

# **Competitiveness and Digital Marketing Channels of SMEs**

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## ABSTRACT

Globalization or rapid change in communication and information resources has caused a various change in traditional marketing tools among consumers. This has required a study of digital marketing as a requirement for competitiveness in the SMEs enterprises.

The purpose of this study was conducted to explore the effects of digital marketing channels of the competitiveness of SMEs in Palestine. The researcher designed a questionnaire that had a response rate of 82 %, the researcher used convenience sampling and non-probability sampling. Data was obtained through questionnaire administered directly by the researcher to the respondents. The gathered data was analyzed by SPSS and Microsoft Excel. By using regression analysis, quantitative data were collected and analyzed to establish the importance of the correlation coefficient of the association between the variable.

The study shows that digital marketing has become key essential for all businesses in different sectors. Therefore, marketers are advised to enter into digital marketing platforms and start experimenting. It is also advisable that business management make investments in digital marketing platforms so that the potential for digital marketing is fully exploited.

**Keyword:** Competitiveness, Digital Marketing Strategies, Social Media.

## ÖZ

Küreselleşme veya İletişim ve bilgi kaynaklarındaki hızlı değişim, tüketiciler arasında geleneksel pazarlama araçlarında çeşitli değişikliklere neden olmuştur. Bu, KOBİ'lerin işletmelerinde rekabet gücü için bir gereklilik olarak dijital pazarlamanın incelenmesini gerektirmiştir.

Bu çalışmanın amacı, dijital pazarlama kanallarının Filistin'deki KOBİ'lerin rekabet edebilirliğine etkilerini araştırmak amacıyla yapılmıştır. Araştırmacı, yanıt oranı %82 olan bir anket tasarladı, araştırmacı kolaylık örnekleme ve olasılıksız örnekleme kullandı. Veriler doğrudan araştırmacı tarafından ankete katılanlara uygulanan anket formu ile elde edilmiştir. Toplanan veriler SPSS ve Microsoft Excel tarafından analiz edildi. Regresyon analizi kullanılarak nicel veriler toplanarak değişkenler arasındaki ilişkinin korelasyon katsayısının önemini ortaya koymak amacıyla analiz edilmiştir.

Çalışma, dijital pazarlamanın farklı sektörlerdeki tüm işletmeler için kilit öneme sahip olduğunu göstermektedir. Bu nedenle, pazarlamacıların dijital pazarlama platformlarına girmeleri ve denemeye başlamaları önerilir. Ayrıca, işletme yönetiminin dijital pazarlama platformlarına yatırım yapması ve böylece dijital pazarlama potansiyelinin tam olarak kullanılması tavsiye edilir.

**Anahtar kelimeler:** Rekabet Gücü, Dijital Pazarlama Stratejileri, Sosyal Medya.

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# Chapter 1

## INTRODUCTION

### 1.1 Introduction

The world is experiencing significant changes in communications. These changes are due to the widespread dissemination of technology and information through the Internet via various mediums such as social media, smart phones, and e-word-of-mouth (Al-Marroof& Al-Emran, 2018; Al-Qaysi&AlEmran, 2017; Al-Qaysi et al,2018; Alshurideh et al, 2019). Since these social media platforms can promote access and improve customer engagement, technological advances make the world appear to be a small village (Alghizzawi et al,2018; Malik & Al-Emran, 2018; S. A. Salloum et al, 2019). As a result, global competition among companies is growing, and new approaches are being established to achieve higher market shares and long-term benefits.

Globalization and the internet have made it easier to link sellers and buyers around the world (Armstrong et al, 2009; Magnusson &Forssblad, 2009). Companies that operate in a business-to-consumer scope can reach consumers in various markets, regions, or even countries, while consumers can easily search for companies located anywhere in the world to purchase from. The desire to obtain information more quickly has generated new forms of communication. As a result, new business opportunities exist all over the world, requiring the creation of new and creative marketing strategies to remain competitive. It is however not just business-to-

consumer companies that are developing; the companies in which Business to business operates are also changing. Now, these buyers can obtain all information they need through the internet which makes them more able to select the right supplier (Taylor, 2014; Zambito, 2013).

The need to obtain information has generated new forms of communication. As a result, new market opportunities exist across the world, requiring the creation of new and creative marketing strategies to remain competitive. (Magnusson & Forssblad, 2009).

One marketing strategy that is growing rapidly and receiving attention is digital marketing which has several opportunities as well as challenges (Chaffey et al, 2009). This form of marketing is concerned with developing corporate, personal, and product brand positioning, as well as enhancing brand equity, external and internal marketing, and conducting customer research (Mangold & Faulds, 2009).

The scope of digital marketing has been investigated, as well as its future growth and profit potential (Blattberg et al, 1994). It has been regarded as a powerful tool for establishing communication with customers and providing higher services at lower costs by delivering the updated product- and non-product-related information in an easier, more accessible, less costly, and highly immediate manner, always and everywhere (Ellsworth and Ellsworth, 1997).

Digital marketing has become part of people's daily routines. The number of people who use social media recorded was 3.56 billion in 2018 around the world (date info, 2018). Consumers look for product information and services across digital

communication networks. Moreover, consumers use digital marketing such as social media and email to communicate with others about their experiences (Stephen, 2016).

Digital marketing is considered as instructive media tools which enable user and groups to, create, generate, modify or share information together. Now, buyers are active, no longer passive players on the market (Lányi,2021).

Digital marketing involves many activities such as social media, online communities, blogging, all of which include the creation and maintenance of relationships across a network of different stakeholders(bang&hell,2015).

Digital marketing has become an effective tool for shaping customer behaviour in a variety of ways including brand awareness, information gathering, perceptions, attitude, purchasing and post purchasing behaviour all of them are factors to consider (Mangold & Faulds,2009). These various factors are intended to improve a company's competitiveness and profitability. Ultimately, this would result in an increase in revenue. Digital marketing is increasingly being used by businesses for advertisement and sales (Kumar &Mirchandani, 2012).

## **1.2 Digital Marketing in Palestine**

The Palestinian telecommunications sector has gone through pivotal experiences in past years, as it was subjected to Israeli regulation for a long time prior to the establishment of the Palestinian National Authority following the signing of the Oslo Declaration of Principles in 1993(PCBS,2014).

As a result, fixed telephone availability in the West Bank and Gaza Strip did not reach 3.14 per cent, compared to 30 per cent in Israel, despite the fact that getting a phone line at the time took at least 10-15 years and the use of fax machines and other communication devices was forbidden in some cases (PCBS,2014).

The absence of Israeli services in Palestine, as well as a lack of interest in improving the communications network, led to the situation's primitive condition. The Palestinian Authority immediately prepared an emergency plan to extend and improve the deteriorating situation it inherited by constructing and equipping a new communication system. This plan included improving infrastructure, trying to rebuild communication networks, and rearranging construction and activity within the context of granting concessions and licenses to the telecommunications company (PCBS,2014).

