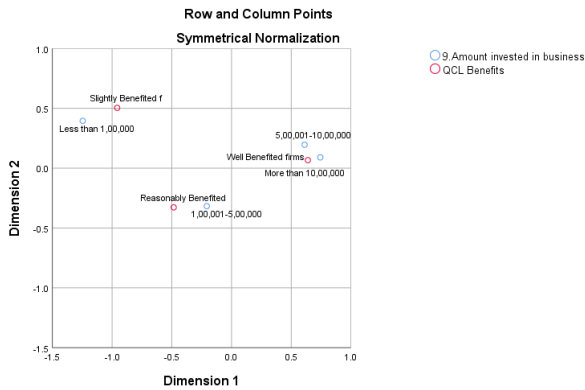
**Fig 3:** Association Between Nature of Business of the SMEs and Clusters (Benefits from Online Presence)

SMEs engaged in services business have been well benefitted by their online presence while those engaged in manufacturing has been reasonably Benefited and those engaged in contractual jobs have been slightly Benefitted.

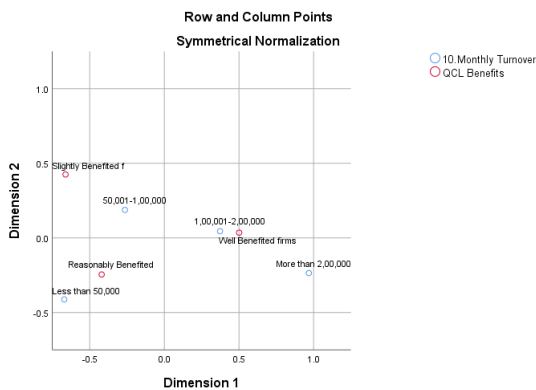


**Fig 4:** Association Between Age of the SMEs and Clusters (Benefits from Online Presence)

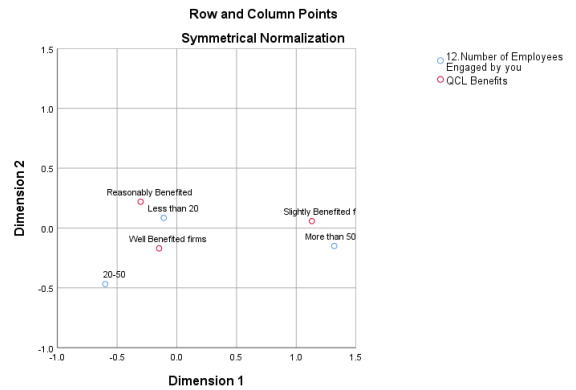
SMEs engaged in business for a period of 5-10 years have been well benefitted by their online presence while those in business for 2-5 years have been reasonably Benefited and those in business for a longer period of more than 10 years have been slightly Benefitted



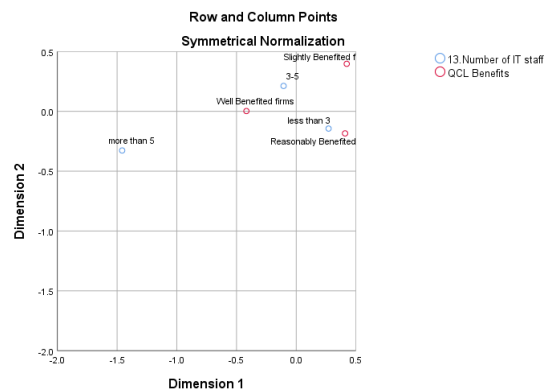
**Fig 5: Association Between Investment of the SMEs and Clusters (Benefits from Online Presence)**  
SMEs operating with high volume of investment in excess of 10 lakhs have been well benefited by their online presence while those operating with an investment of 1-5 lakhs have been reasonably Benefited and those operating with lesser investment of less than Rs. 100,000 have been slightly Benefitted.



**Fig 6: Association Between Turnover of the SMEs and Clusters (Benefits from Online Presence)**  
SMEs operating with higher volume of monthly turnover in excess of Rs. 100,000 have been well benefited by their online presence while those operating with monthly turnover of less than Rs. 50,000 have been reasonably Benefited and those with monthly turnover of Rs. 50,000-1,00,000 have been slightly Benefitted.



