

## An Investigation of E-marketing Adoption and its Effect on Marketing Performance of SMEs in KPK

Ihtesham Ur Rahman<sup>1</sup>, Dr. Syed Tanveer Hussain Shah<sup>2</sup>, Muhammad Haroon Ur Rashid<sup>3</sup>, Mubashir Ahmad<sup>4</sup>

### Keywords:

Size of SME, Government Influence, Resources, Owner/Manager Skill, Perceived Usefulness, Perceived Ease of Use, Compatibility, Complexity, Relative Advantage

### ABSTRACT

Small businesses (SBEs) have gotten a lot of attention from researchers, academics, and practitioners during the last three decades. This interest stems from the assumption that innovation, particularly in information technology, is dependent on the potential of small businesses. Business and marketing strategies have evolved as a result of the recent revolution in computer science, the internet, IT, media, and communications. In this context, the study aims to explore e-marketing techniques and issues affecting SMEs in Pakistan. The report also evaluates the impact of e-marketing adoption on SMEs in Pakistan. The current study uses a quantitative strategy to collect data and answer research questions. A questionnaire with a well-established scale was created to collect quantitative data on many constructs. 264 valid questionnaires were utilized to test the current research's hypotheses. The study's findings show that all nine criteria have a substantial impact on SMEs' adoption of e-marketing in Pakistan. Perceived utility, perceived simplicity, compatibility, complexity, and relative advantage were found to impact e-marketing adoption in Pakistani SMEs. Furthermore, SMEs' embrace of e-marketing improves their marketing performance. The study concludes by discussing the researcher's findings and conclusions.

### INTRODUCTION

Small Business Enterprises (SBEs) have gotten a lot of attention from scientists, academics, and specialists during the last three decades because they are the financial engine fuelling overall economic development (Iddris, 2015; Njau, 2014). Much of this interest stems from the belief that advancement, particularly in IT, is heavily reliant on the abilities of enterprising small businesses (Ntwoku, 2017). Regardless, the continual transition in software engineering, the Internet, IT, media, and correspondences has altered the concept of business and advertising practice (Rachidi, 2016). A growing number of

<sup>1</sup> Lecturer, Institute of Business Studies & Leadership, Abdul Wali Khan University Mardan

<sup>2</sup> Lecturer, Institute of Business Studies & Leadership, Abdul Wali Khan University Mardan

<sup>3</sup> Demonstrator, Institute of Business Studies & Leadership, Abdul Wali Khan University Mardan

<sup>4</sup> Assistant Professor, Northern University, Nowshera, Pakistan

organizations and ventures use the Internet and other electronic devices to communicate with suppliers, business clients, and end-users of their products and administrations (Yaseen, 2019). New forms of advertising have demonstrated an open door for small firms to expand excitingly and dynamically (Goodarz et, 2012).

This study suggests that the adoption of Electronic Marketing (E-Marketing) by SMEs can alter the structure and nature of their businesses all over the world (Parminder, 2015). The rapid development of the Internet, the World Wide Web (WWW), IT, and correspondence advancements have created powerful new electronic channels for advertising, and most firms today believe that having an online presence is essential (Ahmed, 2016; Mutlu, 2016). In any event, there are concerns associated with the aspects of this new intuitive media close by these open doors. These issues are exacerbated by the fact that previous research has focused on the use of E-Marketing devices (e.g., the Internet) by large organizations with the resources to receive innovation tailored to their specific needs, as opposed to small business enterprises (SBEs) with limited spending plans and assets (Shaltoni, 2016). As a result, by focusing on the effect of E-Marketing reception on promoting execution in the private venture efforts section, this investigation hopes to contribute to the overall body of knowledge in the disciplines of E-Marketing and SMEs (Yousaf, 2018; Eze, 2017).

Given the importance of SMEs to the region's economic development, learning how to use the internet effectively is a critical issue (Gyamfi, 2016). SMEs are currently on the back foot in practically every sphere of business due to inadequate resources in terms of capital, human resources, and expertise (Kurian, 2019). Among these advances, one of the most important is the advancement of E-Marketing implementation (Manley, 2015). According to a SMEDA (2013) assessment, the use of the internet for marketing purposes among SMEs is extremely low. The fundamental motivation for this study is a lack of information about the use of E-Marketing by SMEs in Pakistan, particularly in the KPK region (Odimmega, 2016). In this context, this study would investigate the process of E-Marketing adoption by SMEs in Pakistan's KPK region. The study may also look into numerous factors that influence the adoption of E-Marketing in the region's SMEs (Rumanyika, 2014). The overall goal of this research is to determine how the evolution of E-Marketing has altered SBE advertising practices and affected their showcase implementation. This examination will construct an applied system after a writing audit to establish the essential issues in the field as well as the exploration holes. The investigation will next be given a quantitative approach to dealing with gathering quantitative information to address various levels of the investigation and to answer the "why" and "what" questions of this research.

### **Overview of E-Marketing:**

E-Marketing is a cutting-edge business practice that involves purchasing and selling products, services, data, and ideas via the Internet and other electronic means (Sheikh, 2016). The connotations of E-Marketing vary depending on the scientist's perspective, basis, and specialty (Eze, 2017). While Paulus (2014) defines it as "Achieving advertising aims using electronic mail technology". While Babalola

(2015), defines it as "any use of innovation to achieve marketing goals". "The technique went for stimulating and guiding business correspondence and exchanges across systems," Chong (2018). "Achieving marketing goals with innovative innovations," says Eid (2013). Kazungu (2015) defines e-marketing as "the use of electronic information and applications to plan and execute the creation, distribution, and valuation of ideas, products, and ventures to achieve individual and hierarchical goals."

### **E-Marketing is an Innovation Adoption**

Making anything new is called innovation. This new thing can be a product, technique, or service, and its objective is to improve (Fan, 2016). As stated previously, innovation can be a product, service, or process. Chube (2015) describes innovation as follows: "There are three stages of innovation: process innovation, discrete innovation (products, programs, or services), and organizational innovation." Increasing rivalry among businesses on a national and international level has made innovation (creating new products, services, and ideas) even more critical. It's not just about the innovation; it's about whether people will take it or not. Adopting an invention is "deciding to fully utilize it as the best course of action available" (Diing, 2016). This acceptance and uptake of the innovation means dissemination. Some researchers have devised many models for an innovation's diffusion (El-Gohary, 2016).

### **SMEs Specific Factors Affecting E-Marketing Adoption**

#### **Size of SMEs**

Organizational size is one of the factors used to explain innovation behavior (Jamil, 2020). Several studies in the field have concluded that association estimate is a poor predictor of innovation adoption (Shaltoni, 2018). Various studies have also shown that the effort measure influences the adoption of new ideas (Kazungu, 2015). These examinations include Kenneth (2012), Maduku (2016), and Mohammed (2013). However, it is not accepted that the factors that increase big business reception are the same factors that reduce SMEs' selection levels of innovations (Mulatu, 2017). This study asserts that more research is required on the impact of the venture measure on E-Marketing (Njau, 2014). In this regard, the study expects that bigger SMEs will be more likely to use E-Marketing than smaller SMEs (Taiminen, 2015).

