
The impact of E-marketing use on small business enterprises' marketing success

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ABSTRACT:

Small business enterprises (SBEs) are considered to be the economic engine leading to worldwide economic development. They have attracted substantial consideration from researchers, academics and practitioners in the last three decades. Meanwhile, E-marketing (EM) has emerged as one of the key drivers in sustaining an organisation's competitive advantage. Yet, there is a lack of systematic empirical evidence regarding marketing activities that are affected by the use of EM in the (SBEs) context, and their consequent performance outcomes. Therefore, the purpose of this paper is to examine the impact of EM use by SBEs on marketing success and to develop and test a conceptual model of the antecedents and consequences of EM use by SBEs. The conceptual framework consists of the following constructs: EM budget, EM tools, pre-sales activities, after-sales activities, marketing performance and marketing effectiveness. Moreover, 12 hypotheses were developed and tested. Exploratory and confirmatory factor analyses were used to test the validity of measures, while structural equation modelling was used in hypotheses testing. Data were collected from 114 SBEs who had used different EM tools. Findings reveal that the use of EM tools has a positive influence on SBEs pre-sales activities, aftersales activities, marketing performance and marketing effectiveness. The results of this study have major implications for the marketing domain, as they stress the central role of marketing people in the successful implementation of EM in SBEs.

KEY FINDINGS:

Key finding from this study are:

- There is a positive relationship between increased expenditure on E-marketing and both pre and post sales marketing activities, plus marketing performance and effectiveness.
- Pre and post sales marketing activities have a positive and significant impact on marketing performance and effectiveness.
- The use of E-marketing tools impacts positively and significantly on pre and post sales marketing activities. However, the use of E-marketing tools does not significantly impact either marketing performance or effectiveness.

IMPLICATIONS FOR MANAGERS:

- E-marketing requires the allocation of sufficient budget to enable its implementation so as to allow the company to interact, respond and communicate effectively with the customer.
- The adoption of E-marketing tools (e.g. internet and email marketing) will not guarantee improved marketing performance or effectiveness. However, they can lead to these outcomes if used appropriately within pre and post sales marketing activities.
- There is no specific E-marketing tool that will provide superior outcomes for firms, a range of tools will be required.