**Fig 7: Association Between Staff Strength of the SMEs and Clusters (Benefits from Online Presence)**  
SMEs operating with staff strength of less than 20 employees have been reasonably Benefited by their online presence while those operating with staff strength in excess of 50 employees have been slightly Benefitted.



**Fig 8: Association Between IT Staff Strength of the SMEs and Clusters (Benefits from Online Presence)**  
SMEs operating with 3-5 employees with IT backing are well benefited by their online presence while those with less than 3 such employees are reasonably Benefited and those operating with IT staff in excess of 5 are slightly Benefitted.

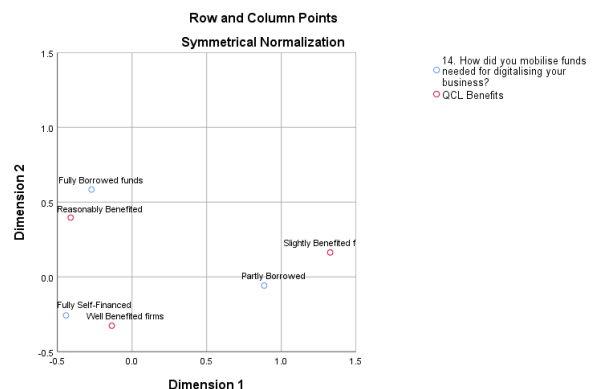


Fig 9: Association Between Source of Funds of the SMEs and Clusters (Benefits from Online Presence)

SMEs who have used their own funds for digitalising their business have been well benefited by their online presence while those which have used purely borrowed funds for digitalising their business have been reasonably Benefited and those which have used both self and borrowed funds have been slightly Benefitted.

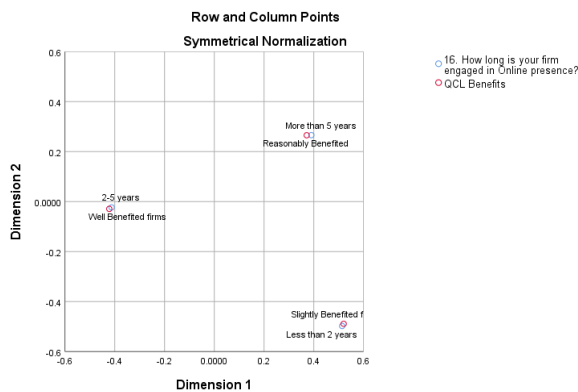


Fig 10: Association Between Period of Online Presence of the SMEs and Clusters (Benefits from Online Presence)

SMEs which have been in online business for a period of 2-5 years have been well benefited by their online presence while those which are in online business for more than 5 years have been reasonably Benefited and those in online business for a shorter period of less than 2 years have been slightly Benefitted

Satisfaction of the SMEs with Online Presence

The level of satisfaction derived by the SMEs due to their online presence has been obtained in a five point scale statement and the outcome is displayed in

Table 8. Impact of Benefits Derived by SMEs from their Online Presence on their Satisfaction towards such Presence

R <sup>2</sup>	Factor
0.261	Constant
	return on capital employed
	Turnover
	Market expansion

Coefficients				Model Fitness	
B	Std. Errir	T	P	F	Sig.
3.320	.277	11.987	.000	4.206	0.000
.130	.054	2.436	.015		
.151	.063	2.409	.016		
.027	.060	.450	.653		

table 7.

Table 7: Satisfaction Derived by the SMEs from their Online Presence

4.4 Level of Satisfaction with Online Presence

The extent to which the enterprises surveyed are satisfied with their online presence is highlighted in table 4.15.

Table 4.15: Level of Satisfaction of the Enterprises with their Online Presence

Extent of Satisfaction	N	Per cent	Overall Mean
Very Low	25	6.2	3.6798
Low	10	2.5	
Average	104	25.6	
High	198	48.8	
Very High	69	17.0	
Total	406	100.0	

8.7% of the SMEs display lower level of satisfaction with their online presence, 25.6% display average level of satisfaction, 48.8% display good degree of satisfaction while 17.0% display very high level of satisfaction with their online presence. The overall mean of 3.6798 suggest that the SMEs have good level of satisfaction with their online presence.