#### **Skills of SMEs' Owner/Manager**

The SME owner coordinates a lot of experts within SMEs (Odimmega, 2016). Similarly, it is more likely that the proprietor will make the majority of SBE choices based on his knowledge and abilities (Jamil, 2020). So, if the business visionary lacks: innovative learning, legitimate information, financial knowledge, reasonable market knowledge, accessible opportunities for facilitating instruction and preparation, he/she will direct his/her business generally without an intuition in embracing any type of E-Marketing (Siamagka, 2015). In such instances, the owner is likely to be anti-innovation, and E-Marketing may be postponed or even ignored (El-Gohary, 2016).

Mohammed (2013) also discovered that the businessperson's knowledge and skills affect E-Commerce reception among small and medium-sized firms in Brunei Darussalam. This is supported by Sheikh's

(2016) findings that businessperson sharpness influences E-Marketplace reception decisions of Taiwanese small businesses. The businessperson's abilities, inspirations, and state of mind are other factors impacting E-Business acceptance and growth in the smaller organization, according to Jelena (2010). However, the SBE owner's assistance – as the greatest administration inside the SBE – will improve E-Marketing reception (Ahmed, 2016). The tendency to adopt electronic business activities will be strongly related to the importance put on an E-Business strategy within the corporation, according to certain research (Mutlu, 2016).

### **Support of the Government**

Government policies can influence SMEs' choice of E-Marketing. In this case, Kurian (2019) emphasized the importance of government affiliation in advancing electronic economies. Thus, government involvement may influence SMEs' ability and desire to adopt E-Marketing (Odimmega, 2016). Because a corporation's adoption and usage of E-Marketing is dependent on how well the government educates, motivates, and protects the firm (Yaseen, 2019). A terrific incentive plan (charge exclusion, donating assets, providing appropriate training programs, etc.) can also draw in more SMEs to E-Marketing. Few governments had recognized the relevance of SMEs in ICT reception (Ahmed, 2016).

### **Resources of SMEs**

Openness and accessibility of necessary assets may be important elements in SMEs adopting E-Marketing. These assets include monetary, creative, administrative, and human resources assets.

**Human Resource:** HR is one of the most vital and important components in obtaining E-Marketing. SMEs HR refers to both the owner and the employees of the SMEs. To be successful, a small business needs a skilled owner and representatives, as well as an unusual level of collaboration, coordination, and setting up a common strategy (Abd, 2018).

**Financial Resources:** The decision to embrace E-Marketing is heavily influenced by financial resources. These funds are required to execute E-Marketing plans, such as designing and launching a website, organizing and managing a mobile marketing campaign, training SME representatives, providing equipment and software, and maintaining the framework (Wilson, 2018).

**Technical Resources:** The availability of innovation foundations and other specialized assets within SMEs drives the use of E-Marketing. Most analysts and experts agree that having a suitable IT infrastructure is critical to any E-Marketing success (Hussein, 2017). Although the innovation foundation's equipment isn't the key factor influencing the SME's E-Marketing reception option, the firm owner and his staff's PC training is. While selecting the best technology (equipment and software) for delivering timely information to SBE clients is critical, the system will only operate if all faculties are prepared and energized (Wang, 2017).

### **Relative Advantage of E-Marketing**

The relative advantage of development refers to how advantageous or better it is compared to previous developments or alternatives (Moctezuma, 2016). The relative advantage position of development is its

perceived superiority over the thinking it supersedes (Hussein, 2017). The scale of relative advantage position might be expressed as monetary productivity, social distinction, or other potential benefits (Teixeira et al., 2018). Rogers suggests that the relative advantage perspective of advancement is strongly linked to its pace of selection (Yaseen, 2019). Various studies on development dispersion have found that relative advantage perspective is one of the major indications of advancement rate of selection (Yousaf, 2018).

### **Compatibility of E-Marketing**

It is also compatible. "Compatibility indicates how well an invention fits into the current values, experiences, and demands of potential adopters" (Manley, 2015). It suggests that a product or idea that is more compatible will be accepted more easily by a potential adopter (Nkosana, 2016). A product, process, or idea will be adopted if it simply fits into one's lifestyle (Taiminen, 2015). Goodarz (2012) proposes that the perceived compatibility of innovation by members of a social system is connected to its rate of adoption.

### **Complexity of E-Marketing**

To be adopted, a new product or idea must be simple to use. A product or idea that is difficult to use or understand will not be easily adapted. "How easy or difficult is an innovation to learn and use?" Gelderman, (2016). New ideas, products, and innovations fall into two categories: complex and simple (Eze, 2017). Some inventions are simple and easy to understand for potential consumers, whereas others are not. "The perceived complexity of an innovation by social system members is inversely connected to its rate of adoption," Kalu (2017).

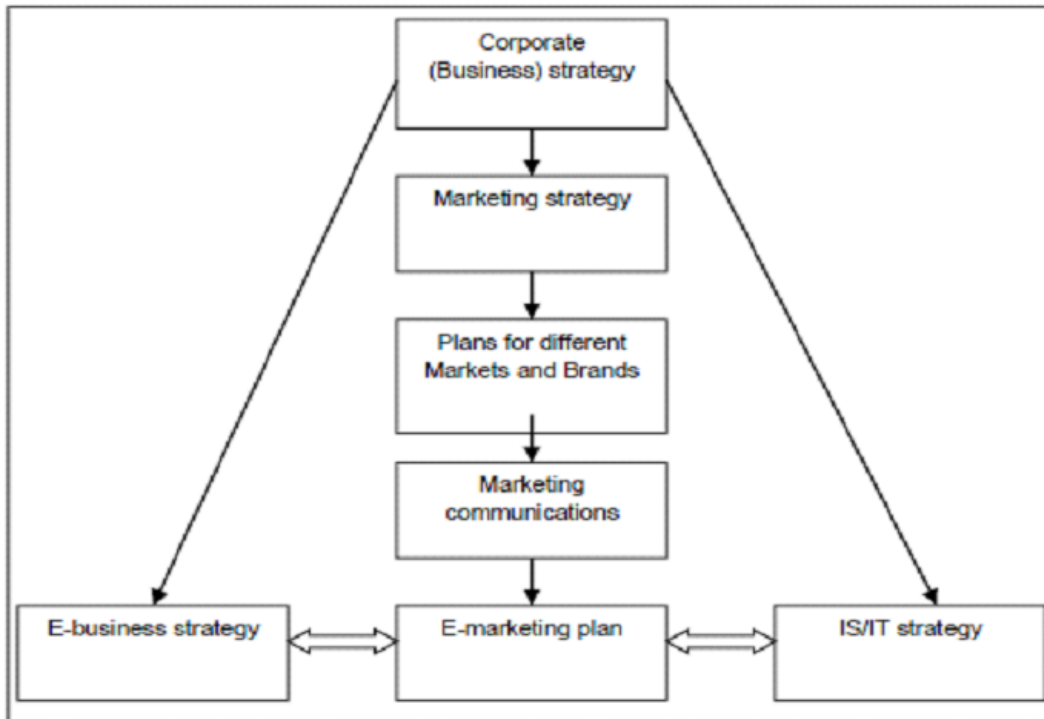
### **Linking E-Marketing with SMEs Marketing Performance**

