

Major Research Project on Hyperlocal Digital Marketing Awareness and Adoption Among Indian Users

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CERTIFICATE FROM THE INSTITUTION

This is to certify that Mr. Ravi Ranjan roll no. 24/DMBA/184 has submitted the major research project report on “Hyperlocal Digital Marketing Awareness and Adoption Among Indian Users” in partial fulfilment of Master of Business Administration (MBA) program from Delhi School of Management, Delhi Technological University, New Delhi during the academic year 2024-26.

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DECLARATION

I, Ravi Ranjan hereby, declare that the presented major research project report titled “Hyperlocal Digital Marketing Awareness and Adoption Among Indian Users” is uniquely prepared by me. I also confirm that the report is only prepared for my academic requirement, not for any other purpose. It might not be used in the interest of any party.

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EXECUTIVE SUMMARY

This study looked at how people in India understand and react to digital marketing, which is like the ads and messages you see on Google, Meta, Swiggy, Zomato, Blinkit, Snabbt, Zepto and so on. The study focused on four parts of how people interact with these ads:

- awareness, if they have heard of hyperlocal digital marketing
- familiarity, if they really understand what it is
- perception, if they think it is a way to spend money
- recommendation, if they would suggest it to others.

The study used a survey that was online and filled out by participants. Responses came from 121 people across six states in India. Most of these persons were between the ages of 18 and 35 years of age, had a college degree, and lived in the cities or towns. This makes them a fantastic group to examine, since they use the internet on their phones a lot and see commercials all the time.

One of the key findings of the study was that people who are aware of marketing are also aware of the methods that are used therein. Just because individuals are aware of it and think it's a decent way to spend money, doesn't imply they'll recommend it to other people. The study also showed what is known as the "awareness-exposure paradox". folks who view location-based ads all the time actually know less about marketing than folks that never see similar ads. This implies that just serving consumers advertising doesn't help them get a sense of what hyperlocal marketing is and how it works. It might even get them sick of commercials and tune them out.

So, the report says India doesn't have a problem with technology, with reaching people, with marketing. The difficulty is that people don't comprehend what it is, and how it works. Hyperlocal marketing is happening around them; they don't have the vocabulary to explain it or grasp how it may help them. It implies corporations and platforms need to do more than provide people ads. They must teach people about marketing and how it may improve their businesses. The report suggests that firms need to think carefully about how they may use location-based technologies to achieve their objectives, rather than simply using buzzwords

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CHAPTER 1: INTRODUCTION

1.1 Overview

Digital ecosystems have revolutionized marketing from mass communications to precise data-driven engagement. In this shift, hyperlocal marketing was born and defined as a type of marketing that targets consumers with hyper-relevant messages in hyperlocal areas. It underscored the principle of 'keep it local' and 'keep it timely' so that companies can engage with consumers at the right places and at the right time. Hyperlocal digital marketing went further, combining "place" with digital platforms like search, social media, mobile apps and programmatic advertising. It was about using technologies like GPS, geofencing, real time data analytics and engaging consumers in specific locations, typically a few kilometres or even meters away. For example, when a user searches for "cafes near me" on Google, the results and ads they see are tailored to their location, demonstrating hyperlocal targeting.

This was a change from the usual digital marketing techniques, which were mainly based on the demographic, psychographic or behavioural segmentation of the market and not on geographic closeness. Traditional digital campaigns were targeted at a wider audience or region, whereas hyperlocal campaigns were targeted at the local level, emphasizing relevance and increased conversion rates.

As people are increasingly using the internet via their smartphones and the number of location-enabled services are rapidly increasing, hyperlocal digital marketing has entered the mainstream across the globe, and this trend has gained momentum in emerging markets such as India. Nearby consumers now have the ability to learn about businesses that are offering their products and services and respond accordingly with customized messages and offers, giving businesses, including the small business, a chance to compete more effectively.

Even as its significance increases, there was a significant gap between consumer awareness of hyperlocal marketing practices and their conceptualisation of it. Many consumers used location-based advertising and services without being aware that they were part of a marketing plan. This

discrepancy between exposure and awareness was the inception of the present study aimed to look into the impact of familiarity and perceptions on adoption and recommendation behaviours in the Indian context.

1.2 Background

The digitization of India in the last decade has paved the way for hyperlocal digital marketing. The last ten years have seen a significant shift towards digitalization in India, which has paved the way for hyperlocal digital marketing. The growing penetration of the internet due to cheap smart phones and cheap data charges led to a huge rise in digital participation among urban and semi-urban population. As per Telecom Regulatory Authority of India (TRAI), India has had more than 850 million internet subscribers by the end of 2024, and a significant number of them were accessing the internet through a mobile device (TRAI, 2024). Statista (2025) has also predicted that it will remain a growing market, making India one of the largest digital consumer markets in the world.

This explosion in connectivity has changed consumer behaviour in a way never seen before. Increasingly people used digital services to find their way, find food, do shopping and access local services and amenities. The coming of age of location-based services (LBS) with the likes of Google Maps, Swiggy, Zomato, and Urban Company brought real-time geographic data to the forefront to deliver highly personalised user experience. Eatery delivery firms are now suggesting eating places depending on your proximity. These are examples of hyperlocal ideas in motion. Platforms like these are connecting people to local professionals. Targeting locally, too, started to look like a good idea to companies. According to industry reports, Indian SMEs are increasingly adopting digital solutions to improve transparency and customer interaction. According to a report by Google and KPMG India (2023), more than 75% of Indian Small and Medium Enterprises (SMEs) had a digital presence, but only a small percentage were using advanced targeting methods like local SEO or geo-targeted advertising. This meant that digital was well used but not used strategically. The economic structure of India made hyperlocal digital marketing an important medium of digital marketing in India. Many small and local businesses were an important part of India's economy, with operations

limited to specific geographic areas. Hyperlocal strategies were found to be cost-effective options for these companies that can reach consumers in the local area, as opposed to mass advertising campaigns. Not only did this increase the efficiency of marketing, but it also helped to encourage community-based commerce and support the local economy.

Further evidence of the importance of hyperlocal models comes from market projections. By the late 2020s, Indian delivery, logistics, and local commerce hyperlocal services market is expected to grow by more than 20% (CAGR), reaching beyond 2025 (Statista, 2025). With the rise of fast commerce, same day delivery and on-demand services, the need for accurate geographical targeting was reinforced.

The existing literature mainly concentrated on technological adoption and platform growth and neglected the cognitive and perceptual aspects of user's awareness and decision making. Investigating the process of users' transition from exposure to familiarity, perception, and eventual adoption became imperative for both academic investigation and application.

1.3 Problem Statement

Hyperlocal digital marketing practices led to significant exposure of the users to these practices in India due to the rapid growth of digital infrastructure and location based technologies. Geographically targeted ads, the “near me” search results and app recommendations all engaged users on a frequent basis. Likewise, SMEs also had access to digital platforms to promote themselves locally. But higher exposure did not lead to the awareness of concepts or strategic use.

The key question to be answered in this study was:

The exposure to location-based ads is growing among SMEs and small businesses, but there is a lack of conceptual awareness about hyperlocal marketing as a strategy, and research into the barriers to adoption, beyond access, is limited.

This issue was reflected in three areas.

1. High exposure did not translate to high awareness: Users were seeing hyperlocal ads but were not always aware of them being part of a hyperlocal marketing campaign. For example, a customer using a food

delivery application might get location based suggestions without realizing the importance of geo targeting and algorithmic personalization. This meant that it was a superficial level of interaction with technology and a lack of understanding.

2. Adoption barriers were perception-based: Digital tools were available and becoming more user-friendly, but many SMEs were not keen to use a hyperlocal approach because they saw it as complex, were unsure of the ROI and were unclear about how to implement it. The barriers indicated that the cognitive barriers (including perceived usefulness, ease of use, value) were more prominent than infrastructural barriers, which is consistent with the Technology Acceptance Model (TAM).
3. Limited empirical studies existed in the Indian context that explored the relationship between awareness, perception and adoption of hyperlocal marketing. Current research was mostly conducted in developed countries or on the general digital marketing campaign and there was a lack of focus on understanding the pathway Indian users took from awareness to adoption.

1.4 Objectives Of The Study

Primary Research Question

“To empirically examine the difference between exposure to hyperlocal digital marketing and awareness about it; and how perception of cost-effectiveness affects its adoption and recommendations by Indian users”

Secondary Research Questions

- To know about the AIDA awareness journey, from exposure to familiarity, perception to recommendation, based on a known model like AIDA model (Attention, Interest, Desire, Action).
- To find out which factors were important for the adoption of hyperlocal digital marketing in India as suggested by TAM such as perceived usefulness, ease of use and value perception.

- To understand the relative effects of demographic factors (e.g., age, occupation, and digital usage patterns) and perceptual factors (e.g., trust, cost-effectiveness, and relevance) on adoption decisions.
- To assess the impact of the perceived cost-effectiveness on recommending hyperlocal marketing strategies/platforms.
- To give actionable recommendations to SMEs, marketers and digital agencies to increase awareness, improve user perception and boost the adoption rate.

1.5 Scope Of The Study

The purpose of the research was to narrow the scope of this study for clarity, relevance, and feasibility.

The study was conducted geographically in India and the focus was on the digitally active population in urban and semi-urban areas. These areas had also higher penetration rates and usage of digital platforms, which enabled the study of hyperlocal marketing practices.

In terms of time, the study used a cross-sectional design which was used to collect data at one time. This allowed for an understanding of awareness, perception, and behavioral patterns at the present time without requiring the monitoring of changes over a long period of time.

Response groups were a mixed group of students, working professionals, and small business owners. The diversity enabled for a wider understanding of the perception and interaction of hyperlocal marketing by various user segments. It was a conceptual study which focused only on the digital marketing platforms and tools using location marketing like Google Ads, Facebook location targeting, Swiggy, Zomato etc. These were the concrete applications of hyperlocal approaches in real-life consumer interactions.

The study excluded:

- Traditional (Conventional (non-digital) advertising like print, television or outdoor ads.
- Non-location-based digital marketing strategies which were not geographic targeting-based.
- Offline case studies or field experiments

1.6 Limitations Of The Study

While the study made important contributions, it was also limited by a number of factors.

- The results were limited to generalizability due to the use of non-probability sampling method - convenience sampling. The sample may not be representative of the larger population of Indian.
- The number of respondents (121) was appropriate for exploratory analysis, but not sufficiently large to make broad generalizations for different demographic groups.
- The study might have been geographically concentrated, as participants from the most technologically advanced regions may have been more widely represented and rural or less connected areas may have been underrepresented.
- The data obtained were self-reported and may have been subject to a number of biases including social desirability bias and self-assessment errors.
- The study was of nature cross-sectional, taking perceptions at a single moment. Consequently, it did not measure over-time changes in awareness or behavior.
- In practice, perceived understanding and action intention were used to measure awareness, but this may not match actual adoption of the behavior or follow-through.

The limitations of this study led to the need for future studies with larger, more representative samples and longitudinal designs to confirm and expand upon this study's results.