The Palestinian National Authority paid attention to the communications and information technology sector's strategic importance and growth when deciding to construct and privatize the sector. PATEL, a Palestinian telecommunications company, was established in 1997 and was given the authority to provide fixed and mobile phone services. The company upgraded the infrastructure and installed an advanced digital network, reuniting Palestine with the rest of the world in a quantum leap, and its services now cover roughly 90% of Palestinian territory (PCBS,2014).

### **1.3 SMEs in Palestine**

The SME sector is often seen in the emerging and the developing countries as the main driver behind growth, innovation, and the creation of jobs (Dehbokry& Chew, 2015; Dubihlela&Dhurup, 2015).

SMEs play a crucial part in stimulating GDP in Palestine, the percentage of impact of Palestinian SMEs was 55% in GDP in 2014 (Palestine Investment Fund, 2014) also it plays an important role of recycle national income and reduce number of unemployment rate. It represents nearly 99% of Palestinian companies, and 82% of all workers are employed (DeVoor, 2009).

Palestinian Central Bureau of Statistics classified the Palestine enterprise depend to the number of employees they have . The enterprise called small enterprise if their number of Employees range between 1-9, the number of employees for medium enterprise range between 10-20 (PCBS, 2014).

#### **1.4 Problem Statement**

The Small and medium-sized enterprise continue being the engine of economic growth and provide the greatest number of employment opportunities in Palestine .99% of companies in Palestine belong to SMEs which indicate the major role that SMEs play on Palestine's economic growth and development. However, Small and medium-sized enterprises in Palestine face significant challenges and obstacles such as economic and political instability as a result of Israel restriction and the competition from large companies (UNCTAD, 2004).

Currently, the high competitiveness among SMEs requires such firms to adopt continuous updates and changes to match consumers' expectations to keep up with the continuous development or being out of the competition. However, previous studies and literature have shown that there is limited information and lack of studies which focus on the best business strategies that can be adopted by SMEs specifically in Palestine (Salah OH et al, 2021).

Nowadays one of the best business strategies that fit the 21st century to achieve competitiveness in SMEs is digital marketing. SMEs can use digital marketing channels to increase their market share and performance. These digital marketing channels also provide SMEs with the opportunity to customize their products and service depending on their customers' needs and desires (Minama, 2016). However, previous studies and literature have shown that there is a gap between digital marketing channels strategies and SMEs (pradhan, 2018).

In recent times, a great deal of attention has been drawn towards social media as best digital marketing channel method. This has been the case when it comes to acquiring awareness about a brand, market shares, business performance, increasing sales and care more about customer service (Jani, 2012).

### **1.5 Research Objective**

The main objective of this research is to explain how can the Palestinian SMEs achieve competitiveness through digital marketing channels and classify the factors that lead to successful use of digital marketing channels.

### **1.6 Research Question**

- How can digital marketing channels help Palestinian SMEs to achieve competitiveness?
- How can social media affect the competitiveness of SMEs?
- What are the main factors that affect SMEs competitiveness?

### **1.7 Significance of the Study**

This study will increase the number of people who are aware of the relationship that exist between the competitiveness of SMEs and digital marketing channels which will benefit the further academic sector. In addition, it helps the Palestinian SMEs

not just to compete but also to increase their competitiveness through the use of social media and digital marketing channels.



## **Chapter 2**

### **LITERATURE REVIEW**

#### **2.1 Introduction**

There are numerous questions concerning digital marketing because it has led to enormous and dramatic changes in society and companies; nonetheless, the most efficient manner to be implemented in small and medium-sized enterprises has not yet been clarified. Small and medium-sized enterprises play a major role in emerging economies because of their enormous impact on domestic production and jobs creation (Moctezuma,2017).

Currently, companies face four significant issues, namely data explosion, opportunities proliferation of channels, shifts to consumer demographic and social media (Leeflang et al., 2014). All of these issues relate directly to the development of Digital Marketing. The use of technologies in marketing activities and business practices for market goods and services represents the core essence of digital marketing (Pradhan et al., 2018).

Todor (2016) summarizes the key advantages of digital marketing for SMEs. First, it is cheaper, cost-effective and websites are often capable of getting the attention of consumers for free compared to traditional marketing activity. Second, online and digital material can be altered instantaneously according to customers' reflections and enables customized marketing solutions to be offered (Lányi,2021).

The empowering effect of digital marketing channels gives SMEs an opportunity to expand their potential markets. The internet and digital marketing channels are considered as promoting the speedy internationalization of businesses, particularly of small and medium-sized businesses. Also, it provides SMEs with an incredible opportunity to reach different geographical markets as well as an increasing number of customers. Kock et al, (2010) (Li et al,2018).

In order to keep up with competitiveness, small and medium-sized firms must adopt online technologies. The more a company employs a digital marketing channel, the better it can quickly adapt to the environment, which is a key element of its competitiveness (Lányi,2021).

Digital marketing refers to the marketing of products, services, ideas, and information through the internet by display advertisements on smart phones, and other. Digital marketing promotes business development and brand value, resulting in increased awareness and progress (Pradhan et al,2018).

## **2.2 Definition of Variables**

In this part of the study, the variables forming the study are discussed. This section examined variables such as SMEs Competitiveness, Digital marketing and its factors followed by measuring the variables as well as explaining theoretical and conceptual models for this study.

### **2.2.1 Competitiveness**

Gelei (2003) used the concept of company competitiveness as the fundamental ability to perceive changes in both the external and internal environment and the ability to adapt to these changes in a way that guarantees the company's long-term

operation by the profit flow generated. According to the latter, firm competitiveness is simply a function of two variables. First, it is defined by the degree to which an organization can define the dimensions of value that are important to its clients. These are the key features of the complex product and service bundle that a client requires from the company. The second element in the competitiveness of the business is the number of resources and skills that make a company capable of developing and delivering the essential value dimensions defined for the client.

The UK Government's White Paper on Competitiveness (Department of Trade and Industry, 1994) includes a complete definition at the company level, stating, "For a company, competitiveness is the ability to manufacture the right products and services at the right time, at the right price, of the right quality". This implies addressing customers' expectations more effectively and more efficiently than other companies.

Another critical debate on the definition of business competitiveness has been published by ADB (2003). It states that competitiveness can be described as the ability of a business to sustain in the face of competition and to be successful in a world where companies strive to be ahead of each other by lowering costs, improving the quality of their current products and services and producing new ones.

Buckley et al. (1988) made one of the fascinating attempts to capture more than one dimension of firm competition. According to these researchers, a company is competitive if it can manufacture higher quality goods and services at lower prices than its domestic and foreign rivals.