The review of the writing failed to find a single report that was directed to research the link between E-Marketing appropriation and the marketing execution of SMEs (Odimmega, 2016; Rachidi, 2016). Thus, this study expands the writing survey to include E-Commerce, E-Business, and various venture sizes (Taiminen, 2015). One study identified a favourable relationship between E-Marketing and performance (Wilson, 2018), whereas other studies indicated a positive relationship between E-Business penetration and organization performance (Ahmed, 2016); Oztamura, 2014). On one side, this reflects another gap in E-Marketing, notably among SMEs. To fill this gap, researchers should evaluate the impact of E-Marketing acceptance and utilization on SMEs marketing execution. The studies on Moctezuma (2016) focus on E-Business and Internet reception, which is surprising given the study's primary focus. Also, even though Chong (2018) examined E-Marketing selection and its impact on marketing execution, they focused on American businesses (not private company ventures). They also focus on security and maintenance execution when examining this link, which is contrary to the study's main objective, which is to investigate the impact of E-Marketing reception on advertising performance in SMEs (Diing, 2016; Eze, 2017; Gyamfi, 2016).

### **Frameworks of E-Marketing**

The proposed conceptual framework of the study is extracted from the following figures (i.e., Figure 1- E-Marketing Strategy by Chaffey (2005), Figure 2- E-Marketing Roadmap by Gloor (2000), Figure 3- Cycle of E-Marketing by Kierzkowski Et Al. (1996), Figure 4- adoption curve by James W. Dearing (2009), Figure 5- Technology Acceptance Model (TAM) by Davis (1989), and Figure 6- Innovation of Diffusion Theory by Roger (1995). Based on the stated figures, this study conceptualized the proposed conceptual framework as figure 7.

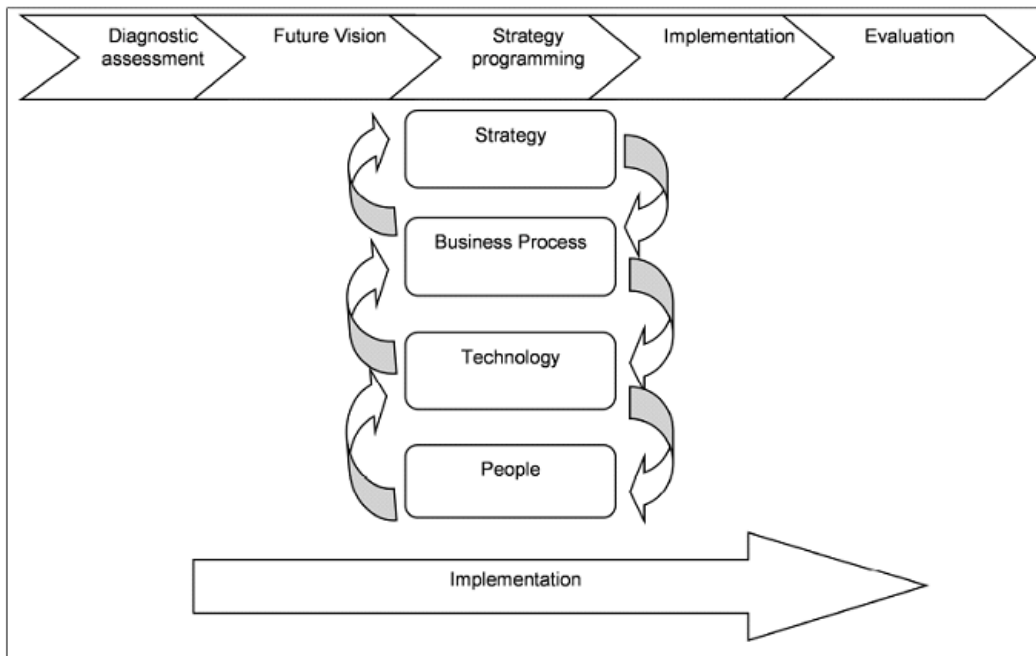
**Figure 1: Conceptual Framework for E-Marketing Strategy by Chaffey (2004)**



*Figure 1: Conceptual Framework for E-Marketing Strategy*

*Source: Chaffey (2004)*

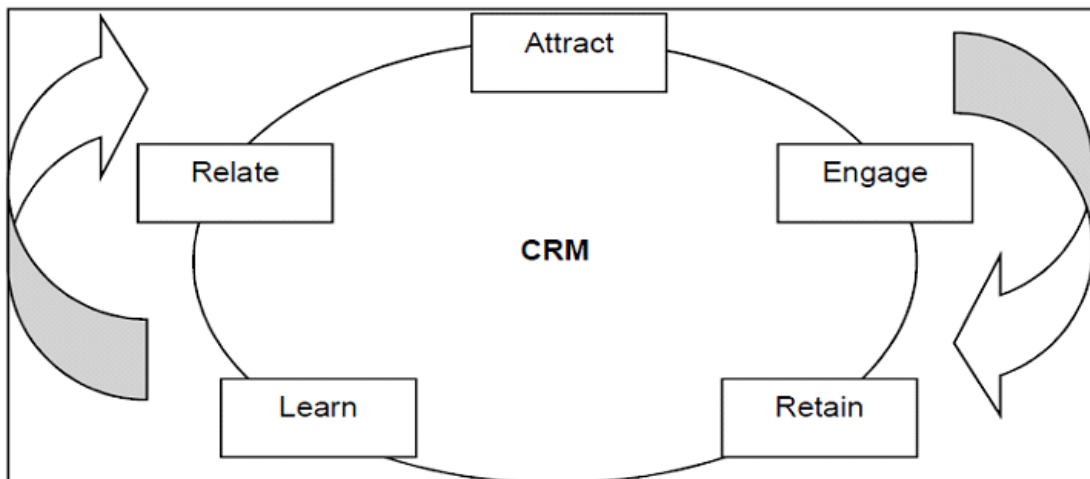
**Figure 2: Conceptual Framework for E-Marketing Roadmap by Gloor (2000)**