Impact of Benefits Derived by SMEs from their Online Presence on their Satisfaction towards such Presence

The impact exerted by benefits derived by SMEs from their online presence on satisfaction derived by them towards such presence has been explored using Regression Analysis and the results are showcased in table 8.

24-hour accessibility	.128	.057	2.261	.024
Providing better customer service	.123	.056	2.197	.029
Achieving more customer satisfaction	-.042	.055	-.757	.449
Gaining good Image at national level	-.081	.054	-1.509	.132
Enhanced efficiency of sales staff	.032	.053	.608	.543
Lowering cost	-.006	.053	-.115	.908
Good Customer Relations Management	-0.074	0.052	-1.426	0.155

Table 8 suggests that the ten independent variables explain 26.1% variance of the dependent variable. Further, the Regression model is perfectly fit at one per cent level of significance as the F value in respect of model fitness is significant. Most importantly, the components of benefits gained by the SMEs from their online presence namely, enhanced turnover, return on capital employed, 24-hour accessibility and providing better customer service, are casting significant impact on satisfaction derived by the SMEs from their online presence.

#### Inferences from the Study

The SMEs surveyed have derived good degree of benefits in terms of bettering customer relations management, gaining good image at national level, enhancing efficiency of sales personnel, Lowering cost, providing 24-hour accessibility to customers, achieving better customer satisfaction and providing better customer service while they have derived average benefits in terms of market expansion, bettering turnover and enhanced return on capital employed.

Enhanced turnover, return on capital employed, 24-hour accessibility and providing better customer service are casting significant impact on satisfaction derived by the SMEs from their online presence. Turnover and Return on Capital Employed are important determinants of satisfaction of SMEs towards online presence. However, the SMEs have derived only average level of benefits in these two grounds which is a matter of concern. 24-hour

accessibility and providing better customer service are also important determinants of satisfaction of SMEs towards online presence and the SMEs have managed better benefits on these two grounds which is an encouraging scenario.

202 SMEs have derived better benefits from their online presence while 140 have derived modest benefit which again is quite encouraging as more and more SMEs are getting benefitted from online presence. This implies that online business is definitely beneficial for small businesses.

Larger number of SMEs run by first generation entrepreneurs have been well benefitted by their online presence while those SMEs run by entrepreneurs who have some entrepreneurship backing are benefitted only to modest extent and not to large extent. Probably, SMEs run by fresh entrepreneurs have strong vigour towards utilisation of technology for their business which might be missing among traditionally bound entrepreneurs. SMEs run by middle aged and highly educated entrepreneurs, SMEs with a formal online presence investment methodology, those engaged in business for 5-10 years, those operating with high volume of investment in excess of 10 lakhs, those engaged in service business, those which have been in online business for 2-5 years, those operating with 3-5 IT staff, those which have used self funds for digitalising their business and those managing higher monthly turnover in excess of Rs. 100,000 have been well benefitted from their online presence while SMEs engaged in manufacturing, those in business for 2-5 years, those operating with an investment of 1-5 lakhs, those with less than 3 IT staff, those

operating with staff strength of less than 20, those in online business for more than 5 years, those which have used purely borrowed funds for digitalising their business and those operating with monthly turnover of less than Rs. 50,000 have been reasonably Benefited. SMEs engaged in contractual jobs, those in business for a longer period of more than 10 years, those in online business for a shorter period of less than 2 years, those operating with staff strength in excess of 50 and IT staff in excess of 5, those which have used both self and borrowed funds and those operating with investment of less than Rs. 100,000 have been slightly Benefitted by their online presence.

Overall level of satisfaction of the SMEs with their online presence is quite good. Almost two-third of the SMEs have indicated good level of satisfaction towards their online presence while less than one-tenth of them only have expressed dissatisfaction with their online presence. This again stresses the fact that small businesses can make good gain by digitalising their business, which would result in them getting good level of satisfaction with their online presence.

### III. CONCLUSION

Small businesses can make immense gains by digitalising their business. With the Digital India campaign gaining momentum, digitalisation of business will become imperative and inevitable for small businesses and with good gains derivable from such digitalisation, firms will doubly happy with going ahead with digitalising their business.

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