It is realistic to start with a general concept of market competitiveness when assessing the competitiveness of small and medium-sized enterprises, but there may be characteristics arising primarily from the size of the enterprise and the macro-economic position played by the industry and the sector-specific. Such characteristics are key in distinguishing large and multinational corporations from small and medium-sized firms in terms of competitiveness (G'al,2010).

SMEs are key players with regards to employment, job growth and social welfare improvement of the economy in this context. Therefore, their position in jobs should not be left out in the unified concept of competitiveness used in the European Union in the light of the new Lisbon goal, particularly when defining the competitiveness of SMEs(G´al,2010).

In particular, the competitiveness of SMEs as a category of enterprises can be seen in the capacity of the nation, country or macro-region in which SMEs reside to foster competitiveness.

The competitiveness of SMEs depends on the competitiveness of the companies that make up the market. Therefore, adaptability and operating capacity to assess the efficiency of corporate performance, as well as the 'double value' requirement should also be reflected in the concept.

G´al (2010) used the concept of competitiveness of small and medium-sized enterprises as stating that it can make a significant contribution to the growth of the geographical area's economic performance and to increase the level of employment. Also, it can respond to changes within the organization, as well as to manage the

environment for competitive advantages, and, by doing so, to enhance their position on the domestic and/or foreign market by ensuring that circumstances for profit-making owners are improved.

In terms of their organizational structures, environmental reactions, management styles and, more significantly, how they interact with other corporations, larger and smaller companies vary from each other. Indeed, competitiveness studies focused on small and medium-sized companies have dramatically increased in recent years, with a variety of studies focusing on the identification of different competitiveness factors (Man et al,2002). Figure 1 below shows the factors shaping SME-s' competitiveness.

Table 1: The factors shaping SME-s' competitiveness

Previous Studies	The factors shaping SME-s' competitiveness	
Kadocsa (2006) classified the factors shaping SME-s' competitiveness into two groups	<p>a. Internal variables such as marketing, creativity, productivity, growth of expertise, management of capital supply, organization structure, cost-efficiency and compliance.</p> <p>b. External variables, such as Globalization, employment, business relations, partnerships and networks, capital supply opportunities.</p>	Market Share, Revenues Productivity, profitability, technical standard, business value Goodwill, customer satisfaction, product value
According to Horne et al. (1992) Three key factors that contribute to the competitiveness of a SME	including internal firm factors, the external factors and the entrepreneurial impact that is unique to SMEs. These variables impact the company's performance in turn	Marketing capability Operational capability Financial capability Technical capability
Another classification aims to classify the competitiveness factors of SMEs companies into three different groups was made by Ahmedova (2015)	<p>1.Environmental coverage factors included: Macroeconomic conditions-economic growth, national income level, wealth concentration, exchange rate, inflation, interest rate; Political conditions-economic independence, bureaucratic processes, general taxation regime, incentives and subsidization, trade agreements with other countries, export and import quotas.</p> <p>2.Factors included in the industry-level: demand income elasticity and Fluctuations-market price elasticity, fluctuations of seasons, international rivalry process, organizational alliances, availability and quality of resources providers, concentration of supply; location of consumer.</p> <p>3.Factor level of enterprise(s) Included: techniques of innovation; internationalization; intellectual property activities; access to funding; application of best practices..</p>	Inflation Technology changing Legislation laws Political Economic Health issues like corona virus

One of the studies evaluating the competitiveness of SMEs was developed by Solleiro&Castanon (2005), they believe that competitiveness can be measured by two points:

a. **Competitive Performance measurement:** which examine how well a business performs in terms of competitiveness. The standard measurement for competitive performance includes market share, profitability, growth, and commercial balance.

b. **Competitive Process measurements:** which are qualitative in nature and aim to assess the industry's administrative processor, like the competitive potential, actually translate into superior results.

Another study that aims to measure the competitiveness of SME companies was made by Thomas et al (2018), who believes that the variables that are used as measures of SME competitiveness are:

A. The ability to compete: It focuses on current business activities of SMEs and their costs, time, quality and efficiency in quantity. It expands to the industrial and macro environment immediately. The competitiveness capacity refers to the static factor of competitiveness.

B. The ability to connect: Focused on the acquisition and use of information and knowledge. This pertains to the efforts at the business level to collect data into the company (e.g, customer profiles, wishes and requirements) (e.g., marketing and advertising). Information collection and use is so essential to competitiveness today and in the future that it is crucial to integrate the two principles of static competitiveness and dynamic competitiveness.

C. The ability to change: focuses on a firm's ability to make adjustments in response to, or anticipation of, dynamic market forces and to evolve through human and financial capital investments. It integrates competitiveness's

complex components. External variables are changing very quickly; confusion is the only certainty. Competitiveness is characterized by adaptation and resilience industry stages, breakthrough or disruptive developments, intensifying competition. For example, the ability to adapt requires the interpretation of emerging market patterns, competitor approaches, opportunities derived from new infrastructures or technologies, and government procedures.

### **2.2.2 Digital Marketing**

Literature shows that digitization is positively linked to small business growth, competitiveness in its various forms. Digital marketing channels and social media provide small businesses with opportunities to attract new customers and meet current customers more effectively. Even internet access, the starting point of digitization, has been shown to provide SMEs with major opportunities, such as targeting new market segments, growing performance and productivity, and enhancing growth, competitiveness (Galloway, 2007; Shideler and Badasyan, 2012; Spurge and Roberts, 2005).

In addition, SMEs benefit from digital marketing as it can be used in minimizing costs (Chong and Pervan, 2007; Kaynak et al., 2005; Lohrke et al., 2006) and promoting both internal and external communication (Bharadwaj and Soni, 2007; Chong and Pervan, 2007; Eriksson, Hultman and Naldi, 2008; Kaynak et al., 2005).

Digital marketing, according to Smith (2007), is the use of digital technology to create an integrative, targeted, and quantifiable communication that able to gain and maintain consumers while creating deeper connections with them. online



technologies are regarded to be more successful in communicating than traditional tools. (Cetina Cristiana, Rădulescu, 2012).

Pardhan et al (2018) define digital marketing as use of marketing activities for technology support, products, online content and ideas, smart phones, ads and other electronic media shows and activities. Data-driven marketing shows different approaches, attractions, awareness, satisfaction, and online marketing guidelines to consumers.

Chaffy (2005) discuss digital marketing as Achieving marketing objectives through applying digital technologies. Digital marketing is a new approach in marketing boosted by smart devices, and it has its features and characteristics that can be understood to be able to choose appropriate approaches and techniques for marketing. It is possible to identify a digital channel in different ways. One way of classifying the networks is to present them based on the point of view of which party controls the communications (the business or the target audience) and whether it entails one-way or two-way communications (Järvinen et al., 2012; Liu, Karahanna and Watson, 2011; Rowley, 2008).