*Figure 2: Conceptual Framework for E-Marketing Roadmap*

*Source: Gloor (2000)*

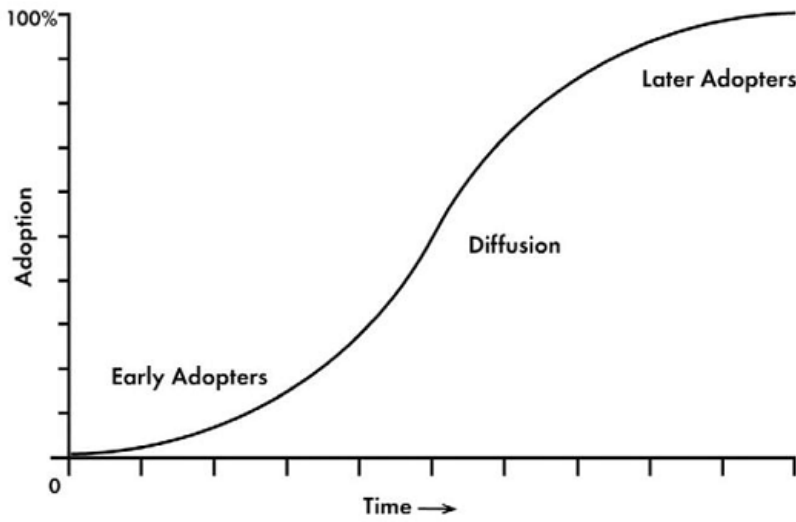
**Figure 3: Conceptual Framework for the Cycle of E-Marketing by Kierzkowski Et Al. (1996)**



*Figure 3: Conceptual Framework for the Cycle of E-Marketing*

*Source: Kierzkowski Et Al. (1996)*

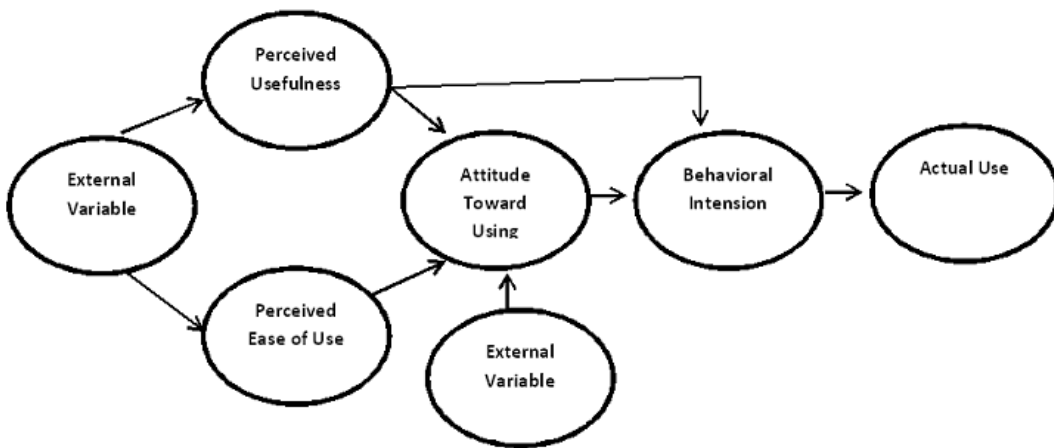
**Figure 4: Conceptual Framework for an adoption curve by James W. Dearing (2009)**



*Figure 4: Conceptual Framework for an adoption curve*

*Source: James W. Dearing (2009)*

**Figure 5: Conceptual Framework for Technology Acceptance Model (TAM) by Davis (1989)**

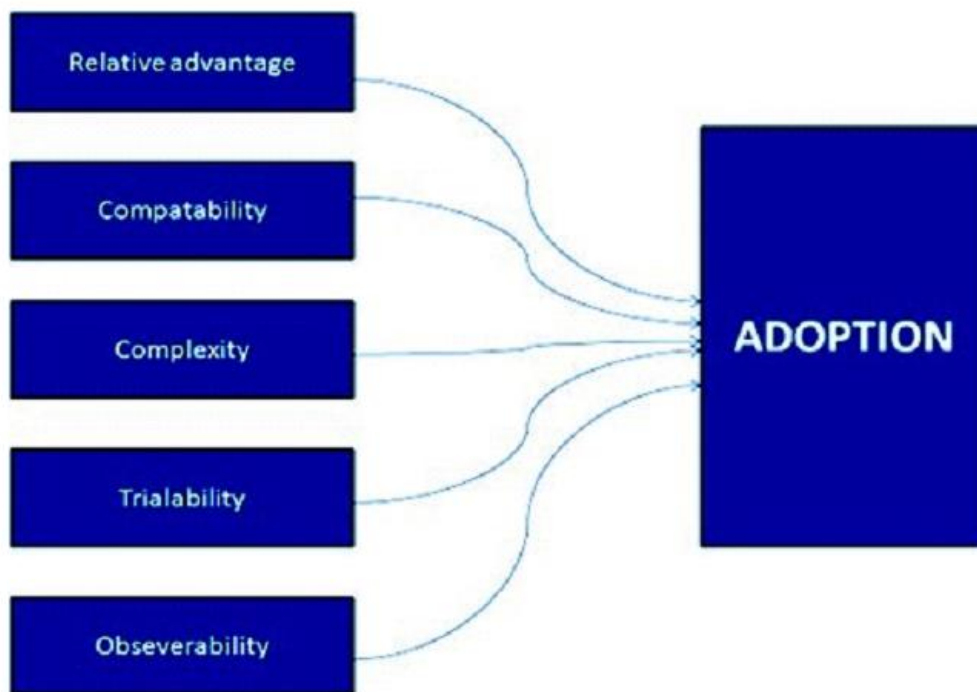


*Figure 5: Conceptual Framework for Technology Acceptance Model (TAM)*

*Source: Davis (1989)*



Figure 6: Conceptual Framework for Innovation of Diffusion Theory by Roger (1995)



Rogers' Diffusion of innovation (DOI) Model

Figure 6: Conceptual Framework for Innovation of Diffusion Theory

Source: Roger (1995)