CHAPTER 2: LITERATURE REVIEW

2.1 Hyperlocal Marketing: Concept & Evolution

Hyperlocal marketing can be considered an advanced version of the marketing approach that uses geography as the basis of targeting consumers within a very narrowly defined geographic space, such as a few city blocks, a neighborhood, or around a business location (Grewal et al., 2017; Wood & Solomon, 2020). Hyperlocal marketing is distinct from local marketing (for a single city/town) and regional marketing (for several cities or states) and from national marketing (which targets a nation-wide audience with a country-wide message) (Chaffey & Ellis-Chadwick, 2019). Hyperlocal approaches focus on micro areas, typically within 1-2 kilometres of a store/service point, and aim to connect with users when they are at their most "local" place and most receptive to the firm's offerings (Nilsen et al., 2020).

The foundation of marketing—geo-location based marketing—has traditionally been done in print media, radio, out of home media, and in-store promotions (Kotler et al., 2013). Such strategies enabled companies to connect with the consumers in their immediate vicinity, but they didn't offer real-time targeting, personalization, and measurable feedback. Since the development of GIS tools, GPS enabled devices and mobile Internet, location based services (LBS) have come into existence as a medium that connects the offline geography with digital communication, using real-time location tracking, user behavior and analytics to bring targeted content (Gao & Zang, 2016; Shankar & Balasubramanian, 2009). This transformation represented a paradigm shift from mass marketing, which relies on targeting messages to a large group of users, to targeting based on location, where the relevance of the message is determined by the user's precise location, context, and intent at a given time (Kannan & Li, 2017).

Digital platforms emerged as key enablers for hyper local marketing. Local and hyperlocal discovery happens on search engines like Google, where users perform "near me" searches, users find their products or services on Map listings and location-augmented paid ads in search engine results (Kannan & Li, 2017). Combining demographic filters with location restrictions that are extremely close, marketers can use the geo-targeted advertising, awareness

campaigns, and tools available on the social media platforms owned by Meta (Facebook and Instagram) to promote local businesses. In India, the concept of hyperlocal is incorporated in the business model of operational platform ecosystems, such as Swiggy, Zomato and Urban Company, by connecting users with nearby restaurants, grocery stores and service providers. These platforms are based on real-time location information, algorithmic matching, and logistics networks to facilitate last-mile delivery and on-demand services (Belanche et al., 2020; McKinsey & Company, 2019).

Hyperlocal marketing is important for small and medium-sized businesses not just as a competitive approach, but also as a business model enabler. The extensive marketing campaigns conducted nationally or regionally are typically not economically viable for SMEs, as these campaigns target their limited markets and have restricted budgets for marketing (Mahajan & Kaur, 2019). By investing locally in areas with the highest foot traffic and purchase intent, such companies increase their return on marketing investment (ROMI) with the help of hyperlocal tools. SMEs can benefit from local search optimization, geo-fenced digital advertising, and collaborations with hyperlocal platforms to become visible to their local audience, even to the extent that they can compete with larger brands and target local preferences and cultural nuances (Deloitte, 2020; Mittal, 2016). Hyperlocal strategies can be used to enhance the value proposition of quick commerce, on-demand services and proximity-based loyalty programs, and help perpetuate the connection between digital engagement and physical consumption (Grewal et al., 2017; Ramaswamy & Ozcan, 2016).

In general, the literature indicates that hyperlocal marketing is not a localized version of local marketing, but is a new paradigm in which segmentation, targeting and value delivery is based on real time location and micro-context (Wood & Solomon, 2020). The conceptual underpinning of the present study is the understanding of how users come to know of and interpret the offerings and how they later recommend them in digitally dense environments such as India.

2.2 Digital Marketing Adoption In India

India's digital landscape has been undergoing an accelerated evolution process, making it ripe for the diffusion of digital marketing concepts such as hyperlocal marketing and more advanced forms of digital marketing. According to recent data on telecommunications performance from India, the nation was estimated to have almost reached or surpassed a billion Internet subscribers by 2025, with 96 percent of these users accessing the internet using wireless mobile devices, thereby indicating the predominance of mobile-first connectivity in the country (Internet and Mobile Association of India & KANTAR, 2024; Telecom Regulatory Authority of India, 2025). Based on industry research, the overall number of engaged internet users in India had reached hundreds of millions, and the rural user growth was more than urban users, although the intensity of usage was more among the urban consumers (McKinsey & Company, 2019; Statista, 2024). At the same time, there's a huge growth in the spending related to digital marketing. Based on the data gathered from Statista, the digital marketing spends in India were expected to be around 410 billion INR in the financial year 2024 with an annual growth rate of about 30 percent due to the rising preference of advertisers towards online channels over traditional marketing techniques (Statista, 2024). The digital media industry is expected to continue its growth journey with a high CAGR, driven by significant investments from FMCG companies, e-commerce platforms and financial service firms adopting performance marketing strategies.

In the context of digital marketing practices within the SME sector, progress has been observed but limitations exist. Analysis conducted by industry sources indicates that although a majority of Indian SMEs possess a rudimentary presence in digital media-using social media sites, messaging applications, or marketplaces-just a minority engages in the use of advanced marketing tools like paid advertising or analytics solutions (Deloitte, 2020; Mahajan & Kaur, 2019; Mittal, 2016). Some of the significant obstacles include lack of funds, lack of in-house digital capabilities, and unclear methods of measuring or attributing returns from any digital marketing efforts. Such obstacles play out particularly in hyperlocal marketing which, even though

being relatively cost-efficient, demands knowledge of certain digital tools and approaches, such as local SEO, geo-fencing, and platform-based marketing, which is not necessarily known to all SMEs (Mahajan & Kaur, 2019).

Certain government initiatives have been undertaken to help boost digital involvement and increase readiness among entrepreneurs. The Digital India initiative seeks to develop and strengthen digital infrastructure, improve digital literacy and use of e-governance solutions, thus providing an enabling atmosphere for digital interactions and transactions (McKinsey & Company, 2019). Different schemes promoting startups and MSMEs focus on encouraging SMEs to join the world of digital marketing through onboarding and participating in e-commerce and digital payments processes. Even though these policies encourage technological advancement and digital platform use, they cannot guarantee conceptual knowledge (Kaur & Madan, 2013). Big cities like tier one and metropolitan cities spend money on digital advertising. Small and medium enterprises in these cities use marketing tools like Google Ads and Meta Ads. They also use food delivery and service apps like Swiggy, Zomato and Urban Company a lot.

Small cities and semi-urban areas are also part of these systems. They do not use them as much because they do not have the right infrastructure and skills. Some people in these areas also do not think digitalization is important as Mahajan and Kaur found out in 2019.

We can see that India has internet connectivity and the tools needed for hyperlocal marketing according to the Internet and Mobile Association of India and KANTAR in 2024 and the Telecom Regulatory Authority of India in 2025.. Just because people have access to the internet it does not mean they will use hyperlocal marketing. We need to talk about how having access to something affects whether people actually use it. This is important when we try to understand how people become aware of marketing what they think of it and whether they adopt it which is what this paper is, about.

2.3 Consumer Awareness & Perception Gap

The marketing person's world is usually having a person is aware of a brand or product. This can be as simple as remembering the name, or as complex

as knowing what it does. What makes it good. There are two ways to increase marketing awareness. The first one is when somebody simply comes across an ad because they are in an area. The second way is if somebody, knows that the ad is a part of an initiative to bring somebody that area to purchase something.

Knowing the difference between seeing and being aware of is really important. Once you see it, you've seen an ad. It doesn't need to be considered. This can be when you're using the apps or shopping for things on the internet. If you thought about the ad and had an idea about what it meant, then you are aware of it. If you are in marketing, you may receive numerous messages on your phone of deals that are close by and don't even know how they came to be on your phone. This can occur if you receive many messages. What their meanings are are not really a factor in your mind.

The views of people on marketing matters a lot. It can make them like a product or not. People look at an ad, attempt to make sense of it, and how it makes them feel. The process of people going through stages upon seeing an ad, there is a model called AIDA. First they see it. Then they're interested. Then they want it! At the end they purchase it. This may occur in marketing when you see an advertisement on your cell phone and feel that it offers a great deal. It may be convenient to purchase something, or you can save money! You may not purchase if you are not familiar with the advertisement or you don't feel it's a good deal.

Many factors can sway people's perceptions of marketing. It can be affected by their trust in the company, annoyance of the ad and privacy sentiments. If an ad is useful and convenient people may want to read it. If it is bothering them or it appears to be looking at them, they may not like it. Some researchers believe that individuals make a purchase decision based upon what they believe they will receive and what they are giving up. When people believe that they will be getting a lot for their money and don't have to sacrifice much, they are more likely to buy it.

What does not seem to be taken into account in research is how people are made aware of marketing. Most studies only focus on what people do after having learned about it. They are not interested in how people find out about it at the place. This is a problem, because it's difficult to understand something,

if you don't know what it is. This study aims to correct this, by examining the source of awareness and the impact on awareness.

The hyperlocal marketing is crucial because there are individuals who may see numerous ads. They do not have a full understanding of what they mean. If they know how to use it, the hyperlocal marketing can be beneficial. They may become frustrated if they don't understand it. The hyperlocal marketing is like a jigsaw puzzle and individuals have to comprehend how the various pieces fit together.

The hyperlocal marketing is used by a lot of companies to get people to buy things. Advertisers must be cautious of the consumers getting bored of the ads. The hyperlocal marketing is a tool but it must be applied in a manner that will benefit people. The companies should ensure that individuals are aware of what they are doing and why. If used properly, the hyperlocal marketing can be a win-win situation for both the companies and people involved.

2.4 Technology Adoption Models

Technology adoption research offers a framework for analyzing and understanding how people and companies make decisions to adopt new technologies. Among the most important models is the Technology Acceptance Model (TAM), which states that attitudes toward technology are determined by perceived usefulness (the degree to which a person believes that using a system will enhance performance) and perceived ease of use (the degree to which a person believes that using the system will be free of effort) (Davis, 1989; Venkatesh & Bala, 2008). Numerous empirical studies have relied on TAM and the results have demonstrated that the two perceptions are important predictors of digital technology adoption across different digital technologies.

TAM constructs can be used for both consumers and SMEs when it comes to hyperlocal marketing. Perceived usefulness for consumers can be defined as the amount of effort they save in finding nearby options that are relevant to them, less time spent, or a better deal. Perceived ease of use might have to do with how easy it is to use apps, turn on location services, or redeem hyperlocal offers (Gao et al., 2013). For SMEs, usefulness might be a more successful customer reach, increased conversion rates, or better local

visibility; and ease of use concerns the amount of effort involved to set up and operate a geographically targeted campaign on a platform such as Google or Meta (Mahajan & Kaur, 2019; Mittal, 2016).