Previous research studied the usage of digital marketing in small and medium-sized enterprises from both the external environment (external factors, infrastructure) and internal environment (experience, firm-level industry, capabilities, strategy) (Dholakia and Kshetri, 2004). Three factors played an important role to adapt digital marketing including environment factors, resources factors and firm-specific and owner-manager factors (Karjaluoto and Huhtamäki).

The digital marketing performance can be measure at least through Web analytics (WA) and social media monitoring (SMM)JOEL (2012). First, through click-stream data, WA software can be used to monitor a visitor's behaviour on a company website. Click-stream data helps marketers to monitor how exposure on a specific channel to a particular digital marketing action leads to the generation of website traffic and consumer behaviour, such as a purchasing decision, downloading a brochure or leaving the visit. (Wilson, 2010). Also, if businesses can combine clicks team data with personal information (e.g., via registration or subscription), they may follow experiences with a particular visitor over time, determine their engagement and schedule additional precise marketing actions targeted at the visitor in question. (Phippen, Sheppard, &Fumell, 2004).

Second, SMM tools have been developed by enabling automated digital conversation recording and analysis software developer (e-WOM) concerning related searches. (Pang & Lee, 2008; Sponder, 2012). SMM can also be used for mining and listening to consumer views related to specific issues of realistic business usage, such as the company itself, its goods and brands, a particular marketing campaign, rivals, industry as a whole (Blanchard, 2011; Godes&Mayzlin, 2004; Thomas & Barlow, 2011). Opinion mining by SMM has become far more possible due to the increasing amount of company-related e-WOM that makes the monitoring and collection of actual knowledge exchanges between individuals (Hennig, Thureau, Gwinner, Walsh, &Gremmler, 2004; Liu,) Reportedly contributing to businesses becoming more involved in Opportunities to mine the views of Internet users on a specific business and its service (Bautin, Vijayarenu, &Skiena, 2008).

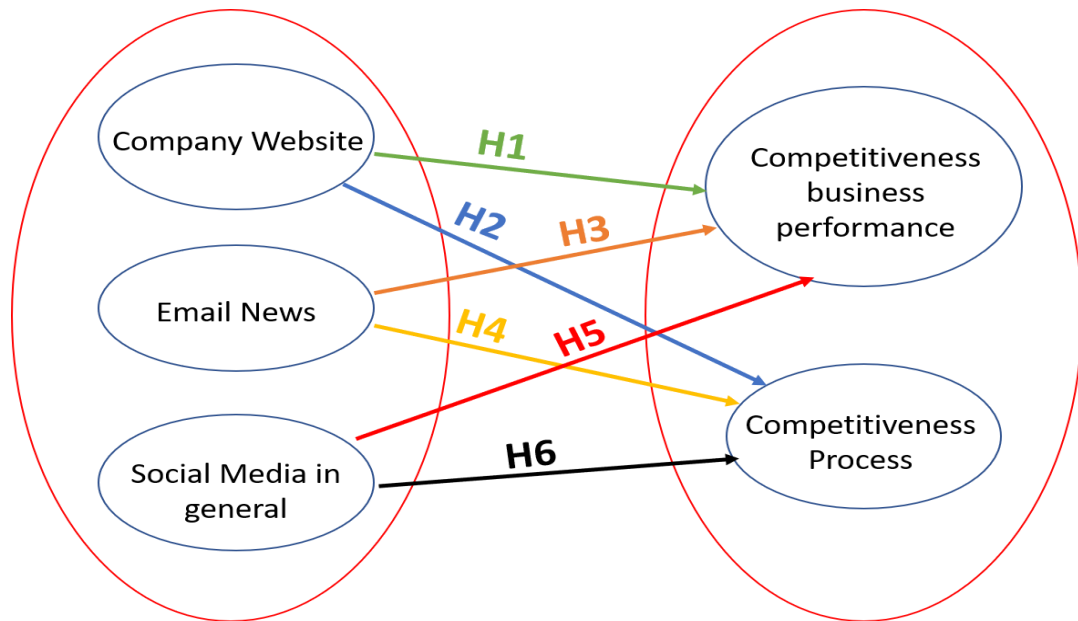


Figure 1: Conceptual model of the study

The conceptual model is reflecting the relationship between two variables, one of them is dependent variable competitiveness and it has 2 variable competitiveness business performance, competitiveness process and the other is independent variable which is digital marketing channels and it included 3 variables company website, Email newsletters, social media in general. In this study, the researcher doesn't find and examine all component relate to variables because of limited time.

### Research Hypotheses

Hypothesis 1

Company Website has a positive relationship with competitiveness business performance;

Hypothesis 2

Company Website has a positive relationship with competitiveness process;

Hypothesis 3

Email has a positive relationship with competitiveness business performance;

Hypothesis 4

Email has a positive relationship with competitiveness process;

Hypothesis 5

Social Media has a positive relationship with competitiveness business performance ;

Hypothesis 6

Social Media has a positive relationship with competitiveness process;

## **Chapter 3**

### **RESEARCH METHODOLOGY**

#### **3.1 Introduction**

The methodology adopted for this study is described in this section. The research design, profile of the fields of study, sampling process, sampling size and data collection method are defined. This also provides an outline of the observed ethical standards and the process of data analysis.

#### **3.2 Research Design**

Various scholars have stressed in every study about the importance of designing research. Wilson (2014) pointed out that in each study, a research design is very important because it helps in determining the credibility and reliability of the findings. Bryman & Bell (2007) described the design of research as the overall plan, which outlines how data is collected and analyzed to produce concrete insight into a theory. This research used the Survey Research Method in view of the scope and intent of this research. Survey study design outlines the way data are collected from participants of a population in a large society in order to assess the current status in that population in relation to one or more variables.

#### **3.3 Population of the Study**

Population is actually the universe of the sample to be drawn from. The study population is the set of elements that have actually been selected by the sample elements (Creswell, 2010). In this study, the researcher sought to find the impact of

digital marketing channels on the competitiveness of SMEs. Therefore, the population was stratified into Managers of SMEs in Palestine.

### **3.4 Data Collection**

This study used the quantitative research method to evaluate the relationship between digital marketing channels and achieving competitiveness of SMEs. An administrated questionnaire is a key tool to collect quantitative data in this study. For this study the quantitative questionnaire was selected since it is one of the most popular information collection methods because it enables an accurate evaluation of the requested data and provides the respondent with greater protection due to its confidentiality (Cervo et al,2007). The data collection in this study depends on primary data and secondary data. The questionnaire consists of two-parts including the demographic section and the question section.