**Proposed Conceptual Framework**

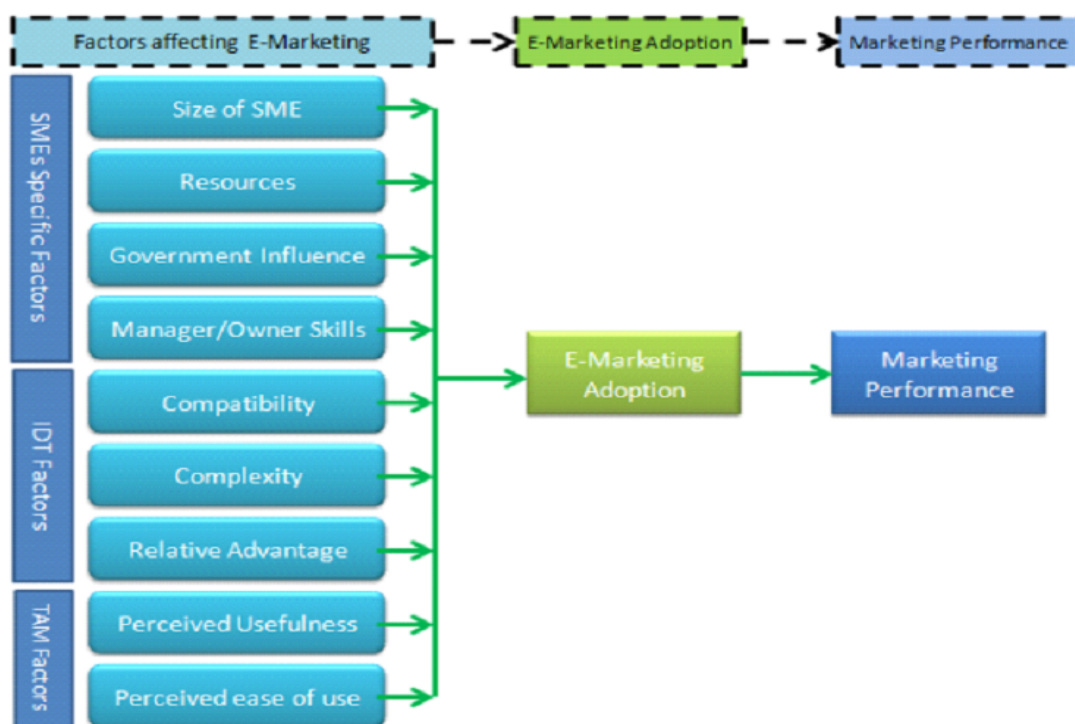


Figure 7: Proposed Conceptual Framework

## RESEARCH METHODOLOGY

This research employs a quantitative methodology, in which data is gathered by measuring version constructions and manipulating variables, then examined using numerical comparisons and statistical conclusions, as well as statistical analyses. Questionnaire distribution is used to collect data. For this study, 300 survey questionnaires were sent to respondents, with the researcher selecting only qualifying respondents to complete the questionnaire. A total of 270 questionnaires were returned, with 7 surveys being discarded owing to missing information. The researcher employed convenient sampling for the SMEs in KP, Pakistan, in this study. The study's participants were SMEs and entrepreneurs who had used e-marketing to boost their company's success.

### Instrumentation of the Questionnaire

All the scales are adopted from Magnusson (2009) to measure these constructs of the research. Three factors from IDT have been included in the current study that is compatibility, complexity, and relative advantage of e-marketing. The scales used to measure these three constructs have been adopted from Roger (1989), while two factors from TAM have been included in this research i.e. perceived usefulness and perceived ease of use. The scales used to measure these two factors are adopted from Davis (1989). Six questions have been used to measure e-marketing adoption by SMEs (El-Gohary, 2016). Six marketing performance indicators are used to measure marketing performance i.e. market share, customer retention rate, customer loyalty, customer satisfaction, rate of new products/services, and brand equity.

### Respondents Information

**Table 1** Respondents Information

<b>Gender</b>	<b>Frequency</b>	<b>Percent</b>	<b>Valid %</b>	<b>Cumulative Percent</b>
Male	199	75.4	75.4	75.4
Female	65	24.6	24.6	100
Total	264	100	100	
<b>Age</b>	<b>Frequency</b>	<b>Percent</b>	<b>Valid %</b>	<b>Cumulative Percent</b>
Under 30 years	51	19.3	19.3	19.3
30 to 40 years	85	32.2	32.2	51.5
41 to 50 years	68	25.8	25.8	77.3
51 to 60 years	43	16.3	16.3	93.6
More than 60 years	17	6.4	6.4	100
Total	264	100	100	
<b>Education</b>	<b>Frequency</b>	<b>Percent</b>	<b>Valid %</b>	<b>Cumulative Percent</b>
High School level	41	15.5	15.5	15.5
College certificate	65	24.6	24.6	40.2
University graduate	97	36.7	36.7	76.9
Postgraduate studies	61	23.1	23.1	100

Total	264	100	100	
<b>Respondents' Roles</b>	<b>Frequency</b>	<b>Percent</b>	<b>Valid %</b>	<b>Cumulative Percent</b>
Owner/partner	126	47.7	47.7	47.7
Manager	138	52.3	52.3	100
Total	264	100	100	
<b>Work Experience</b>	<b>Frequency</b>	<b>Percent</b>	<b>Valid %</b>	<b>Cumulative Percent</b>
Less than 5 years	55	20.8	20.8	20.8
5 to 10 years	59	22.3	22.3	43.2
11 to 20 years	73	27.7	27.7	70.8
More than 20 years	77	29.2	29.2	100
Total	264	100	100	
<b>Types of Participating SMEs</b>	<b>Frequency</b>	<b>Percent</b>	<b>Valid %</b>	<b>Cumulative Percent</b>
Manufacturing SME	107	40.5	40.5	40.5
Services SME	99	37.5	37.5	78
Trading SME	58	22	22	100
Total	264	100	100	
<b>No. of Employees in SMEs</b>	<b>Frequency</b>	<b>Percent</b>	<b>Valid %</b>	<b>Cumulative Percent</b>
10 to 49	138	52.3	52.3	52.3
50 to 99	56	21.2	21.2	73.5
100 to 149	25	9.5	9.5	83
150 to 199	19	7.2	7.2	90.2
200 to 249	26	9.8	9.8	100
Total	264	100	100	
<b>No. of Years in Business</b>	<b>Frequency</b>	<b>Percent</b>	<b>Valid %</b>	<b>Cumulative Percent</b>
Less than 5 years	29	11	11	11
5 to 10 years	74	28	28	39
11 to 20 years	98	37.1	37.1	76.1
More than 20 years	63	23.9	23.9	100
Total	264	100	100	

Table 1 shows that 75.4 percent of the respondents were male, while only 65 (or 24.6 percent) were female.

The majority of responses are between the ages of 30 and 40. According to Table 1, 32% of respondents are between the ages of 30 and 40, 26% are between the ages of 41 and 50, and 19% are under the age of 30. Only 7% of those polled are beyond the age of 60.

According to table 1, 37% of the population were university graduates, 25% were college graduates, 23% were postgraduates, and 15% had only a high school diploma.

Table 1 shows two sorts of respondents. 126 respondents owned/managed SMEs, representing 47.7% of the population. While 138 responders were SMEs (52.3%).