The present research framework builds on TAM, taking the perception of cost-effectiveness as a key addition. The cost-effectiveness is a concept similar to Perceived Value Theory (Zeithaml, 1988; Parasuraman & Grewal, 2000) that considers the perceived benefits and perceived financial or resource costs. Even a useful, easy-to-use tool may not be embraced by SMEs when they consider that it may be too costly or unclear in relation to ROI. Cost-effectiveness therefore serves as a moderator which can reinforce or inhibit the relationship between positive perceptions and recommendation or adoption intention. The major drawback of TAM, however, is that it often makes the assumption that the technology being assessed is well known to users (Davis et al., 1989). The model usually doesn't consider the process of awareness creation or the conditions under which it moves from exposure to meaningful evaluation. If TAM is applied at the hyperlocal level without considering the awareness gaps, it can overestimate the level of readiness to adopt. This limitation is recognised in the current study by placing TAM in a wider context, i.e. Sequence-Awareness > Familiarity > Perception > Recommendation and introducing technology acceptance constructs into a process-oriented framework that starts earlier in the consumer decision journey.

2.5 Cost-Effectiveness & Perceived Value

The term perceived value, as used in marketing, is the overall evaluation of value gained from a product or service when compared to the cost incurred from providing it (Zeithaml, 1988; Clemes et al., 2020). This concept includes the functional, economic, emotional and social factors and is widely accepted as one of the most important factors for satisfaction, loyalty and word of mouth. Perceived value is the benefits of hyperlocal marketing, namely convenience (proximity and quick access), relevance (tailored offers) and monetary value (discounts or promotions) in comparison to the perceived costs, such as time, privacy risks and monetary outlay (Nilsen et al., 2020; Parasuraman & Grewal, 2000).

Cost effectiveness is a key aspect of perceived value, especially for the SMEs and resource-constrained users. Cost-effectiveness is also being defined from a business standpoint, based on what hyperlocal campaigns provide - such as footfall, orders, leads etc. - at a lower or equal cost as compared to other marketing channels (Deloitte, 2020). With digital and hyperlocal channels, these advantages of greater targeting and reduced wastage are not always apparent and/or felt by decision makers and therefore they cannot drive uptake. Research on digital marketing adoption has revealed that fear of high costs, of the uncertain ROI or uncertainty around attribution can be a barrier for the SMEs in adopting digital marketing even when the platform is technically available (Mahajan & Kaur, 2019; Mittal, 2016).

Behavioral economics also provides some important clues to how cost-effectiveness is judged. Loss aversion, for example, suggests that SMEs could be underweighting potential gains (successful campaigns) compared to potential losses (unsuccessful campaigns) and therefore not willing to use new advertising formats, such as hyperlocal advertising (Kahneman and Tversky, 1979). Mental accounting can cause business owners to be hesitant to invest in marketing, deeming it "fuzzy" to spend money on fixed costs, thus limiting their ability to designate funds for novel digital marketing strategies. Giving decision makers the option of choosing immediate and tangible expenses that they can control (such as traditional local visibility projects) over longer-term digital brand building that is less immediately seen (Schiffman & Wisenblit, 2019) can lead to the power of present bias.

Consumers' value in hyperlocal interactions comes from the degree of convenience and the relevance they get for the sharing of their location information and attention. Consumers consider hyperlocal messages valuable and less intrusive if they are regularly able to save them time, offer helpful tips, or have economic value (Gao & Zang, 2016). In opposite, when messages seem irrelevant or too much, their perceived value decreases, and users can either disable their location permissions or ignore messages (Nilsen et al., 2020).

The current study puts the perception of cost-effectiveness as an important factor in the recommendation process and as a mediator between familiarity and adoption. If users know and understand hyperlocal marketing but do not

believe it is providing adequate value (compared to costs), it is unlikely that they will recommend or endorse it. The focus on cost-effectiveness adds to the traditional concept of adoption, and helps with the economic challenges faced by SMEs and value-sensitive consumer in the Indian market (Zeithaml, 1988; Parasuraman & Grewal, 2000).

2.6 Empirical Studies On Hyperlocal Adoption

Though empirical studies on hyperlocal services and location-based services have increased, most existing studies are limited to developed markets, and pertain to technological feasibility, user acceptance of mobile services, or platform-centric business models (Shankar & Balasubramanian, 2009; Gao & Zang, 2016). Factors explored in studies of LBS adoption internationally include social influence, perceived usefulness, trust, and privacy concerns, with the use of navigation applications, location-based social network applications, and mobile coupon applications being the contexts in which analyses were conducted. The findings from these studies are mainly positive with perceived usefulness and trust being the key factors in adoption, and privacy concerns may hinder usage (Nilsen et al., 2020; Raghunathan & Mishra, 2020).

Empirical research on hyperlocal e-commerce/service platforms has begun in the Indian context. The study conducted by McKinsey & Company cited the need for instant delivery, last-mile efficiency, and convenience for consumers as significant factors that help platforms grow in India when it comes to hyperlocal e-commerce (McKinsey & Company, 2019). Research has shown that apps that facilitate quick delivery of groceries and everyday necessities have been well received in urban areas, driven by geo-location, digital payments, and the availability of a robust network of local vendors. These results show that hyperlocal supply side models can scale if they have strong logistics and platform design (Belanche et al., 2020).

While not necessarily hyperlocal, studies in India on SME digital marketing offer some insights into the barriers and enablers to the adoption. Empirical evidence shows that SMEs are not always using digital tools for their visibility, as they are not always doing the most sophisticated digital advertising, or using data to target advertising. Limited skills, budget constraints, and a lack of ability

to measure results are some of the factors identified behind this situation. Lack of knowledge, perceived complexity and absence of training are common barriers, indicating that along with infrastructural limitations, cognitive and perceptual barriers are as significant (Mahajan & Kaur, 2019; Mittal, 2016).

There are, however, some crucial omissions of empirical research evidence across the hyperlocal scale. First, there is limited research that specifically examines the adoption of hyperlocal marketing in the context of SMEs and/or consumers in India and that which does considers business model viability/operational issues instead of awareness and perception (Mahajan & Kaur, 2019). Second, few studies gather original user data and focus on understanding how the exposure to hyperlocal apps and ads leads to an awareness of hyperlocal marketing as a unique marketing approach. Third, the mediating role of perception-particularly perceived cost-effectiveness-in linking awareness or familiarity to recommendation intentions remains underexplored (Raghunathan & Mishra, 2020).

Consequently, while global and Indian literature provides useful insights into LBS adoption, SME digital behavior, and platform growth, there is a shortage of empirical research explicitly connecting awareness, familiarity, perception, and recommendation in the hyperlocal domain. This shortfall is especially pronounced in the Indian context, where digital exposure is high but conceptual understanding varies significantly across user segments (Internet and Mobile Association of India & KANTAR, 2024; McKinsey & Company, 2019).

2.7 Research Gap & Contribution

The literature has documented the previous incarnation of hyperlocal marketing as offline locality-based promotions as transitioning to a digitally enabled, location-based strategy through service aggregators and delivery providers, eased by technology companies including Google, Meta, Swiggy, Zomato, and Urban Company (Grewal et al. , 2017; Wood & Solomon, 2020).

The evidence of this transition in India includes the evolving infrastructure for digital marketing, the increasing penetration of mobile phones and the internet, and the rising share of digital marketing budgets for firms of all sizes (Internet and Mobile Association of India & KANTAR, 2024; Statista, 2024). Technology

adoption and consumer behavior literature has several theoretical models, such as the AIDA model, the Technology Acceptance Model (TAM) and the Perceived Value Theory, by which the impact of perceived usefulness, perceived ease of use and perceived value on behavioral intention can be explained (Davis, 1989; Venkatesh et al. , 2003; Zeithaml, 1988).

At the same time, this literature has major shortcomings. First, though a great deal of research exists on digital and mobile marketing adoption, the huge majority of research tacitly assumes that users are already aware of the technologies. First, the latter stages of users' journey from being aware of hyperlocal marketing to being familiar with it have hardly been examined (Raghunathan & Mishra, 2020). Second, hyperlocal marketing studies in the Indian context are limited to platform growth, logistics, and business model validation, and do not examine consumers' cognition, perception, and recommendation behavior concerning hyperlocal marketing (Mahajan & Kaur, 2019; Mittal, 2016). Third research has shown that people do not often look at how cost-effectiveness seen in relation to being aware of something and then using it or telling others about it especially in areas that are very local.

The present study is designed to deal with these issues. It looks at the problem: "While a lot of research is about how people use new technology and how markets grow, not many studies have looked at how people become aware of something form an opinion about it and then decide to use it or tell others about it especially in India where people may not know about things even if they are exposed to them. This study looks at this problem by collecting data from 121 people in India and seeing how being exposed to something turns into being aware of it. How what people think of something affects whether they tell others about it."

CHAPTER 3: RESEARCH METHODOLOGY

3.1 Introduction

This chapter discusses on the methodological approach for studying awareness and perception of hyperlocal digital marketing by Indian users.. This includes the research design, conceptual framework, hypotheses, the population and sampling, research instrument, data collection procedures and data analysis techniques used in the study. The research used a quantitative, descriptive and correlational approach. This research investigates the relationship between awareness, familiarity, exposure, perception of cost-effectiveness and recommendation behaviour adoption. Primary data was collected through structured questionnaire online, and statistical analysis was performed using Microsoft Excel and IBM SPSS Statistics. The research methodology was developed to enable empirical testing of proposed relationships while still allowing for exploratory insights into how Indian users understand and evaluate hyperlocal digital marketing.

3.2 Research Design

This research used a quantitative research methodology to numerically quantify constructs, test established hypotheses, and find patterns and relationships using statistical methods. A survey-based technique allowed for the collecting of data from many respondents in a short period of time. The research design had three main components:

- Descriptive component: To outline the status of awareness, familiarity, exposure, impression, and suggestion about hyperlocal digital marketing among digitally active Indian people.
- Correlational component: To investigate if statistically significant correlations exist between important dimensions such as awareness and familiarity, familiarity and perception, perception and recommendation, and exposure and awareness.
- Analytical component: to compare empirical data with the hypothesized Awareness > Familiarity > Perception > Recommendation pathway, and to determine where the model holds and where it fails.

The idea of talking to people in a group or one on one was not feasible because it would have been hard to really understand the ideas that were presented and to see if there were any patterns in what the people who were studied were saying. The reason for this is that there were not time or money and it was also hard to get to the people who were being studied. Also it was not possible to try out things and see how people reacted to them over time. So the best way to do this study was to look at a lot of people at the time and use numbers to understand the quantitative data and to see if there were any connections, between the different things that were being studied. This is called a -sectional quantitative descriptive-correlational design and it was the best way to get the information that was needed for the quantitative data study.

3.3 Conceptual Framework

The conceptual framework was based on a four-stage pathway:
Awareness > Familiarity > Perception > Recommendation

- Awareness:
Basic "have heard of / understand" level cognitive recognition of digital and hyperlocal marketing principles.
- Familiarity:
Self-reported level of knowledge and ease with digital marketing techniques and tools.
- Perception:
An assessment of hyperlocal marketing that emphasizes perceived cost-effectiveness (ROI potential, value for money).
- Recommendation:
As a stand-in for adoption intention, the willingness to suggest hyperlocal marketing to others.

The framework was informed by:

- The AIDA model (Attention-Interest-Desire-Action) proposes that awareness leads to deeper engagement and, eventually, action.