In the questions section, were asked with regards to the competitiveness ,digital marketing ,business performance, competitive business process, web site, social media, thebusinessperformanceandcompetitivenessbusinessprocesswhicharepart of Competitiveness .Also, Web site ,Social Media, E-Mail are part of Digital Marketing channels by integrating and evaluating two main outcomes .The results aimed to show the effect of Digital Marketing on competitiveness regarding SMEs in Palestine. The questionnaire conclude 60 items and it include five-point Likert scale(the table below shows the summary of items and resources).

Table 2: Variables and items of survey

Variables	Research variables	Number of Items
Demographic	Gender, Age, Experience, company age, legal status, member of industry chamber, number of full-time employees, number of part time employees, major and minor competitor.	27
Independent variables	Website	7
	E-mail address	4
	Social media	10
Dependent variables	Business Performance	6
	Competitiveness process	6

Table 3: Questionnaire items and sources

Items Used in the Questionnaire		Sources
Company Websites		
1	Company websites can be considered as an important tool for increasing sales to existing customers	(Piatkowski,2012)
2	Company websites can be considered as an important tool for improving customer service	
3	Company websites can be considered as an important tool for facilitating advertising	
4	Company website can be considered as an important tool for facilitating communication	
5	Company website can be considered as an important tool for Strengthening brand	
6	Company websites is an effective tool for saving cost	
7	Company websites can be considered as an important tool for attracting new customers	
E-mail address		
8	Email marketing is a good way to build customer trust	(Piatkowski,2012)
9	Email marketing can be considered as an effective tool to build awareness	
10	Company can promote products and services easily by using email-marketing	
11	Email marketing is an effective tool for saving cost	
Social media		
12	Social media is the best tool for the promotion of company's products and services	

13	Social media can considered as important tool for improving customer service	(WU,2009)
14	Company uses social media because of low cost	
15	Company uses social media to increase company's revenue and sales	
16	Company uses social media to increase customer loyalty and retention	
17	Company uses social media to increase customer satisfaction	
18	Company supposes social media as an important tool for building reputation	
19	Company believes social media as best way to make competitive advantage	
20	Company can be considered social media as a good tool for understanding what their competitors are doing	
21	Company considers social media as a good tool for understanding how the industry is changing	
22	Social media is the best tool for the promotion of company's products and services	
23	Social media can be considered as important tool for improving customer service	
24	Company uses social media because of low cost	
25	Company uses social media to increase company's revenue and sales	
26	Company uses social media to increase customer loyalty and retention	
CompetitivenessbusinessPerformance		
27	Company is able to make a good quality for their products and services	(Piatkowski,2012)
28	Firm has a good image and reputation	
29	Firm has a good knowledge about their customer's need	
30	Firm has a good knowledge about competitors	
32	Firm take in their consideration customer satisfaction	
33	Firm able to Expanding sales area by new groups of customers	
CompetitivenessbusinessProcess		
34	The process ensures that any changes in customers and market requirements and technology can be incorporated into product and	(WU,2009)
35	Production/delivery processes meet customer, quality, and operational performance requirement	
36	Design, production and delivery processes are coordinated to ensure trouble-free and timely introduce and deliver	
37	The processes are evaluated and improved continuously to achieve better performance	
38	The key support processes (for example, finance and accounting, IT support, personal, legal, risk management and so on) are well defined. They support the key product and service process to achieve the company's performance outcome and objectives	
39	The supplier and partnering processes are well managed to ensures that the corroboration goal can be achieved and improved to meet the requirement of the company	



### **3.4.1 Primary Data**

Primary data is the part of empirical data. The collection of primary data was primarily carried out by questions submitted by email and carried out at the headquarters of the companies. The questions submitted via email were formulated from the questionnaire guide to guarantee that the questionnaire principles were operationalized in the same way (Kothari & Garg, 2014; Grönmo, 2006). The primary data is analyzed in the above method in line with the theoretical context. According to Grönmo (2006), it is essential for the analysis that the primary data collection is valid.

### **3.4.2 Secondary Data**

The secondary data is also part of scientific data. Secondary data includes data and information gathered by others (Alvehus, 2013). In this study, secondary information was gathered through analysis of available literature in journals, books, academic papers, previous articles, websites and other related documents such as conference papers, local and international papers. In addition, the company's web pages and other details were used in this survey to gather secondary data to provide a broader view of the field of digital marketing channels and competitiveness also in this study used internet sources.

## **3.5 Sampling**

The sample was chosen depend on Palestine industry of chamber and 400 of list was contact through email and other social media website.

Eighty-two (82) Managers of SMEs were selected using convenience sample.

This means, cross sectional sampling is the method of sampling, in which respondents from various sections of the population are taken to represent the

population from which the population is drawn, after being divided into clusters of classification.

### **3.6 Description of the Research Instrument**

A standardized questionnaire was the key method that researchers used to collect data. The questionnaire will help in addressing the questions posed in the study's objectives.

The questionnaire consisted of questions which were open and close. The questionnaire's initial section (first section) focused on respondents' demographic background. The demographics incorporated information on gender, age, years of experience, location of business, membership of industry chamber and how the SMEs business reacts with the digital marketing channels.

The second part of the questionnaire focused on digital marketing as precondition for competitiveness in the SMEs business as well as the role of digital marketing in different aspects such as increasing sales, attracting new customers and how digital marketing plays a good role to keep their customers and increase their loyalty. The instrument included sections examining the knowledge and understanding of respondents about Digital Marketing channels and its effect on SMEs in a competitiveness.

### **3.7 Method of Data Analysis**

The data analytics process includes the examination for items under the data surface and the core components that describe what they are and how they work. Using the descriptive methods, the researcher analyzes the quantitative data(Iacono et al ,2009). With the data collection and interpretation, the questionnaire was analyzed using

tools from the statistical package for social scientists (SPSS). In the case of quantitative technology, tables, maps, percentages and charts were used.

### **3.8 Pre-Test and Pilot Study**

The questionnaire was tested prior to official distribution. This method was intended to explain the adequacy of the questions, how the respondent react to the research questions, estimate the average time for each measurement .It also allows the researcher to make the required corrections or changes to the study questionnaire before being distributed. Pretesting also acted as a data collector practice. A handful of the population were randomly selected to complete the survey tool to measure its effectiveness.

### **3.9 Ethical Considerations**

According to Israel &Hay (2006), researchers must protect research participants, build confidence with them, promote research integrity, prevent fraud and misconduct, focus on their organizations or institutions, and address new challenges. This means that researchers need to fulfill many responsibilities in preparing and performing research and in reporting on research results, and ethical concerns are the primary considerations of each research. The research should be prepared and carried out in order to achieve ethical acceptance. Some ethical issues were taken into account in this research such as consent.

Each respondent obtained a verbal informed consent which is sufficient to give the interviewer the authority to continue with the management of the question; thus, after the interviewer explained to the respondents the aim of the study and verbally asked whether they were ready to attend the study.