Table 1 shows the research participants' experience distribution. As a result, 29.2% of the population has over 20 years of experience. 27.7% of respondents have 11-20 years of experience, whereas 22% have 5-10 years. Finally, 20.8 percent of respondents had less than 5 years of job experience. Table 1 has the details.

The participating SMEs' background information is categorized by type (manufacturing, services, or trading), industry sector, staff count, and years in operation.

Table 1 shows that 40.5 percent of the sample is made up of manufacturing SMEs, 37.5 percent of the sample is made up of services SMEs, and 22 percent of the sample is made up of trade SMEs.

Table 1 shows the industry sector of the participating SMEs. As a result, 26 of the participating SMEs are textile-related. The second main number is 25 from the furniture. Agriculture, fishing, and mining are the least represented sectors (1, 3, and 5).

SMEDA defines a small business as one that employs less than 249 people. According to Table 1, 52.3 percent of the sample has fewer than ten employees, 56 have between 50 and 99 employees, and 25 have between 100 and 149 employees. There are 19 companies with 150-199 employees and 26 with 200-249 employees.

The majority of participating SMEs (98 out of a total sample of 371) have 11 to 20 years of market experience, while 74 have 5 to 10 years and 63 have more than 20 years. Finally, 29 SMEs have fewer than 5 years of market experience.

### Reliability Test

The reliability test results are shown below (in brackets is the Cronbach's Alpha). All goods with 0.700 or higher are regarded as good and ready for usage.

**Table 2** Reliability Test (Values of Cronbach Alpha)

No	Constructs	Cronbach Alpha	No of items
1	Size of SME	0.846	3
2	Resources	0.758	3
3	Government Influence	0.865	3
4	Manager Skills	0.926	3
5	Compatibility	0.754	3
6	Complexity	0.777	3
7	Relative Advantage	0.878	3
8	Perceived Usefulness	0.908	3
9	Perceived Ease of Use	0.903	3
10	E-marketing Implementation	0.775	6
11	Marketing Performance	0.914	6

## Regression Analysis

An e-marketing implementation-dependent variable and independent variables were inserted into a regression equation in a single block to test these hypotheses.

**Table 3 Model Summary**

<i>Model</i>	<i>R</i>	<i>R Square</i>	<i>Adjusted R Square</i>	<i>Std. The error of the Estimate</i>
1	.846 <sup>a</sup>	0.716	0.691	0.33069

a. Predictors: (Constant), size of SME, government influence, resources, owner/manager skill, perceived usefulness, perceived ease of use, compatibility, complexity, and relative advantage

b. Dependent Variable: e-marketing implementation

The results demonstrate that the effect of factors on e-marketing deployment in Pakistani SMEs is significant. As shown in Table 3, the implementation of e-marketing in Pakistani SMEs varies by 69.1% due to 9 independent variables (size of SME; government influence; resources; owner/manager competence; perceived usefulness; perceived ease of use; compatibility; complexity; and relative advantage). Because of this, the researcher concludes that SMEs in Pakistan benefit from e-marketing because of their size and government influence.

**Table 4 ANOVA**

<i>Model</i>		<i>Sum of Squares</i>	<i>df</i>	<i>Mean Square</i>	<i>F</i>	<i>Sig.</i>
1	Regression	12.7400	3	4.2470	8.4550	.0000 <sup>b</sup>
	Residual	46.2090	92	0.5020		
	Total	58.9500	95			

a. Predictors: (Constant), size of SME, government influence, resources, owner/manager skill, perceived usefulness, perceived ease of use, compatibility, complexity, and relative advantage

b. Dependent Variable: e-marketing implementation

The F ratio in table 4 can be used to test the null hypotheses. The F test is used to assess the significance of R in the context of overall multiple regression models. The cut-off value is 0.05, as in other social science statistical tests. Table 4 shows that F = 8.455 is significant at p 0.05. This shows that we can reject null hypotheses and that independent variables affect dependent variables.

**Table 5 Table of Regression Coefficients**

<i>Model 1</i>	<i>Unstandardized Coefficients</i>	<i>Standardized Coefficients</i>	<i>T-value</i>	<i>Sig.</i>
	$\beta$	$\beta$		
(Constant)	3.791		5.068	0
Size of SME	0.345	0.289	3.135	0.002
Government Influence	0.177	0.107	2.226	0.028
Resources	0.326	0.322	3.463	0.001

Owner/Manager Skill	0.213	0.208	6.765	0
Perceived Usefulness	0.325	0.311	3.174	0.002
Perceived Ease of Use	0.421	0.413	3.975	0.004
Compatibility	0.221	0.217	2.113	0.023
Complexity	-0.211	-0.201	-3.012	0.031
Relative Advantage	0.323	0.318	6.989	0

a. Dependent Variable: e-marketing implementation

With the coefficient for SME size (B=0.289, t=3.135, p<0.01), the researcher in this study may readily reject the null hypothesis. government influence (B=0.107, t=2.226, p<0.05), resources (B=0.322, t=3.463, p<0.001), owner/manager skill (B=0.208, t=6.765, p<0.001), perceived usefulness (B=0.311, t=3.174, p<0.001), perceived ease of use (B=0.413, t=3.975, p<0.01), compatibility (B=0.217, t=2.113, p<0.05), complexity (B=-0.201, t=-3.012, p<0.05) and relative advantage (B=0.318, t=6.989, p<0.001) are equal to zero. The values of coefficients and its significance levels show all the independent variables have significant association with dependent variable.

## FINDING AND DISCUSSION

The purpose of this study was to identify potential impediments to e-marketing adoption in Pakistani SMEs. This study also investigates the impact of e-marketing on the marketing performance of SMEs. In this regard, the questionnaire survey results supported all nine hypotheses proposed in the current study. It was expected that small business size, government influence, resources, owner/manager competence, and perceived usefulness/ease of use would all have an impact. According to the literature on e-marketing implementation, these factors influence e-marketing implementation in Pakistani SMEs. These variables were classified into three groups. The first category is for SMEs and includes criteria such as size, government influence, owner/manager abilities, and resources, while the second is for TAM and includes characteristics such as perceived ease of use and utility of e-marketing. Finally, compatibility, complexity, and relative advantage are all factors to consider in IDT.

The size of SME theories are supported, which is in line with previous studies. Organization size is one of the factors used to explain new innovation behavior. Several studies in the field have concluded that association estimate is a poor predictor of new innovation adoption (Eze, 2017; Gyamfi, 2016; Iddris, 2015). Similarly, the SME owner coordinates a lot of expert within SMEs. Similarly, it is more likely that the proprietor will make the majority of SBE choices based on his knowledge and abilities (Kurian, 2019; Maduku,

2015). Our finding echoes prior research. Also, government policies can greatly influence SMEs' choice of E-Marketing (Oztamura, 2014; Yousaf, 2018). According to Diing (2016), in emerging electronic economies, government association is a vital engine for technological innovations diffusion. In line with this viewpoint, the findings of this study show that government influence is important in the adoption of e-marketing in Pakistani SMEs (Chube, 2015). Our findings also support the fourth hypothesis about SMEs' resources. Human, financial, and technical resources are crucial resources for implementing e-marketing in Pakistani SMEs.