- The Technology Acceptance Model (TAM) emphasizes perceived usefulness and ease of use as adoption drivers while assuming prior knowledge of the technology.
- Consumer behavior theory focuses on the roles of cognition, perception, and attitude formation in shaping behavior.
- Perceived value theory suggests adoption is determined by the perceived trade-offs between benefits and costs.

The model assumed that higher awareness would lead to greater familiarity, which would in turn shape perceptions (especially of cost-effectiveness), and that positive perceptions would enhance recommendation (adoption intent). It also assumed that exposure to location-based ads would support awareness and that demographic variables might influence awareness levels

3.4 Hypotheses Development

Based on the conceptual framework and literature review, the following hypotheses were developed for empirical testing:

- **H₁:** Awareness of digital marketing is positively associated with familiarity with digital marketing strategies.
- **H₂:** Familiarity with digital marketing strategies positively influences the perceived cost-effectiveness of hyperlocal marketing.
- **H₃:** Perceived cost-effectiveness of hyperlocal marketing positively influences willingness to recommend hyperlocal marketing strategies.
- **H₄:** Frequency of exposure to location-based advertisements positively influences awareness of hyperlocal marketing as a strategic concept.
- **H₅:** Demographic factors (age, education level, gender) do not significantly influence awareness levels of hyperlocal digital marketing.

These hypotheses considered both the internal pathway (H₁-H₃) and external influences (H₄-H₅).

3.5 Population and Sampling

3.5.1 Target and Accessible Population

The people who were part of this study were Indians who use the internet a lot. They probably see ads that are based on their location because they use things like media and mobile apps. This group included students, people who work people who own their businesses and people who start their own companies.

The people who were available to answer questions were those who were willing to fill out a survey on Google Forms and could be reached online through things like media, email and messaging. These people were a fit for what the study was looking at which is digital marketing that is focused on very specific areas because they are probably more used to seeing online ads and are more comfortable using the internet than most people. They use platforms like social media, mobile apps, search engines and service aggregators, which is why they are a good fit for the study, on location-based advertising and hyperlocal digital marketing.

3.5.2 Sampling Technique

Non-probability convenience sampling was utilized in the study. Respondents were selected based on ease of access, willingness to participate, and whether they satisfied the inclusion criteria, such as being digitally active and using online platforms.

This method was chosen for several reasons. Firstly, it was a practical and economic solution for an MBA project with limited time and resources. Secondly, it provided an easy access to a significant segment of population, especially to those who use digital media and may become receivers of hyperlocal advertisements. Third, a random and nationally representative sample would have required resources far outside the scope of this study.

However, convenience sampling may cause selection bias and affect the generalisability of the results to all Indian users. To mitigate this limitation to some extent, the survey was circulated through different networks and

attempts were made to include 6 respondents from various age groups, educational backgrounds, occupations and states.

3.5.3 Sample Size

After cleaning, the final sample had 121 valid responses. The respondents were from 6 Indian states with Delhi/NCR having the largest share but other parts also contributed a good number of responses. The majority of participants were in the age group of 18-35 years, and also mostly graduates or post graduates. Although the sample size is relatively small, the results can be interpreted with appropriate caution for generalisability.

3.6 Data Collection

3.6.1 Primary Data

Primary data were collected using an online questionnaire using Google Form. To reach respondents who are active on the internet, the form link was sent to respondents through email, messaging applications and social media. Participation was strictly voluntary and no financial incentive was provided for completion of the survey. The questionnaire had 27 questions to cover the areas of study needed. Demographics (age, gender, education, occupation, location)

- Awareness of digital and hyperlocal marketing
- Familiarity with digital marketing strategies and platforms
- Conceptual understanding of hyperlocal digital marketing
- Frequency of exposure to location-based ads
- Perceptions of cost-effectiveness and challenges
- Willingness to recommend hyperlocal marketing

Responses were automatically recorded, exported to Excel for preliminary processing, and then imported into SPSS for detailed analysis.

3.6.2 Secondary Data

The background information and context was supported by secondary data. It also aided in understanding the findings. The sources used were:

- Books on digital marketing, hyperlocal marketing, Technology Acceptance Model, perceived value and consumer behaviour.
- Reports from industry and consultancy firms on India's landscape and how small and medium-sized enterprises adopt digital technologies. Examples of these reports include those, from IMAI-KANTAR, TRAI, McKinsey, Deloitte and Statista.
- Online sources that are considered reliable and report on internet usage, digital advertising spend and how people use platforms in India

3.7 Research Instrument

The research used a questionnaire that was easy to understand and straight, to the point. This questionnaire was made to fit the study goals and ideas. It had a mix of questions that people could answer with a yes or no or by picking from a list and a few questions that let people write down their thoughts in their words. The questionnaire was made up of these kinds of questions and a few ended questions to get a better understanding of what people really think about the research. The research used this questionnaire to get the information it needed.

The questionnaire was organized into the following sections:

- Section A: Demographic Information (Questions 1 - 7)
We collected information about age, gender, state or region, education, job and other important details. These details helped us understand the groups of people and compare them.
- Section B: Awareness (Questions 8 - 13)
We asked people if they know about hyperlocal marketing. The options were "No" "Maybe" or "Yes" This helped us understand if people knew or didn't know about these kinds of marketing.
- Section C: Knowledge (Questions 9 - 12).
In question 9 people rated how familiar they are with marketing tactics,

with 1 being “Not at all familiar” and 5 being “Very familiar”. Question 12 asked about tools and platforms like Google Ads or Facebook Ads. This gave us an idea of how much people were using these tools.

- Section D: Understanding (Questions 14–18)

We tested people’s understanding of marketing with Yes/No and multiple-choice questions. We wanted to know if they understood the idea, not if they had heard of it.

- Section E: Behavior/Exposure (Q20)

We asked about how often they saw location-based marketing. They were asked to reply with the options “Never” “Rarely” “Sometimes” or “Very Often”. This gave us an idea of how much marketing people were exposed to.

- Section F - Perception (Questions 21-22)

Question 21 was to rate whether people thought that hyperlocal marketing was cost effective or not. They chose from “No”, “Not sure”, “Depends on company” or “Yes”. Question 22 asked people to write about any challenges they saw with marketing. This provided us with rich, qualitative information.

- 4. Section G: Outcome variable - Recommendation (Q23)

We asked people if they’d recommend marketing tactics. They selected “No” or “Not sure” or “Yes”. With this, we looked at whether people were likely to use and/or recommend marketing.

- 5. Validity and reliability issues:

Face validity was important and therefore the questions were ensured to make sense and match the objectives. It was carefully reviewed to ensure they were clear and relevant. Content validity was ensured by linking each question to our study plan and objectives. No reliability testing such as Cronbach’s alpha was conducted because the survey consisted of only a few multi-item scales and a mixture of categorical and ordinal questions. During the analysis however, it was well checked that similar questions gave answers to spot any obvious mistakes. This was on groups of questions such as those about familiarity. But internal

consistency within conceptual groups (e.g., familiarity items) was examined during data analysis for obvious anomalies.

3.8 Variable Definition and Measurement

Key constructs were operationalized as follows:

- Awareness (Digital and Hyperlocal)
 - Variable: Q8 which is about Digital marketing awareness and Q13 which is about Hyperlocal marketing awareness
 - Type: This is Categorical and it has three options. No or Maybe or Yes
 - Interpretation: If the answer is Yes, it means the person is clearly aware of Digital and Hyperlocal marketing. If the answer is Maybe, it means the person is not sure. If the answer is No, it means the person is not aware of Digital and Hyperlocal marketing.
- Familiarity
 - Variable: Q9 which's about how familiar people are with Digital and Hyperlocal marketing strategies
 - Type: This is Ordinal and it is measured on a 1-5 Likert scale. From Not at all familiar to Very familiar
 - Interpretation: The higher the score, the familiar the person is with Digital and Hyperlocal marketing strategies.
- Exposure
 - Variable: Q20 which's about how often people see location-based ads
 - Type: This is Ordinal and it has four options. (Never, Rarely, Sometimes, Very Often)
 - Interpretation: The more the score the more often people see location-based ads.
- Perception (Cost-Effectiveness)
 - Variable: Q21 which is about what people think of the cost-effectiveness of Hyperlocal marketing
 - Type: This is Categorical and it has four options. No or Not sure or Depends on business or Yes
 - Interpretation: This shows how people think about the cost-effectiveness of Hyperlocal marketing. From negative to positive.

- Recommendation (Adoption Proxy)
 - Variable: Q23 which's about if people would recommend Hyperlocal marketing to others
 - Type: This is Ordinal and it has four options. No or Not sure or Maybe or Yes
 - Interpretation: The higher score the more likely people are to recommend Hyperlocal marketing to others.
- Demographics
 - Variables: Age group, gender, education, occupation, location
 - Type: This is Categorical
 - We used these variables to compare groups and to control for factors, in our study.

The way we defined things in this study made it possible for us to turn ideas into things we can actually measure. Digital and Hyperlocal marketing was used in accordance to each other to see how people feel about these two factors.

3.9 Data Analysis Techniques

Data analysis followed a structured sequence, using Microsoft Excel for initial data cleaning and IBM SPSS Statistics for statistical testing.

Data preparation:

- Responses were exported from Google Forms to Excel.
- Incomplete or inconsistent responses were reviewed; one response was excluded, resulting in N = 121.
- Categorical responses were coded numerically (e.g., No = 0, Maybe = 1, Yes = 2; frequency categories coded 1 - 4).
- Data were then imported into SPSS for further analysis.

Descriptive analysis:

- Frequency distributions and percentages were calculated for demographic variables, awareness items, exposure categories, perception categories, and recommendation responses.
- These results were used to describe the sample profile and the distribution of key constructs.

Inferential analysis:

Given the ordinal and categorical nature of most variables, non-parametric tests were primarily used:

- Spearman's rho correlation was employed to test associations between ordinal variables and awareness/familiarity indices (H_1 – H_3). This enabled assessment of the strength and direction of relationships without assuming normality.
- Chi-square tests of independence were used to test associations between categorical variables such as exposure frequency and hyperlocal awareness (H_4), and demographics and awareness (H_5).
- A correlation matrix was constructed for key variables (awareness, familiarity, hyperlocal awareness, exposure, perception, recommendation) to understand the overall pattern of relationships.

. The significance level for all hypothesis tests was set at $\alpha = 0.05$.

We considered results significant if p was less than 0.05. On the hand if p was greater than or equal, to 0.05 we treated the results as non-significant and interpreted them that way. The methods we chose matched the type of data we had. What we wanted to find out which was to explore and see if there were any correlations. In Chapter 4 you can see how we used these techniques and how they helped us decide whether to accept or reject each hypothesis. These methods and hypothesis tests are important to understand our results. The results give us insights based on the data. The hypothesis tests help to validate the findings

3.10 Ethical Considerations

The study followed basic ethical standards that are common to academic research based on surveys. All respondents could withdraw from the poll at any time and participation was entirely voluntary. In the introduction of the questionnaire the purpose of the study was described. Participants were informed that the responses would be used for academic purposes only and that no personally identifying information was needed. Assumed consent with information to proceed with the survey.

