

Chapter 5

Implementing E–Marketing in Small and Medium– Sized Enterprises for Enhanced Sustainability

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ABSTRACT

E-marketing is a strategic marketing approach that has revolutionized how marketing is executed by transitioning from traditional to internet-based platforms. It has significantly altered how firms interact with their customers. To provide insights and offer guidance for the growth and development of e-marketing among SMEs, the chapter explored the organizational, technological, and environmental elements that may drive the adoption of e-marketing, as well as models that can be implemented to enhance e-marketing. A thorough analysis of the literature revealed a significant positive association between sustainable marketing strategy and SME performance, indicating that sustainability is significantly influenced by the level of customer satisfaction, customer loyalty, and profitability.

INTRODUCTION

Information technological advancements have revolutionized marketing initiatives and organizational approaches worldwide. Numerous enterprises are leveraging the Internet and other electronic channels to execute marketing campaigns culminating in e-marketing evolution as a novel marketing concept. E-marketing is a contemporary activity that involves utilizing the Internet and other electronic means to promote goods, services, information, and ideas (El-Gohary, 2010). E-marketing, according to Gao (2021), is the integration of electronic data and applications to organize and execute the invention, distribution, promotion, and pricing of ideas, goods, and services to generate exchanges that fulfill customer and organizational objectives. The practice of marketing has been reinvented in the era of the internet.

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To compete effectively, businesses must establish an internet presence, most business organizations in all segments of the economy such as insurance companies, hotels, and education service providers have joined the online business community and incorporated the internet as a strategic management tool in their daily marketing efforts as a result of the popularity of personal computers, mobile smartphones, and enhanced access to internet service facilities. E-marketing is progressively gaining traction as a technique of attaining a competitive edge, which has significance for marketing practices. Businesses must embrace information technology, particularly the internet, to be successful in the twenty-first century. It is increasingly evident that countries, businesses, and consumers who neglect the internet will ultimately realize how challenging it is to survive without it, as the internet is redefining the relationship between trade partners and will continue to govern the entire exchange mechanisms.

BACKGROUND OF THE STUDY

Small and medium-sized enterprises (SMEs) are indispensable drivers of economic growth and development of several economies. A large percentage of businesses in the world are SMEs and are essential creators of employment and economic sustainability (World Bank,2021). They are responsible for up to 90% of enterprises and more than half of all job generation worldwide. In 2021, World Bank estimated that 600 million employments will be required to meet global demand for jobs by 2030, hence reasons why governments around the world must prioritize the growth of SMEs. The adoption of the internet for electronically facilitated exchanges (e-commerce) has proliferated in relation to the surge in commercial websites. Orders can be placed and filled, products and services provided, and have lowered international market entry barriers offering opportunities to multitudes of small and medium-sized businesses (SMEs) attempting to penetrate new markets by empowering them to effectively interact globally like any giant corporation. Notwithstanding the substantial contributions to the economy, SMEs encounter a range of obstacles, including limited access to finance, insufficient infrastructure, shortage of power supply, adverse taxation and government regulations, and most recently, the Coronavirus (COVID-19) pandemic.

The onset of the COVID-19 pandemic, as well as the subsequent widespread lockdown enforced by governments, inflicted a major blow to SMEs leading to difficulty to obtain raw materials for production and operational processes; the curfew and lockdowns deterred SMEs from gaining valuable customer patronage, and the high cost of productive materials resulted in financial disaster for most SMEs already suffering from the impacts of a shortage of finance. While the COVID-19 pandemic wreaked havoc on most SMEs, large-scale businesses like banking, telecommunications, and e-commerce experienced considerable improvements in profitability, sales, and performance during the pandemic. The integration of marketing and business operational processes into online channels and platforms was the single most significant success factor for these large-scale businesses, as it enabled them to continue marketing activities despite the lockdown, culminating in enhanced customer patronage, the volume of sales, and profit growth.

Marketing in small businesses differs from marketing in a large company as it is more instinctive, competence-based, concentrated on networking, and constrained by financial and human resources. While SMEs' traditional assets include their capability to serve specialty markets and create robust customer relationships, internet-enabled firms of any size weaken these capabilities to some extent. Due to the obvious reduced transaction costs associated with penetrating marketplaces dominated by SMEs, larger regional, national, and international firms pose a significant threat to entry. This creates

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