In the current study, SMEs are crucial in accepting an innovation (i.e. e-marketing). Technology adoption is an aspect of the diffusion of innovation. Consumers must first accept or reject new technology before it can spread. For example, many users will discard a spam or unknown email without opening it. Many would also change the TV station as advertising started. This means e-marketing is more acceptable than traditional marketing. Compatibility, complexity, and relative advantage were determined to be key factors influencing e-marketing adoption in Pakistani SMEs.

Finally, TAM assesses personal and voluntary acceptance. TAM is in line with these e-marketing adoption traits. The user will compare the perceived value of e-marketing versus traditional marketing. If SMEs believe e-marketing is more valuable than traditional marketing, it will be quickly adopted. Similarly, perceived ease of use of e-marketing will influence SMEs' adoption of e-marketing in KP. In this sense, SMEs will accept e-marketing more readily if it is viewed as simple to use. Perceived ease of use and perceived utility positively influenced e-marketing adoption among Pakistani SMEs.

## **CONCLUSION AND RECOMMENDATION**

Small Business Enterprises (SBEs) have attracted significant thought from scientists, academics, and professionals during the last three decades. This fascination stems from the belief that small businesses, particularly in IT, are vital to advancement. To be sure, the continual upheaval in software engineering and the Internet has changed the idea of the company and advertising practices. Increasingly, businesses and organizations use the Internet and other electronic devices to communicate with suppliers, business clients, and end consumers. New forms of advertising have allowed tiny firms to grow spectacularly and dynamically.

The use of E-Marketing by SMEs can affect the shape and nature of their business globally, according to this study. The rapid development of the Internet, World Wide Web, IT, and communication has created powerful new electronic media for advertising, and most businesses now consider an online presence essential (Jamil, 2020; Mutlu, 2016; Gelderman, 2016). In any event, concerns with the elements of this new intuitive media surround these open doors. These challenges are worsened by the fact that previous study has focused on large organizations with the resources to receive new technology, rather than small businesses (SBEs) with limited budgets and resources. By examining the impact of E-Marketing reception on

promoting execution in the private venture endeavors portion, this research hopes to offer to the collective group of learning in the fields of E-Marketing and SMEs

To attain these goals, the study used a quantitative approach with a questionnaire survey. A total of 264 completed questionnaires were collected to assess the current research's hypothesis. Scales' reliability was tested using reliability analysis. All scales were confirmed to be reliable and ready for data analysis. Smaller SMEs in Pakistan are more likely to adopt e-marketing than larger SMEs in the country. Also, e-marketing performance was proven to have a considerable favourable impact on SMEs in Pakistan.

## REFERENCES

- Ahmed Sheikh, A. Shahzad, and A. Ku Ishak, "The mediating impact of e-marketing adoption on export performance of firms: A conceptual study.," *Journal of Technology and Operations Management*, pp. 45-58, 2016.
- Abd Aziz and N. Abd Wahid, "Why consumers are hesitant to shop online: The major concerns towards online shopping.," *International Journal of Academic Research in Business and Social Sciences*, p. 8 (9), 2018.
- Babalola, O. O., & Babalola, G. O. (2015). E-Marketing Tools and Small and Medium Enterprises in Nigeria. *International Journal of Banking, Finance, Management and Development Studies*, 2(23), 386-406.
- Chong, W. K., Man, K. L., & Kim, M. (2018). The Impact of E-Marketing Orientation on Performance in Asian SMEs: A B2B Perspective. *Journal of Enterprise Information Systems*, 12(1), 4-18.
- Chube, G. (2015). *Effects of ICT Adoption by SMMEs Owners on Production in Borolong Area of Botswana*. Masters' Dissertation, North-West University.
- Diing, L. I. (2016). *Factors Influencing Information Technology Adoption and Effects on the SMEs: The Case of South Sudan*. Masters' Dissertation, United States International University-Africa.
- Eid, R., & El-Gohary, H. (2013). The Impact of E-marketing use on Small Business Enterprises' Marketing Success. *The Service Industries Journal*, 33(1), 31-50.
- El-Gohary, H., & El-Gohary, Z. (2016 b). An Attempt to Explore Electronic Marketing Adoption and Implementation Aspects in Developing Countries: The Case of Egypt. *International Journal of Customer Relationship Marketing and Management*, 7(4), 1-26.
- Eze, P., & CO, O. (2017). The Extent of Utilization of E-Marketing Application by Small and Medium Enterprises in South Eastern States of Nigeria. *Management Studies and Economic Systems*, 3(4), 215-224.
- Fan, Q. (2016). Factors Affecting Adoption of Digital Business: Evidence from Australia. *Global Journal of Business Research*, 10(3), 79-84.



- Gyamfi, K. A. (2016). *Factors Affecting the Adoption of E-Marketing among SMEs: Case study of Selected SMEs in the Kumasi Metropolis, Ashanti Region*. Masters' Dissertation, Kwame Nkurumah University of Science and Technology, Kumasi.
- Gelderman, J. Semeijn and P. Mertschuweit, "The impact of social capital and technological uncertainty of strategic performance: The supplier perspective.," *Journal of Purchasing and Supply Management*, pp. 225-234, 2016.
- Goodarz, J.D., Samin, R., Muhammad, S.R, Firoozeh, F., Neda, N., & Samaneh, F.J. (2012). "A conceptual study on Emarketing and its operation on firm's promotion and understanding customer's response: international journal of Business and Management Vol.7, No.19, October.
- Hussein and A. Baharudin, "Factors affecting small and medium enterprises (SMEs) continuance intention to adopt e-commerce in Jordan," *International Journal of Advance and Applied Sciences*, pp. 110-117, 2017.
- Iddris, F., & Ibrahim, M. (2015). Examining the Relationships between E-Marketing Adoption and Marketing Performance of Small and Medium Enterprises in Ghana. *Journal of Marketing and Consumer Research*, 10, 160-169. ITC. (2018).
- Jamil, A. H. A., Jusoh, M. S., & Ghani, M. R. A. (2020). The impact of E-marketing on business performance in Northern Malaysia. *International Journal of Business and Management*, 4(5), 55-61.
- Jelena, B.O. (2010) "The current e-marketing activities of SME. Case Fotomina Ltd, Haaga-Helia University of applied sciences: Thesis DP in International business, 2010.
- Kalu, A. O., Nto, C. P., & Nwadihoha, E. E. (2017). Environmental Forces as Catalysts in Electronic-Marketing, the 21st Century Trends in Nigeria. *Singaporean Journal of Business Economics, and Management Studies*, 5(8), 46-56.
- Kazungu, I., Panga, F., & Mchopa, A. (2015). Impediments to Adoption of E-Marketing by Tanzanian Small and Medium Sized Enterprises: An Exploratory Model. *International Journal of Economics, Commerce and Management*, 3(6), 587-597.
- Kenneth, W., Rebecca, M. N., & Eunice, A. (2012). Factors Affecting Adoption of Electronic Commerce among Small and Medium Enterprises in Kenya: Survey of Tour and Travel Firms in Nairobi. *International Journal of Business, Humanities and Technology*, 2(4), 76-91.
- Kurian, A. A., Asokan, S., & Dham, S. (2019). Social Media Marketing and SMEs: Is it a Winning Combination in Singapore? An Analysis. *Indira Management Review*, 13(1), 9-33.
- Moctezuma and Rajagopal, "Role of digital marketing in driving business performance in emerging markets: An analytical framework," *International Journal of Business Forecasting and Marketing Intelligence*, pp. 291-314, 2016.
- Mutlu and A. Surer, "Effects of market, e-marketing, and technology orientations on innovativeness and performance in Turkish health organizations," *Health marketing quarterly*, pp. 95-111, 2016.