Names, exact addresses and other immediate identifiers have been omitted in order to protect confidentiality and anonymity. Data were stored in password-protected digital files in a locked location accessible only by the researcher. Responses were analysed and reported in aggregate. No information on an individual level was released.

The questionnaire was not especially sensitive or intrusive and the risk to respondents was low.

CHAPTER 4: ANALYSIS AND FINDINGS

4.1 Descriptive Analysis

4.1.1 Sample Characteristics

A convenient sample of 121 respondents (N=121) was obtained from six different Indian states, which included digital advertising professionals, entrepreneurs, students, freelancers and job holders.

Table 1: Sample Characteristics (N = 121)

Variable	Category	n	%
Age	Below 18	5	4.1
	18–25 years	68	56.2
	25–35 years	35	28.9
	Above 35 years	13	10.7
Gender	Male	65	53.7
	Female	54	44.6
	Prefer not to say	2	1.7
Education	Schooling	28	23.1
	Graduate	65	53.7
	Post-Graduate	28	23.1
Occupation	Student	48	39.7
	Freelancer	22	18.2
	Business	28	23.1
	Job	23	19.0
Location	Delhi/NCR	68	56.2
	Other states	53	43.8

The sample population consisted mainly of youth with 56.2 per cent falling in the 18–25 years age range and 28.9 per cent falling in the 25–35 years age range. Most (76.8%) were graduates or postgraduates, indicating a significantly high-educated participants. Gender was fairly evenly distributed (53.7% male, 44.6% female) and a small percentage of participants did not want to disclose their gender. Geographically 56.2% of the respondents belonged to Delhi/NCR and 43.8% belonged to other key Indian states. This shows that the population is urban/semi-urban and digitally active, which is in line with the focus of the study.

4.1.2 Awareness of Digital and Hyperlocal Marketing

Self-reported items were used to measure respondents' awareness and understanding of digital marketing and hyperlocal marketing. The frequencies and percentages are shown in the table below.

		Statistics			
		Awareness of Digital Marketing	Awareness of Hyperlocal Marketing	Frequency of ad exposure	Perception of Cost-Effectiveness
N	Valid	121	121	121	121
	Missing	0	0	0	0
Mean		1.12	1.10	2.58	1.58
Median		1.00	1.00	3.00	2.00
Mode		2	2	3	2

Awareness of Hyperlocal Marketing			Awareness of Digital Marketing		
	N	%		N	%
No	34	28.1%	No	35	28.9%
Yes	41	33.9%	Yes	36	29.8%
Maybe	46	38.0%	Maybe	50	41.3%

(own creation)

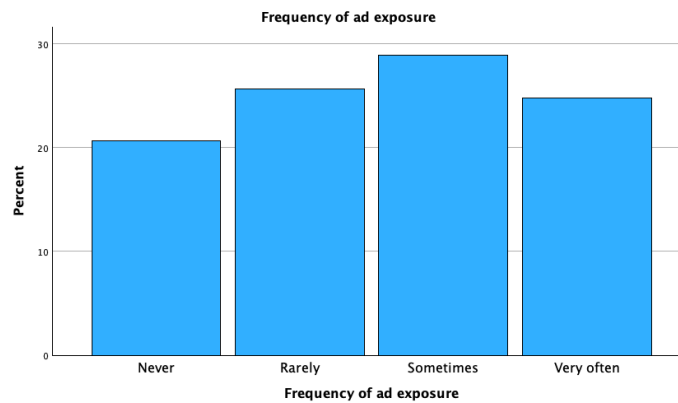
Table 2 : Awareness Frequencies

Variable	Category	n	%	Cumulative %
Digital Marketing Awareness (Q8)	No	35	28.9	28.9
	Maybe	50	41.3	70.2
	Yes	36	29.8	100.0
Hyperlocal Marketing Awareness (Q13)	No	34	28.1	28.1
	Maybe	46	38.0	66.1
	Yes	41	33.9	100.0

(own analysis)

4.1.3 Frequency of Location-Based Ad Exposure

The frequency of exposure to location based advertisements was measured by the number of times such advertisements were displayed on a digital platform.



(own analysis)

Table 3 : Frequency of Location-Based Ad Exposure (Q20)

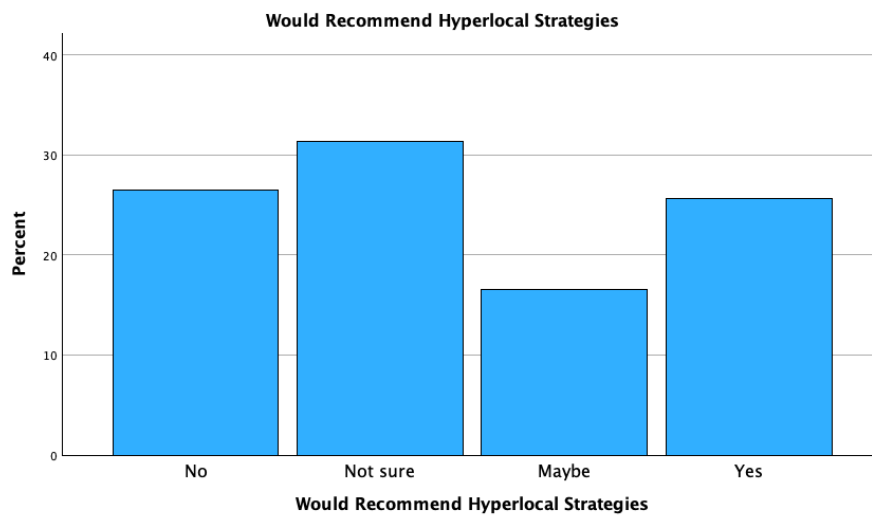
Exposure Frequency	n	%	Cumulative %
Never	25	20.7	20.7
Rarely	31	25.6	46.3

Sometimes	35	28.9	75.2
Very Often	30	24.8	100.0

(own analysis)

4.1.4 Recommendation Behavior

The intention of adoption was proxied by the recommendation behaviour. Table 4 below shows the willingness of respondents to recommend hyperlocal marketing strategies to others.



(own analysis)

Table 4 : Willingness to Recommend Hyperlocal Strategies (Q23)

Response	n	%	Cumulative %
No	32	26.4	26.4
Not Sure	38	31.4	57.9
s	20	16.5	74.4
Yes	31	25.6	100.0

(own analysis)

4.2 Hypothesis Testing Results

Hypothesis H1: Awareness of Digital Marketing and Familiarity with Digital Marketing Strategies

Statement: H_1 : Awareness of digital marketing is positively associated with familiarity with digital marketing strategies.

Null Hypothesis (H_0): There is no significant association between awareness of digital marketing and familiarity with digital marketing strategies.

Statistical Test Used: Spearman's Rank-Order Correlation

Correlations			Awareness of Digital Marketing	Familiarity with DM Strategies
Spearman's rho	Awareness of Digital Marketing	Correlation Coefficient	1.000	.473***
		Sig. (2-tailed)	.	<.001
		N	121	121
	Familiarity with DM Strategies	Correlation Coefficient	.473***	1.000
		Sig. (2-tailed)	<.001	.
		N	121	121

***. Correlation is significant at the 0.001 level (2-tailed).

(own analysis)

Table 5 Spearman Correlation - Awareness × Familiarity (H_1)

Variables	Spearman's rho (ρ)	p-value (2-tailed)	N	Decision
Digital Marketing Awareness (Q8) × Familiarity with DM Strategies (Q9)	0.473	< 0.001	121	Reject H_0

(own analysis)

Interpretation: The Spearman correlation between awareness of digital marketing and familiarity with digital marketing strategies was $\rho = 0.473$ ($p < 0.001$). This is a statistically significant, moderate positive correlation. Since $p < 0.001$, which is well below the $\alpha = 0.05$ threshold, the null hypothesis is rejected.

This result supports the foundational step in the conceptual model. Awareness serves as a meaningful starting point for building familiarity, which is consistent with the AIDA model's premise that attention and awareness are prerequisites for deeper engagement.

Decision on H1: SUPPORTED

Hypothesis 2: Familiarity with Digital Marketing Strategies and Perception of Cost-Effectiveness

Statement: H₂: Familiarity with digital marketing strategies positively influences the perceived cost-effectiveness of hyperlocal marketing.

Null Hypothesis (H₀): There is no significant relationship between familiarity with digital marketing strategies and perception of hyperlocal marketing's cost-effectiveness.

Statistical Test Used: Spearman's Rank-Order Correlation

Both variables are ordinal in nature. Q9 (familiarity) uses a five-point Likert scale, and Q21 (perception of cost-effectiveness) is coded on a four-point categorical scale (No = 1, Not Sure = 2, Depends on Business = 3, Yes = 4). Spearman's rho is appropriate for testing the association between these two ordinal measures.

Correlations			Familiarity with DM Strategies	Perception of Cost-Effectiveness
Spearman's rho	Familiarity with DM Strategies	Correlation Coefficient	1.000	.056
		Sig. (2-tailed)	.	.541
		N	121	121
	Perception of Cost-Effectiveness	Correlation Coefficient	.056	1.000
		Sig. (2-tailed)	.541	.
		N	121	121

Table 6 Spearman Correlation – Familiarity × Perception of Cost-Effectiveness (H2)

Variables	Spearman's rho (ρ)	p-value (2-tailed)	N	Decision
Familiarity with DM Strategies (Q9) × Perception of Cost-Effectiveness (Q21)	0.056	0.541	121	Fail to Reject H ₀

(Own Analysis)

Interpretation: The Spearman correlation between familiarity and perception of cost-effectiveness was $\rho = 0.056$ ($p = 0.541$). This is a near-zero, negligible correlation that is not statistically significant ($p > 0.05$). The null hypothesis cannot be rejected.

This result is one of the more counterintuitive findings in the study. The original assumption was that respondents who were more familiar with digital marketing would be better positioned to evaluate hyperlocal marketing and would therefore perceive it as more cost-effective. That assumption was not borne out. Familiarity with general digital marketing tools and strategies, as measured in this study, does not appear to shape how people assess the cost-effectiveness of hyperlocal marketing specifically.

One plausible explanation is that the two constructs are operating at different levels of specificity. Familiarity with digital marketing is a broad, general concept, while cost-effectiveness perception for hyperlocal marketing specifically requires knowledge that goes beyond generic familiarity. A respondent might know how to use Google Ads or Facebook broadly, but still have no basis for evaluating the ROI of geofencing or proximity-based campaigns specifically. The gap between general familiarity and specific evaluative knowledge may explain why this link does not hold.

Decision on H2: NOT SUPPORTED

Hypothesis 3: Perception of Cost-Effectiveness and Willingness to Recommend

Statement: H_3 : Perceived cost-effectiveness of hyperlocal marketing positively influences willingness to recommend hyperlocal marketing strategies.

Null Hypothesis (H_0): There is no significant relationship between perceived cost-effectiveness and willingness to recommend hyperlocal marketing.