## Chapter 4

### DATA ANALYSIS AND FINDINGS

#### 4.1 Research Tool

Here you have to discuss as a summary all the Statistical methods we are going to use. In order to draw results and interpretations for this research, SPSS 25 has been used for data analytics.

#### 4.2 Descriptive Analysis

As concerning the initiation of the questionnaire, the description information of the respondent begins which emphasizes the various points of view.

Table 4: Gender of the respondents

<b>Gender</b>	<b>Number</b>	<b>Percent</b>
Male	49	59.8%
Female	33	40.2%
Total	82	100%

Table 4 shows: that the number of respondents is 82, while the majority of them are males at 59.8%, while the percentage of female's respondent are 40.2%.

Table 5: Location of the business

<b>Name of the Location</b>	<b>Frequency</b>	<b>Percent</b>
Nablus	30	36.6%
Beit Lahm	7	8.5%
Ramallah	7	8.5%
Jenin	6	7.3%

Salfeet	5	6.1%
Tulkarem	3	3.7%
Other	24	29.3%
Total	82	100%

The previous Table (5) indicates that the majority of business (36.6%) are located in Nablus city. While the number of businesses that are located in Beit Lahm and Ramallah are 7 at 8.5%. In addition, we can see the number of businesses that are located in Jenin, Salfeet and Tulkarem at 6 (7.3%),5 (6.1%),3(3.7%) respectively. The number of businesses that are located in other cities are 24 at 29.3%.

Table 6: Are you member of any chambers?

Answer	Number	Percent
Yes Member	50	61%
Not a member	32	39%
Total	82	100%

The previous table (6) shows that most of respondent are members of chamber in the industry at 61% while the other respondents (39%) are not members of industry.

Table 7: Age of the respondent

The average age of respondent	Frequency	Percent
20-30	15	18.3%
31-40	15	18.3%
41-50	23	28%
51-60	20	24.4%
60-71	8	9.8%
Total	82	100%

Table (7) demonstrate that 30 respondents' range between the ages of 20 to 30 years and 31 to 40 years, making 36.6% of the total respondents. On the other hand, respondents between the ages of 41 to 50 years and 51 to 60 years make up 52.4% of the total respondents. Respondents within the age groups of 60 and 71 years make the least number of responses (9.8%) in the study as seen above.

Table 8: The number of “full-time” male employees

<b>Number of ft male employees</b>	<b>Number of companies</b>	<b>Percentage</b>	<b>Cumulative percentage</b>
0 – 5	24	29,3%	29,3%
6 – 10	13	15,9%	45,1%
11 – 15	13	15,9%	61,0%
16 – 20	13	15,9%	76,8%
21 – 30	9	11,0%	87,8%
31 – 40	3	3,7%	91,5%
41 – 50	4	4,9%	96,3%
51 – 100	0	0,0%	96,3%
101 and above	3	3,7%	100,0%
Total	82	100%	

Table (8) shows about 45.1 % of the companies in the sample employ less than 10 Male Employees. Also 61.0% of the companies employ more than 11 to 15 employees.76.8% of companies hire with 16 and 20 employees.91.5% of the companies hire 21 to40 employees. In addition, 96.3% of the companies have an employee range of 41 to100 employees.

Table 9: The number of “full-time” female employees

<b>Number of ft female employees</b>	<b>Number of companies</b>	<b>percentage</b>	<b>Cumulative percentage</b>
0-5	42	51.2%	51.2%
6-10	20	24.4%	75.6%
11-15	8	9.8%	85.4%
16-20	3	3.7%	89.0%
21-30	2	2.4%	91.0%

31-40	2	2.4%	93.6%
41-50	3	3.7%	97.6%
51-100	1	1.2%	98.8%
More than 101	1	1.2%	100%

As seen in Table 6, about 75.6 % of the companies in the sample employ less than 10 female employees. Also 85.4% of the companies employ between 11 to15 female employees.89.0% of companies hire around 16 to 20 female employees.93.6% of the companies hire a range of 21 to40 employees. In addition, 98.8% of the company's employees range from 41-100 employees.

Table 10: The number of “part-time” male employees

<b>Number of pt male employees</b>	<b>Number of companies</b>	<b>Percentage</b>
0 – 5	61	74,4%
6 – 10	17	20,7%
11 – 15	1	1,2%
16 – 20	1	1,2%
21 – 30	1	1,2%
31 And above	1	1,2%
Total	82	100%

Table (10) shows about 74.4 % of the companies in the sample employ less than 5 Male Employees as part timers. Also, 20.7% of the companies in the sample employ between 6-10 part time male employees.4.8% of companies hire more than 11 males as part-time employees.

Table 11: The number of “Part-time” female employees

<b>Number of pt female employees</b>	<b>Number of companies</b>	<b>Percentage</b>
0 – 5	62	75.6%
6 – 10	18	22%
11 – 15	0	0%
16 – 20	1	1.2%

21 – 30	0	0%
31 And above	1	1.2%
Total	82	100%

Table (11) shows about 75.6% of the companies in the sample employ less than 5 female Employees. Also 22% of the companies in the sample employ range between 6-10 female employees.1.2% of companies hire more than 31 females as part-time employees.

Table 12: The nature of business.

<b>Nature of business</b>	<b>Number of companies</b>	<b>Percentage</b>
Marketing and advertising company	10	12.2%
Construction and building Company	9	11%
Trading sector	9	11%
Decorate company	4	4.9%
Medical company	4	4.9%
Engineering company	4	4.9%
Cloth sector	4	4.9%
Other sectors	38	47%
Total	82	100%

Table (12) shows that about 47% of the companies are working in different types of business such as food industry, internet company and skin-care sector. Also 22% of the companies are working in Construction sector and Trading sector. Furthermore, 12.2% of companies are working in Marketing and Advertising sector,19.6% of companies are working in many types of business such as, decoration and medical sector, Engineering and Cloth sector.



Table 13: The year of the company's establishment.

<b>The year of the company's establishment</b>	<b>Number of Companies</b>	<b>Percentage</b>
1977-1990	9	11%
1991-2004	18	22%
2005-2018	52	63.4%
Above 2019	3	3.7%

Table (13) shows about 63.4% of the companies in this sample indicate that the year of the company's establishment range between 2005- 2018. Also 22% of the companies indicate that the year of the company's establishment range between 1991- 2004 and 3.7% of companies its establishment recently from 2019 until now.

Table 14: The company age.

<b>The company age</b>	<b>Number of companies</b>	<b>Percentage</b>
0-5	10	12.2%
6-10	21	25.6%
11-20	28	34.1%
21-30	14	17.1%
Above 31	9	11%
Total	82	100%

Table (14) shows about 37.8 % of the companies in this sample have been existent for less than 10 years. Also 34.1% of companies age range between 11-20 years and 11% of companies age is more than 31 years.