- Maduku, D. K. (2015). *Determinants of Mobile Marketing Adoption among SMEs in South Africa*. Doctoral Dissertation, University of Johannesburg.
- Maduku, D. K., Mpinganjira, D., & Duh, H. (2016). Understanding Mobile Marketing Adoption Intention by South African SMEs: A Multi-perspective Framework. *International Journal of Information Management*, 36(5), 711-723.
- Manley, L. L. (2015). The Use of Traditional Versus E-marketing in SMEs in a Developing Country: A Comparative Analysis. *Journal of Governance and Regulation*, 4(1), 202-212.
- Mohammed, J. A., Almsafir, M. K., & Alnaser, A. S. (2013). The Factors that Affects E-Commerce Adoption in Small and Medium Enterprises:. *Australian Journal of Basic and Applied Science*, 7(10), 406-412.
- Mulatu, M. B. (2017). *Assessment on the Effects on Information and Communication Technology on the Performance of Ethiopia Cross Boarder Transport Firm*. Master's thesis , St. Mary's University , Addis Ababa.
- Njau, J. N., & Karugu, W. (2014). Influence of E-Marketing on the Performance of Small and Medium Enterprises in Kenya: Survey of Small and Medium Enterprises in the Manufacturing Industry in Kenya. *International Journal of Business and Law Research*, 2(1), 62-70.
- Nkosana, T., Skinner, J., & Goodier, C. (2016). Challenges of ICT adoption and utilisation in small rural restaurants: a case study of the KwaZulu-Natal Midlands. *African Journal of Hospitality, Tourism and Leisure*, 5(4), 1-11.
- Ntwoku, H., Negash, S., & Meso, P. (2017). ICT Adoption in Cameroon SMEs: Application of Bass Diffusion Model. *Journal of Information, Technology and Development*, 23(2), 296-317.
- Oztamura and I. Karakadilar, "Exploring the role of social media for SMEs: As a new marketing strategy tool for the firm performance perspective," *Procedia - Social and Behavioural Sciences*, vol. 150, no. 2014, pp. 511-520, 2014.
- Odimmega, C. G., Udegbumam, O. E., Ile, C. M., & Azu, N. N. (2016). Managers' Rating of E-Marketing as a New Window for Distributive Business in Nigeria. *Online Journal of Arts, Management, and Social Sciences*, 1(1), 61-72.
- Parminder, K., Ashutosh, P. & Karamjeet, K. (2015) "E-marketing – A Global perspective. *International journal of Engineering Research and Applications* Vol.5, Issue 2, (part-5) February, PP. 116-124.
- Paulus, H.A., & Andreki, R.Y. (2014) "Is E-marketing the future of marketing field? *American Journal of industrial and business management* Vol.4 PP.333-336, July.
- Rachidi, H., & El Mohajir, M. (2016). Empowering Small Moroccan Business Performance using Information Systems: Analysis and Perspectives. *International Journal of Computer and Information Technology*, 5(2), 208-219.
- Rumanyika, J., & Mashenene, R. G. (2014). Impediments of E- Commerce Adoption among Small and Medium Enterprises in Tanzania: A Review. *International Journal of Information Technology and*

*Business Management*, 32(1), 45-55.

Shaltoni, A. M., West, D., Alnawas, I., & Shatnawi, T. (2018). Electronic Marketing Orientation in the Small and Medium-Sized Enterprises context. *European Business Review*, 30(3), 272-284.

Sheikh, A. A., Shahzad, A., & Ishak, A. K. (2016). The Evolution Of E-Marketing In Business-To-Business (B2b) Environment And Its Impact On Firm Performance. *Journal Studia Universitatis Babeş-Bolyai Negotia*, 61(4), 33-48.

Shaltoni, "E-marketing education in transition: An analysis of international course and programs," *The International Journal of Management Education*, pp. 212-218, 2016.

Siamagka, G. Christodoulides, N. Michaelidou and A. Vlavi, "Determinants of social media adoption by B2B organisations," *Industrial Marketing Management*, vol. 51, pp. 89-99, 2015.

Taiminen, H. M., & Karjaluoto, H. (2015). The Usage of Digital Marketing Channel in SMEs. *Journal of Small Business and Enterprise Development*, 22(4), 633-651.

Teixeira, S., M. J., Branco, F., Gonçalves, R., Au-Yong-Oliveira, M., & Moreira, F. (2018). A theoretical analysis of digital marketing adoption by startups. *International Conference on Software Process Improvement in October 2017* (pp. 94-105). Springer. doi:[https://doi.org/10.1007/978-3-319-69341-5\\_9](https://doi.org/10.1007/978-3-319-69341-5_9)

Wang and H. Kim, "Can social media marketing improve customer relationship capabilities and firm performances? Dynamic capability perspectives," *Journal of Interactive Marketing*, pp. 15-26, 2017.

Wilson, V., & Makau, C. (2018). Online Marketing use: Small and Medium Enterprises (SMEs) Experience from Kenya. *ORSEA Journal*, 7(2), 63-77.

Yaseen, H., Al-Adwan, A. S., & Al-Madadha, A. (2019). Digital Marketing Adoption among SMEs in Jordan: A Mixed- Method Approach. *Journal of Theoretical and Applied Information Technology*, 97(4), 1401-1412.

Yousaf, Z., Sahar, N., Majid, A., & Rafiq, A. (2018). The effects of e-marketing orientation on strategic business performance: Mediating role of e-trust. *World Journal of Entrepreneurship, Management and Sustainable Development*.