Statistical Test Used: Spearman's Rank-Order Correlation

Correlations

			Perception of Cost-Effectiveness	Would Recommend Hyperlocal Strategies
Spearman's rho	Perception of Cost-Effectiveness	Correlation Coefficient	1.000	-.023
		Sig. (2-tailed)	.	.805
		N	121	121
	Would Recommend Hyperlocal Strategies	Correlation Coefficient	-.023	1.000
		Sig. (2-tailed)	.805	.
		N	121	121

Table 7: Spearman Correlation - Perception × Recommendation (H3)

Variables	Spearman's rho (ρ)	p-value (2-tailed)	N	Decision
Perception of Cost-Effectiveness (Q21) × Willingness to Recommend (Q23)	-0.023	0.805	121	Fail to Reject H_0

(own analysis)

To explore this finding further, a cross-tabulation was conducted between Q21 and Q23 to examine the pattern of responses across categories.

Perception of Cost-Effectiveness * Would Recommend Hyperlocal Strategies Crosstabulation

			Would Recommend Hyperlocal Strategies				
			No	Not sure	Maybe	Yes	Total
Perception of Cost-Effectiveness	No	Count	10	7	4	9	30
		% within Perception of Cost-Effectiveness	33.3%	23.3%	13.3%	30.0%	100.0%
	Not sure	Count	7	9	2	6	24
		% within Perception of Cost-Effectiveness	29.2%	37.5%	8.3%	25.0%	100.0%
	Depends on business	Count	5	10	8	11	34
		% within Perception of Cost-Effectiveness	14.7%	29.4%	23.5%	32.4%	100.0%
	Yes	Count	10	12	6	5	33
		% within Perception of Cost-Effectiveness	30.3%	36.4%	18.2%	15.2%	100.0%
Total		Count	32	38	20	31	121
		% within Perception of Cost-Effectiveness	26.4%	31.4%	16.5%	25.6%	100.0%

Table 8: Cross-Tabulation - Perception of Cost-Effectiveness × Willingness to Recommend

Perception Category	No (%)	Not Sure (%)	Maybe (%)	Yes (%)	Row Total (n)
No	33.3	30.0	13.3	23.3	30
Not Sure	23.5	35.3	17.6	23.5	34
Depends on Business	20.6	29.4	20.6	29.4	34
Yes	26.1	30.4	13.0	30.4	23

Source: Own Analysis

Interpretation: The Spearman correlation between perceived cost-effectiveness and willingness to recommend was $\rho = -0.023$ ($p = 0.805$), which is negligible and non-significant. The null hypothesis cannot be rejected. Looking across the rows in Table 8, the "Yes" recommendation rates across perception categories are strikingly similar: 23.3% among those who said "No" to cost-effectiveness, 23.5% among those "Not Sure," 29.4% among those who said "Depends on Business," and 30.4% among those who said "Yes" to cost-effectiveness. The difference between the most negative and most positive perception group is only about 7 percentage points in terms of recommendation, which is practically negligible.

What this tells us is that people's willingness to recommend hyperlocal marketing does not meaningfully change based on whether they think it is cost-effective or not. Someone who finds it cost-effective is almost equally likely to recommend it as someone who does not. This is a perception–behaviour disconnect, and it is one of the most important findings of the study. The theoretical expectation from Perceived Value Theory was that positive value perception would drive recommendation. In this sample, that link simply does not materialise. A likely reason is that recommendation requires more than just a favourable cognitive evaluation. It may require direct personal experience, confidence in the strategy, or a sense of personal relevance to one's own

business context. When those conditions are absent, even a positive perception of cost-effectiveness sits as an inert belief that does not convert into action or endorsement.

Decision on H3: NOT SUPPORTED

Hypothesis H4: Exposure to Location-Based Advertisements and Awareness of Hyperlocal Marketing

Statement: H₄: Frequency of exposure to location-based advertisements positively influences awareness of hyperlocal marketing as a strategic concept.

Null Hypothesis (H₀): There is no significant association between frequency of exposure to location-based advertisements and awareness of hyperlocal marketing.

Statistical Test Used: Chi-Square Test of Independence

Frequency of ad exposure * Awareness of Hyperlocal Marketing Crosstabulation

			Awareness of Hyperlocal Marketing			
			No	Yes	Maybe	Total
Frequency of ad exposure	Never	Count	7	10	8	25
		% within Frequency of ad exposure	28.0%	40.0%	32.0%	100.0%
	Rarely	Count	5	11	15	31
		% within Frequency of ad exposure	16.1%	35.5%	48.4%	100.0%
	Sometimes	Count	10	15	10	35
		% within Frequency of ad exposure	28.6%	42.9%	28.6%	100.0%
	Very often	Count	12	5	13	30
		% within Frequency of ad exposure	40.0%	16.7%	43.3%	100.0%
Total		Count	34	41	46	121
		% within Frequency of ad exposure	28.1%	33.9%	38.0%	100.0%

Chi-Square Tests

	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	9.011 ^a	6	.173
Likelihood Ratio	9.664	6	.140
Linear-by-Linear Association	.385	1	.535
N of Valid Cases	121		

a. 0 cells (0.0%) have expected count less than 5. The minimum expected count is 7.02.

(own analysis)

Table 9: Chi-Square Test - Exposure Frequency × Hyperlocal Marketing Awareness (H4)

	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	9.011	6	0.173
Likelihood Ratio	9.447	6	0.150

(own analysis)

Table 10: Cross-Tabulation - Exposure Frequency × Hyperlocal Marketing Awareness

Exposure Frequency	Not Aware – No (%)	Uncertain – Maybe (%)	Aware – Yes (%)	Row Total (n)
Never	28.0	32.0	40.0	25
Rarely	16.1	48.4	35.5	31
Sometimes	28.6	28.6	42.9	35
Very Often	40.0	43.3	16.7	30

(own analysis)

Interpretation of Awareness-Exposure Paradox: The Pearson Chi-Square value was $\chi^2 (6, N = 121) = 9.011$, $p = 0.173$. Since $p = 0.173$ exceeds the $\alpha = 0.05$ threshold, the result is not statistically significant and the null hypothesis cannot be rejected. H4 is formally not supported. That said, the cross-tabulation in Table 10 tells a story that is hard to ignore. Respondents who had never seen location-based ads showed the highest awareness of hyperlocal marketing at 40.0%. Those who saw such ads very often showed the lowest awareness at just 16.7% — a drop of 23.3 percentage points. This is the opposite of what was expected. This pattern is what the study calls the Awareness - Exposure Paradox.

The most exposed users turned out to be the least conceptually aware. Three explanations are worth considering. First, ad habituation — repeated exposure

turns ads into background noise. People see them, perhaps even act on them, but stop processing them meaningfully. Second, misattribution — users on Swiggy or Google Maps interpret location-based suggestions as the platform being helpful, not as a business deliberately targeting them through a hyperlocal strategy. The marketing layer behind the experience stays invisible. Third, dual-channel learning — those who have never seen such ads may still know about hyperlocal marketing because they learned about it formally, through courses, professional reading, or workplace exposure. Conceptual awareness grows through deliberate learning, not passive ad contact.

Decision on H4: NOT SUPPORTED

Hypothesis H5: Demographic variables (age, education, gender) do not significantly predict awareness of hyperlocal marketing.

H₅: Demographic factors (age, education, gender) do not significantly influence awareness levels of hyperlocal digital marketing.

Null Hypothesis (H₀): Demographic variables (age, education, gender) significantly predict awareness of hyperlocal marketing.

Statistical Tests Used: Chi-Square Tests of Independence

A separate Chi-Square test of independence was run for each demographic variable against hyperlocal awareness (Q13). Since H5 is framed as a null-type hypothesis, it is supported when tests return non-significant results, confirming that demographics do not drive awareness differences.

Age * Awareness of Hyperlocal Marketing Crosstabulation

			Awareness of Hyperlocal Marketing			Total
			No	Yes	Maybe	
Age	18 yr – 25 yr	Count	7	8	11	26
		% within Age	26.9%	30.8%	42.3%	100.0%
	25 yr – 35 yr	Count	12	9	14	35
		% within Age	34.3%	25.7%	40.0%	100.0%
	Above 35 yr	Count	6	12	11	29
		% within Age	20.7%	41.4%	37.9%	100.0%
	Below 18 yr	Count	9	12	10	31
		% within Age	29.0%	38.7%	32.3%	100.0%
Total		Count	34	41	46	121
		% within Age	28.1%	33.9%	38.0%	100.0%

Chi-Square Tests

	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	2.956 ^a	6	.814
Likelihood Ratio	3.016	6	.807
N of Valid Cases	121		

a. 0 cells (0.0%) have expected count less than 5. The minimum expected count is 7.31.

Crosstab

			Awareness of Hyperlocal Marketing			
			No	Yes	Maybe	Total
Gender	Female	Count	8	13	15	36
		% within Gender	22.2%	36.1%	41.7%	100.0%
	Male	Count	9	14	17	40
		% within Gender	22.5%	35.0%	42.5%	100.0%
	Prefer not to say	Count	17	14	14	45
		% within Gender	37.8%	31.1%	31.1%	100.0%
Total	Count	34	41	46	121	
	% within Gender	28.1%	33.9%	38.0%	100.0%	

Chi-Square Tests

	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	3.461 ^a	4	.484
Likelihood Ratio	3.408	4	.492
N of Valid Cases	121		

a. 0 cells (0.0%) have expected count less than 5. The minimum expected count is 10.12.

Crosstab

			Awareness of Hyperlocal Marketing			
			No	Yes	Maybe	Total
Education	Graduate	Count	9	13	13	35
		% within Education	25.7%	37.1%	37.1%	100.0%
	Post-Graduate	Count	10	21	18	49
		% within Education	20.4%	42.9%	36.7%	100.0%
	Schooling	Count	15	7	15	37
		% within Education	40.5%	18.9%	40.5%	100.0%
Total	Count	34	41	46	121	
	% within Education	28.1%	33.9%	38.0%	100.0%	

Chi-Square Tests			
	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	6.950 ^a	4	.139
Likelihood Ratio	7.188	4	.126
N of Valid Cases	121		

a. 0 cells (0.0%) have expected count less than 5. The minimum expected count is 9.83.

Table 11: Chi-Square Tests – Demographic Variables × Hyperlocal Marketing Awareness

Demographic Variable	Outcome Variable	χ^2 Value	df	p-value	Decision
Age	Hyperlocal Awareness (Q13)	2.956	6	0.814	Not Significant
Education	Hyperlocal Awareness (Q13)	6.950	4	0.139	Not Significant
Gender	Hyperlocal Awareness (Q13)	-	-	> 0.05	Not Significant

(own analysis)

Interpretation: All three chi-square tests returned non-significant results. Age versus awareness produced χ^2 (6, N = 121) = 2.956, p = 0.814. Education versus awareness gave χ^2 (4, N = 121) = 6.950, p = 0.139. Gender versus awareness was also non-significant at p > 0.05. The null hypothesis of H5 is rejected across all three tests, confirming that H5 is supported.