Table 15: The manager position.

<b>The manager position in the company</b>	<b>Number of Companies</b>	<b>Percentage</b>
General Manager	36	43.9%
Marketing Manager	21	26.1%
Human resource Manager	5	6.1%
Others	20	23.9%

Total	82	100%
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Table (15) shows about 43.9 % of the companies in this sample indicate that the manager position in the company is general manger. Also 26.1% of the companies indicate that the manager position in the company is Marketing Manager .6.1% of companies indicate that the manager position in the company is human resource manager.

Table 16: Years of manager experience

Years of manager experience	Number of Companies	Percentage
0-5	21	25.6%
6-10	18	22%
11-20	26	31.7%
21-30	13	15.9%
31-40	4	4.9%
Total	82	100%

Table (16) shows about 31.7 % of the managers they have between 11-20 years of experience. Also 47.6% of managers they have less than 10 years of experience and 20.8% of the managers they have range between 21 until 40 years of experience.

Table 17: The legal status of the company

The legal status of the company	Number of Companies	Percentage
Multinational company	11	13.4%
Partnership company	14	17.1%
Sole proprietorship	46	56.1%
Others	11	13.4%
Total	82	100%

Table (17) shows that 56.1% of the companies are Sole proprietorship and 13.4% of the companies are multinationals. Also 17.1% of the companies are Partnerships.

Table 18: Whether company have Facebook account or not

Whether company have Facebook account or not	Number of Companies	Percentage
NO	12	14.6%
YES	70	85.4%
Total	82	100%

Table (18) shows that most (85.4%) of the companies have a facebook account at while 12% of the companies do not have facebook account.

Table 19: The number of facebook followers

Number of Facebook followers	Number of Companies	Percentage
2-5000	53	64.4%
5001-10000	6	7.3%
10001-20000	2	2.4%
20001-60000	2	2.4%
60001-80000	2	2.4%
80001-100000	3	3.7%
Above 100001	1	1.4%
Total	69	100%

Table (19) shows that 64.4 % of the companies which have face book account their numbers of face book account range between 2-5000 and around 20% of the companies the number of face book followers are more than 5001.

Table 20: Whether company has Instagram account or not

Whether company have Instagram account or not	Number of Companies	Percentage
NO	54	65.9%
YES	28	34.1%

Total	82	100%
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Table (20) shows that most of companies they don't have Instagram account at 65.9% but 34.1% of the companies uses Instagram account.

Table 21: The number of Instagram followers

Number of Instagram followers	Number of Companies	Percentage
1-2000	15	18.3%
2001-5000	5	6.1%
5001-8000	3	3.7%
8001 10000	1	1.2%
Above 10000	4	4.9%
Total	28	100%

Table (21) shows that 18.3 % of the companies which have Instagram account their numbers of Instagram account range between 2-2000 and around 11% of the companies the number of Instagram followers are range between 2001-10000.and 4% of the companies their followers are more 10001.

Table 22: Whether company have twitter account or not

Whether company have Twitter account or not	Number of Companies	Percentage
NO	67	81.7%
YES	15	18.3%
Total	82	100%

Table (22) shows that most of companies they don't have Twitter account at 81.7% but 18.3% of the companies uses Twitter account.

Table 23: The number of twitter followers

<b>Number of Twitter followers</b>	<b>Number of Companies</b>	<b>Percentage</b>
Less than 1000	11	13.4%
1000-5000	1	1.2%
More than 5001	3	3.7%
Total	15	100%

Table (23) shows that 13.4% of the companies have less than 1000 followers and 3.7% of the companies have more than 5001 twitter followers.

Table 24: Whether company have website or not

<b>Whether company have website or not</b>	<b>Number of Companies</b>	<b>Percentage</b>
NO	7	8.5%
YES	75	91.5%
Total	82	100%

Table (24) shows that 91.5% of the companies use website but 8.5% of companies they don't have website.

Table 25: Company believe or not believe to use website

<b>Company believe or not believe to use website</b>	<b>Number of companies</b>	<b>Percentage</b>
definitely believe that we are using our "WEB" efficiently	46	56.1%
I don't believe that we are using our "WEB" efficiently	3	3.6%
I believe that we are using our "WEB" efficiently	25	30.5%
I definitely don't believe that we are using our "WEB" efficiently	3	3.7%
No idea	5	6.1%
Total	82	100.0%

Table (25) shows that 56.1% of companies definitely believe that they are using their "WEB" efficiently. Also,30.5% of companies they that they are using our "WEB" efficiently ,3.7% definitely believe that they are don't using their "WEB" efficiently,6.1% of companies don't have any idea.

Table 26: Whether company uses e-mail address or not

<b>Whether company uses E-mail address or not</b>	<b>Number of Companies</b>	<b>Percentage</b>
NO	8	9.8
YES	74	90.2
Total	82	100.0

Table (26) shows that 90.2% of the companies use E-Mail address but 9.8% of companies do not use E-Mail.

Table 27: Whether company can distinguish between major and minor competitors

<b>Whether company can distinguish between major and minor competitors for its main product group.</b>	<b>Number of Companies</b>	<b>Percentage</b>
NO	13	15.9%
YES	69	84.1%
Total	82	100.0%

Table (27) shows that 84.1% of the companies can distinguish between major and minor competitors for its main product group, but nearly 16% of the companies can't distinguish between major and minor competitors for its main product group.

Table 28: The number of company's major competitor

<b>The number of company's major competitor</b>	<b>Number of Companies</b>	<b>Percentage</b>
0-30	48	58.5%
31-60	7	8.5%
More than 61	12	14.6%
Missing value	2	2.4%
Total	69	100%

Table (28) shows about 58.5% of the companies in this study indicate that their major competitor range between 0- 30. Also 23.1% of the companies indicate that they have more than 31competitors.

Table 29: The number of company's minor competitor

<b>The number of company's major competitor</b>	<b>Number of Companies</b>	<b>Percentage</b>
0-30	56	68.3%
31-60	6	7.7%
More than 61	3	3.8%
Missing value	4	4.9%
Total	69	100%

Table (29) shows about 68.3% of the companies in this study indicate that their minor competitor range between 0- 30. Also 11.5% of the companies indicate that their minor competitor more than 31.

Table 30: Number of companies can't distinguish between minor and major competitors

<b>The total number of competitors for companies they can't distinguish between minor and major competitor.</b>	<b>Number of Companies</b>	<b>Percentage</b>
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0-20	11	13.4%
More than 21	2	2.4%
Total	13	100%

Table (30) shows about 13.4% of the companies in this study indicate that their total competitor range between 0- 20.