The cross-tabulations back this up clearly. Awareness among 18–25 year olds was 33.8%, among 25–35 year olds it was 34.3%, and among those above 35 it was 38.5%. These numbers are almost identical. The same flat pattern

appears in education. Graduates showed 36.9% awareness and post-graduates showed 35.7% - a gap of just 1.2 percentage points. Even respondents with schooling-level education showed 25.0% awareness, which is lower but not dramatically so, and certainly not significantly different.

Decision on H5: SUPPORTED

4.3 Correlation Matrix Analysis

		Correlations						
			Awareness of Digital Marketing	Familiarity with DM Strategies	Awareness of Hyperlocal Marketing	Frequency of ad exposure	Perception of Cost-Effectiveness	Would Recommend Hyperlocal Strategies
Spearman's rho	Awareness of Digital Marketing	Correlation Coefficient	1.000	.473***	.055	.038	-.060	-.028
		Sig. (2-tailed)	.	<.001	.547	.677	.516	.760
		N	121	121	121	121	121	121
	Familiarity with DM Strategies	Correlation Coefficient	.473***	1.000	.265**	.006	.056	-.084
		Sig. (2-tailed)	<.001	.	.003	.946	.541	.359
		N	121	121	121	121	121	121
	Awareness of Hyperlocal Marketing	Correlation Coefficient	.055	.265**	1.000	-.055	.062	.005
		Sig. (2-tailed)	.547	.003	.	.550	.499	.958
		N	121	121	121	121	121	121
	Frequency of ad exposure	Correlation Coefficient	.038	.006	-.055	1.000	.208*	-.049
		Sig. (2-tailed)	.677	.946	.550	.	.022	.592
		N	121	121	121	121	121	121
	Perception of Cost-Effectiveness	Correlation Coefficient	-.060	.056	.062	.208*	1.000	-.023
		Sig. (2-tailed)	.516	.541	.499	.022	.	.805
		N	121	121	121	121	121	121
	Would Recommend Hyperlocal Strategies	Correlation Coefficient	-.028	-.084	.005	-.049	-.023	1.000
		Sig. (2-tailed)	.760	.359	.958	.592	.805	.
		N	121	121	121	121	121	121

***. Correlation is significant at the 0.001 level (2-tailed).
 **. Correlation is significant at the 0.01 level (2-tailed).
 *. Correlation is significant at the 0.05 level (2-tailed).

To examine relationships among the main variables holistically, a Spearman correlation matrix was constructed (Table 9).

Table 7 : Master Correlation Matrix (Spearman's Rho)

Variable	Q8 Awareness DM	Q9 Familiarity	Q13 Awareness HL	Q20 Exposure	Q21 Perception	Q23 Recommendation
Q8: DM Awareness	1.000	0.473*	0.055	0.038	-0.060	-0.028
Q9: DM Familiarity	0.473*	1.000	0.265	0.006	0.056	-0.084
Q13: HL Awareness	0.055	0.265	1.000	-0.055	0.062	0.005

Q20: Exposure Freq	0.038	0.006	−0.055	1.000	−0.149	−0.049
Q21: Perception	−0.060	0.056	0.062	−0.149	1.000	−0.023
Q23: Recommendation	−0.028	−0.084	0.005	−0.049	−0.023	1.000

(own analysis)

[*Note: * $p < 0.05$, $p < 0.01$, * $p < 0.001$]

Key observations:

- The most significant correlation, and only moderate, is that of digital marketing awareness and familiarity ($\rho = 0.473$), supporting H1.
- A much lower but still present correlation between familiarity and hyperlocal awareness ($\rho = 0.265$) indicates some concepts of understanding transfer.
- Many constructs, especially perception and recommendation, function relatively independently within this dataset and most other correlations are negligible ($|p| < 0.15$).
- The slight negative correlation between exposure and perception ($\rho = -0.149$) is consistent with the awareness-exposure paradox and hints that higher exposure may, in some cases, coincide with lower perceived value.

Overall, the matrix indicates that the linear sequence Awareness -> Familiarity -> Perception -> Recommendation is supported only to a certain extent, with relatively strong connections at the early levels and weaker or non-existent connections at the perceptual and behavioral levels.

4.4 Integrated Discussion Of Findings

4.4.1 Evaluation of the Theoretical Model

The proposed model followed a structured progression starting from awareness to familiarity, perception and finally recommendation. The findings

give strong support only for the first link (awareness → familiarity) and partial support for the link between familiarity and hyperlocal awareness. The expected downstream paths—from familiarity to cost-effectiveness perception, and from perception to recommendation—were not found to be supported.

This suggests that in practice the decision-making process for hyperlocal marketing adoption is more complex than the linear model would imply. Awareness is clearly correlated with familiarity but perception and recommendation seem to be driven by other, unmeasured, factors, such as previous campaign results, perceived relevance to one's business or general attitudes towards digital advertising.

4.4.2 The Awareness–Exposure Paradox

One of the most striking findings is the awareness-exposure paradox: respondents who are most frequently exposed to location-based ads report the lowest level of hyperlocal awareness. Instead, exposure may be creating understanding, or rather, the high-frequency exposure may be contributing to ad fatigue or habituation, whereby respondents ignore the strategic implications of the ads they see. This questions the common assumption in marketing practice that increased exposure will automatically result in higher awareness of both the brands and the strategies connected to them. The findings suggest that exposure alone, without conceptual framing, may not be sufficient and that formal education, professional discourse or explicit explanatory content may be required to develop true strategic understanding.

4.4.3 Prevalence of the Awareness Gap

The lack of effect of demographic variables on awareness and exposure suggests that the awareness gap is not age, education or gender group specific. Rather, it seems to be prevalent among the digitally active population studied here. This result shifts attention from access-based explanations (e.g., older or less-educated users being left behind) to conceptual and communication-based explanations.

4.4.4 Independence of Perception and Recommendation

The analysis further uncovers an unexpected perception-behavior disconnect. Cost-effectiveness perception was hypothesised to be a major antecedent of recommendation behaviour, but no significant association between these constructs was observed in the data. This would imply that respondents may have relatively stable beliefs about cost effectiveness that are not directly translated into recommendation decisions, which may be influenced by uncertainty, limited experience or perceived risk.

4.4.5 Research Contributions

Taken together, the findings offer several contributions:

- They empirically document an awareness-exposure paradox in hyperlocal marketing.
- They demonstrate that the awareness gap is universal across key demographic groups, pointing to structural conceptual barriers.
- They show that the linear awareness–familiarity–perception–recommendation model is only partially applicable in this context.
- They highlight a perception–behavior gap, where positive or neutral cost-effectiveness perceptions do not automatically drive recommendation intentions.

These contributions refine understanding of how users in an emerging, digitally mature market like India navigate hyperlocal marketing concepts and provide a basis for rethinking both academic models and practical strategies.

Table 8 : SUMMARY OF HYPOTHESIS DECISIONS

Hypothesis	Statement	Statistical Result	Decision
H1	Awareness → Familiarity	$p = 0.473$, $p < 0.001$	SUPPORTED

H2	Familiarity → Perception	$\rho = 0.056$, $p = 0.541$	NOT SUPPORTED
H3	Perception → Recommendation	$\rho = -0.023$, $p = 0.805$	NOT SUPPORTED
H4	Exposure → Awareness	$\chi^2 = 9.011$, $p = 0.173$	NOT SUPPORTED*
H5	Demographics not significant for awareness	All $p > 0.05$	SUPPORTED

(own analysis)

H4: While not statistically significant at $p < 0.05$, the underlying crosstab reveals a noteworthy awareness–exposure paradox that warrants further interpretation and discussion.

CHAPTER 5: CONCLUSION & RECOMMENDATIONS

5.1 Achievement Of Research Objectives

The study was conducted to explore the process of digital adoption of hyperlocal digital marketing by digitally active people in India starting from awareness, followed by familiarity, perception (cost-effectiveness) and recommendation as a proxy for adoption. The study tested the hypothesized linear pathway and role of exposure and demographics in forming awareness and adoption-related attitudes using data from 121 respondents from six Indian states.

The main goal was to analyze the route of awareness – familiarity – perception – recommendation. This aim was partly achieved. The results clearly indicated that awareness of digital marketing is somewhat and strongly associated with familiarity with digital marketing methods ($p = 0.473$, $p < 0.001$), which confirmed the first step of the pathway. However, the following relationships did not hold: familiarity did not predict cost-effectiveness perception ($p = 0.056$, $p = 0.541$), and cost-effectiveness perception did not predict recommendation behavior ($p = -0.023$, $p = 0.805$). Awareness and familiarity are linked together, but perception and suggestion are influenced by other things. The second secondary purpose was to investigate if frequency of exposure to location-based ads affects awareness of hyperlocal marketing as a strategic idea. This goal was realized also somewhat, but in an unexpected way. The chi-square test did not find a statistically significant correlation ($\chi^2 = 9.011$, $p = 0.173$). However, the cross-tabulation revealed a contradictory trend. Awareness was highest among those who reported seeing location-based ads "Never" (40.0%) and lowest among those who reported seeing them "Very Often" (16.7%). Higher exposure was related with decreased strategic awareness, not higher awareness. The awareness–exposure contradiction is one of the most important and startling conclusions of the study.

The second secondary aim was to assess whether awareness or exposure patterns are influenced by demographic characteristics (age, education, gender). That purpose was certainly achieved. Chi-square tests for age, education and gender were all non-significant (age $\chi^2 = 2.956$, $p = 0.814$;

education $\chi^2 = 6.950$, $p = 0.139$; gender $p > 0.05$) suggesting awareness gaps and exposure patterns are essentially constant across demographic groups. So in this sample awareness of hyperlocal marketing is not a function of age, gender or educational attainment. The third secondary purpose was to examine the relationship between awareness and intention to adopt, proxied by recommended behavior. The purpose was attained here, partially. Awareness of digital marketing had a high predictive association with familiarity, but neither awareness nor familiarity were significantly related to recommendation behavior. Recommendation responses were rather fairly distributed across categories (from “No” to “Yes”) and a high proportion of respondents chose “Not sure” showing a lack of clear purpose rather than a definite stance. This suggests that recommendations are driven by other variables than awareness and perceived cost-effectiveness, such as personal experience with hyperlocal advertising or perceived relevance to one’s own organization. Overall, the study was effective in meeting its goals of data collection, testing hypothesised relationships, and finding important patterns. At the same time, important complexities and unexpected findings emerged - notably the split between awareness and exposure and the independence of perception from behaviour - that go beyond the original purpose and offer up new topics for research.

5.2 Theoretical Contributions And Implications

The study advances theory by empirically testing the Technology Acceptance Model (TAM) and awareness–adoption pathway concepts in the context of hyperlocal digital marketing in India. The classic TAM posits that awareness leads to judgments of usefulness and ease of use, which then lead to behavioral intention and actual adoption. In many digital technology environments, more exposure and familiarity will likely improve these perceptions and intentions.

The results of this research only confirm part of the story. There was a significant, moderate link between awareness and familiarity toward digital marketing ($p = 0.473$, $p < 0.001$) indicating that awareness is a crucial basis for comprehension and involvement. But the model diverges from the TAM

predictions in subsequent phases. Familiarity with digital marketing tactics is not related to increased perceptions of cost-effectiveness for hyperlocal marketing ($p = 0.056$, $p = 0.541$), and perceived cost-effectiveness is not related to recommendation behavior ($p = -0.023$, $p = 0.805$).

For this setting to lead to adoption-related behavior, awareness and familiarity are necessary but not sufficient. The key theoretical idea is the awareness-exposure contradiction. The statistics indicate that knowledge decreased by 23.3 percentage points between those who never saw location-based ads (40.0% aware) and those who saw them very regularly (16.7% aware) rather than increasing exposure leading to greater awareness. This is inconsistent with simple exposure-based theories and indicates that other mechanisms are involved. One possible theoretical account is ad habituation. Successive exposure causes users to ignore ads on a cognitive level, perceiving them as background noise. Thus exposure becomes behavioral but not conceptual. Another possible explanation is selective attention, where people only process information that is relevant to their goals and ignore location-based ads that are personally irrelevant. A third potential explanation is dual-channel learning: lower-exposure respondents may be learning about hyperlocal marketing techniques through formal schooling or professional sources, whereas high-exposure respondents receive advertising with no conceptual explanation. The study also suggests a perception-behavior gap. Even among the people who believe hyperlocal marketing is cost-effective, just approximately a third would advocate it, the same proportion as among those who are dubious about its cost-effectiveness.

This is contrary to the expectation that positive value perceptions should directly influence intention, and it is consistent with a more nuanced view in adoption literature: people may agree that a tool is valuable but still hesitate to recommend or adopt it due to risk perception, uncertainty about implementation, or absence of personal success stories. Finally, the universal demographic pattern – in which disparities in awareness are similar for age, education and gender – implies that we are dealing with a communication and conceptual problem rather than a typical segmentation or

access issue. Targeted treatments are often supported by demographic variations observed in adoption studies. The lack of such disparities here implies that the main obstacles are the conceptualization of hyperlocal marketing itself, and the manner it is delivered. These findings together indicate modifications to adoption theory for hyperlocal and related settings.

Models need to disentangle behavioral exposure from strategic awareness, consider habituation and selective attention and accept that perceived value is not enough to guarantee behavioral intention when uncertainty and context-specific hazards have not been resolved. The Indian hyperlocal context thus requires that the adoption theory incorporates the role of the quality of communication, the channels of education and the ability of the users to recognize and frame the strategy that they are experiencing.

5.3 Research Limitations And Boundaries

Study like this isn't ideal. Limitations might always alter what we interpret outcomes. When reviewing the conclusions, we should consider these limitations.

This study included 121 participants. These persons were picked because they were online and wanted to participate. They may not be like all Indian internet users or medium-sized corporate decision-makers. This means we must be careful when applying our findings to the public. We had 85 percent 18-35-year-olds and 77 percent college graduates. This is typical of an online survey. This makes it difficult to compare our outcomes to others of diverse ages and backgrounds.

Another consideration is that we only examined one-time data. Thus, we can see relationships. What causes what is unknown. We may notice that the more people are exposed to something, the more conscious they are of it, but we cannot determine if the exposure is causing the lack of awareness. We need a longitudinal research or experiment to understand what's happening. Another disadvantage is that we obtained data from participants' statements. They answered questions about awareness, familiarity, and exposure. How recently someone encountered something or how they comprehend the

questions can affect their answers. They may give replies they think we want to hear rather than their true thoughts. We saw no marketing that incurred costs.

Additionally, our measurement methods were limited. We used yes/no scales or frequency categories. This hinders analysis and makes tiny variations difficult to detect. We examined marketing campaign adoption but not usage. We examined awareness. We categorized it, not as a continuum.

Cost and risk perceptions were our main focus. We didn't consider platform trust or implementation ease.

Another drawback is that we only looked at Indian state residents. Delhi's digital market is more developed than others, therefore over half of our respondents were from there. This indicates that our findings may not apply to persons in places, especially those without internet.

Hyperlocal marketing evolves quickly. We found something that may change. Our findings are still valuable despite these limitations. They require cautious interpretation. Our findings mostly apply to educated urban Indians at the time.

5.4 Conclusion

Hyperlocal based digital marketing, which promises to connect local businesses to nearby clients in real time and improve the success rate of digital marketing for resource-constrained SMEs, is a critical frontier for India's digital economy. The goal of the present research is to assess how far Indian users and decision makers have come from simple exposure to meaningful awareness, informed evaluation, and adoption intention. The findings present a complex and, in certain respects, unexpected picture. Nonetheless, three-quarters of the respondents said they have a minimum of occasionally encountered location-based advertisements, indicating that the vast majority of respondents were digitally active and frequently subjected to such commercials.

But just about one-third of respondents said that they had a solid grasp of the notion of hyperlocal marketing. Many were unsure of whether they understood "digital marketing" or "hyperlocal marketing." The key finding is that conceptual

understanding, instead of behavioral exposure, is India's problem concerning hyperlocal marketing. The paradox of consciousness exposure is the best instance of this predicament. Rather than increasing awareness, increased ad exposure was linked to a worse understanding of hyperlocal marketing as a strategy. Compared for people who saw location-based advertisements frequently, those who said they never saw these ads were more likely to say they were aware of hyperlocal marketing. It's evidence that more advertisements are background noise than educational materials in a congested digital environment. Although hyperlocal approaches are offered to users, they are never given an expression or conceptualisation for what they are witnessing. A discrepancy between behavior and perception was additionally identified by the investigation. Respondents' perceptions of hyperlocal marketing as an affordable option did not always convert into a readiness to recommend. Recommendation behavior seems to be influenced by unclear information, a lack of specific experience, and concerns regarding execution and relevance. These trends suggest a more comprehensive conclusion when paired with the demographic findings, which show that awareness disparities are comparable across age, gender, and educational attainment. In this situation, communication, education, and strategic framing are the most significant barriers to the adoption of hyperlocal based marketing rather than technical capabilities.

,Agencies and platforms need to move beyond serving more ads and prioritize clarifying a strategy, showing usefulness and facilitating learning. The need for SMEs is to consciously comprehend how hyperlocal technologies fit in their specific context rather than going by instinct or general digital jargon. For educators and policymakers, it means planting hyperlocal notions in curricula and training programs to enhance strategic understanding of infrastructure and usage. For Researchers: Extending models of adoption to cover the divide among normal exposure, awareness, and informed behavior. In the end, our research suggests that hyperlocal marketing in India is at an important stage – the infrastructure as well as platforms are available, behavioral exposure is high, yet strategic awareness and confidence adoption are still limited. This gap cannot be bridged by advertising alone. Clearer

concepts, more education, better evidence of benefit and more careful communication will be necessary. With these ingredients, hyperlocal digital marketing could have the potential to be an essential component of India's next phase of its digital transformation, assisting local businesses remain competitive and connecting consumers more effectively to the services around them.

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ANNEXURE

Awareness of People Regarding Hyperlocal Digital Marketing

This survey aims to understand awareness and usage of hyperlocal digital marketing

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Not shared

* Indicates required question

Name *

Your answer

2. Email ID *

Your answer

3. Age *

☐ Below 18 yr

☐ 18 yr – 25 yr

☐ 25 yr – 35 yr

☐ Above 35 yr

4. Gender

☐ Male

☐ Female

☐ Prefer not to say

5. Which state do you belong to?

☐ Andhra Pradesh

☐ Arunachal Pradesh

☐ Assam

☐ Bihar

☐ Chhattisgarh

☐ Delhi

☐ Goa

☐ Gujarat

☐ Haryana

☐ Himachal Pradesh

☐ Jharkhand

☐ Karnataka

☐ Kerala

☐ Madhya Pradesh

☐ Maharashtra

☐ Manipur

☐ Meghalaya

☐ Mizoram

☐ Nagaland

☐ Odisha

☐ Punjab

☐ Rajasthan

☐ Sikkim

☐ Tamil Nadu

☐ Telangana

☐ Tripura

☐ Uttar Pradesh

☐ Uttarakhand

☐ West Bengal

Section 2: Background & Awareness

6. Educational Background

☐ Schooling

☐ Graduate

☐ Post-Graduate

7. What is your Occupation?

☐ Student

☐ Freelancer

☐ Business

☐ Job

8. Have you heard of digital marketing?

☐ Yes

☐ No

☐ Maybe

9. How familiar are you with digital marketing strategies?

☐ Very familiar

☐ Somewhat familiar

☐ Not familiar at all

10. What is your primary source of digital marketing knowledge?

☐ Academic study

☐ Work experience

☐ Online resources

☐ Friends/Peers

11. Do you currently use digital marketing in your business or studies?

☐ Yes

☐ No

☐ Planning to use

Section 3: Awareness of Hyperlocal Marketing

12. Which of the following digital marketing platforms have you used or s used?

☐ Google Ads
☐ Facebook/Instagram Ads
☐ Email Marketing
☐ All of the above

13. Have you heard of hyperlocal digital marketing?

☐ Yes
☐ No
☐ Maybe

14. How would you rate your understanding of hyperlocal marketing?

☐ Strong
☐ Moderate
☐ Weak
☐ None

15. What is the key focus of hyperlocal marketing?

☐ Targeting a small geographic area
☐ Targeting a global audience
☐ Targeting age groups
☐ None of the above

16. Which businesses benefit most from hyperlocal marketing?

☐ Local retail stores
☐ Online-only stores
☐ Export companies
☐ Multinational corporations

17. Which tools/platforms do you associate with hyperlocal campaigns?

☐ Google My Business
☐ Facebook Local Ads
☐ WhatsApp Marketing
☐ All of the above

Section 4: Usage & Effectiveness

18. What kind of data is most useful in hyperlocal marketing?

☐ Location data
☐ Age and gender
☐ Income level
☐ None of the above

19. Which channels are most effective for hyperlocal outreach?

☐ Social media
☐ Email
☐ Flyers
☐ SMS

20. How often do you see ads relevant to your location?

☐ Very often
☐ Sometimes
☐ Rarely
☐ Never

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21. Is hyperlocal marketing more cost-effective than broad digital marketing?

☐ Yes
☐ No
☐ Depends on business
☐ Not sure

22. What is the biggest challenge in hyperlocal marketing?

☐ Limited reach
☐ Privacy concerns
☐ High competition
☐ Lack of expertise

23. Would you recommend hyperlocal strategies to others?

☐ Yes
☐ No
☐ Maybe
☐ Not sure

24. How did you measure the success of your hyperlocal campaign?

☐ Sales
☐ Foot traffic
☐ Online engagement
☐ Not applicable

Section 5: Opinion & Future Scope

25. Do you think hyperlocal marketing is the future of digital marketing?

☐ Yes
☐ No
☐ Partially
☐ Not sure

26. Should schools and universities include hyperlocal marketing in curriculum?

☐ Yes
☐ No
☐ Maybe
☐ Not sure

27. Would you like to learn more about hyperlocal digital strategies?

☐ Yes
☐ No
☐ Maybe

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