Table 31: Correlation test results among variables of the model

	Web	e-mail	Social Media	Compete	Business Performance
<b>Web</b> Pearson Correlation Significance	1	0.62 0.00	0.66 0.00	0.63 0.00	0.66 0.00
<b>e-mail</b> Pearson Correlation Significance		1	0.63 0.00	0.71 0.00	0.61 0.00
<b>Social Media</b> Pearson Correlation Significance			1	0.78 0.00	0.59 0.00
<b>Compete</b> Pearson Correlation Significance				1	0.63 0.00
<b>Business Performance</b> Pearson Correlation Significance					1

## 4.2 Correlation Analysis

Bivariate Correlation analysis was carried out in order to test if the dimensions in the model correlates to each other.

As can be seen in Table 28, all the correlations are significant (p value 0.000);

“Company Website” correlates with “Business Performance” ( $r^2 = 0.660$ ,  $p=0.000$ );

“Company Website” correlates with “competitiveness process” ( $r^2 = 0.630$ ,  $p=0.000$ );

“Email” correlates with “business performance” ( $r^2 = 0.613$ ,  $p=0.000$ );

“Email” correlates with “competitiveness process” ( $r^2 = 0.705$ ,  $p=0.000$ );



“Social Media” correlates with “business performance” ( $r^2 = 0.586$ ,  $p=0.000$ );

“Social Media” correlates with “competitiveness process” ( $r^2 = 0.775$ ,  $p=0.000$ );

We are going to test whether Digital Marketing (company web, Email, social media) activities influence the Business Performance.

Regression analysis will be used. Business Performance as the dependent variable and company web, Email, social media as independent variables.

### 4.3 Reliability Analysis

Reliability analysis carried out first among all the items used in the study. Then, reliability analysis carried out for each variable used in the model.

Reliability analysis for all the items used in the model resulted with Cronbach's Alpha (0.974) which indicates a high degree of internal consistency.

Table 32: Reliability test results

Name	Number of Items	Cronbach Alpha
All the Items Used	27	0.974
Company Website	7	0.949
Email new letter	4	0.950
Social media in General	10	0.961
Business Performance	6	0.940
Competitiveness Process	6	0.936

### 4.4 Regression Result for Testing First Hypotheses

For the first Regression Model, the independents variables are Website, E-Mail, social media while the dependent variables are Business performance. (Table XX, Appendix I).

The R value of 0.82 indicates the correlation among variables is strong and there is a strong correlation among the variables. Also, the R Square of 0.683 indicates how much of total variation in the dependent variable (Business Performance) can be explained or described by independent variable (Website, social media, E-Mail).

An ANOVA analysis was produced by the Regression analysis which provides the value predicted by the model and the difference between the actual observed value of the dependent variable and its predicted value by the regression model for each data point. The confidence level in this table is .95, with the sig is 0.0 so it can consider that there is as a good indication that the regression model statistically significantly and the overall regression is appropriate.

As we can see from the. (Table XX, Appendix I) **Coefficients**, the significance for both independent variables social media and E-Mail are 0.0 which is good because it is less than .05 therefore it has good impact on dependent variable Business performance. However, the other independent variable website does not have any impact on business performance because the sig is more than .05.

#### **4.5 Regression Result for Testing Second Hypotheses**

To test the second hypotheses, the independent variables are Website, E-Mail, social media while the dependent variable is Competitiveness process.

As it can see from the. (Table XX, Appendix I) the R Is .71 which indicates the correlation among variables is strong and there is a strong correlation among the variables. Also, R Square of .51 shows how much of total variation in the dependent variable (Competitiveness performance) can be explained or described by independent variable (Website, Social Media, E-Mail).

As we can see from the ANOVA the confidence level in this table is 0.95. Also, the sig is 0.0 which is good because it is less than .05 so it can be considered as a good indication that the regression model statistically significantly and the overall regression is a suitable one.

As we can see from the last table Coefficients the sig for both independent variables Website and E-Mail are less than 0.05 which indicates a good impact on dependent variable Competitiveness process. However, the sig for other independent variable social media is less than .05 which means it does not have any impact on Competitiveness process.

## Chapter 5

### CONCLUSION

#### 5.1 Findings of the Study

This study present complete and systemic summary of current status and theoretical literature about the digital marketing channels and competitiveness regarding SMEs.

Due to the rising competitiveness and complexity of the business sector and the emergence of the internet involving the dramatic change in marketing thinking and practice since traditional marketing has had new strategies for the Internet to be developed .It is becoming necessary for SMEs to create, manage and monitor their enterprises efficiently in order to enhance their marketing performance .Nowadays some of these strategies is digital marketing channels which plays a good role in competitiveness world environment.

This study shows that the use of the digital marketing channels differs considerably. For example ,both independents variables which included Social media and E-Mail have good impact on dependent variable Business performance .In other words Social media and E-Mail have a positive relationship with profitability ,market share, company's growth .However, the other independent variable website does not have any impact on business performance as study result.

In addition, both independent variables which included Website and E-Mail have good impact on dependent variable Competitiveness business process. However, Social media doesn't have any impact on Competitiveness business process as study result.

Also, it demonstrates that SMEs are well-attended to establish and develop social media and website platforms which represent the key part of their overall digital marketing channels.

Moreover, this study was conducted in SMEs enterprises which consists of Palestinian managers who own businesses in or out of Palestine. The abilities to compete are primarily those of the companies in the worldwide and domestic environment, to utilize digital marketing strategies to compete. It can be said that digital marketing strategies do not have any country border.

The conclusion of this study shows that companies can build competitiveness by using numerous digital marketing channels. Competitiveness includes analyzing and comprehensive of other competitors of SMEs, stronger competition, the identification of new goods and markets by customer feedback, easier information exchange about new and existing service and product, etc.

## **5.2 Recommendation for the Managers of SMEs in Palestine**

- ▶ SMEs in Palestine are expected to work harder to maximize the benefits of digital marketing channels as effectively as possible to achieve competitiveness.
- ▶ SMEs should work hard to build digital marketing channels strategies and consider improving the implementation of digital marketing in the future.

- ▶ SMEs managers should provide the infrastructure needed for enhanced digital marketing channels strategies. It means they must put they must put a clear vision regarding the use of digital marketing channels.
- ▶ SMEs managers must increase their employee's awareness and hire qualified marketing staff to manage their own digital marketing channels.
- ▶ SMEs must dedicate more funding for digital marketing channels development.
- ▶ SMEs must put effort and good strategy plan for how to use social media platform and email to increase their competitiveness.
- ▶ SMEs must put effort and good strategy plan for how to monitor and measure competitiveness business process through website and E-mail in order that they are performing well.

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## **APPENDIX**



Eastern Mediterranean University  
Faculty of Business and Economics  
Marketing management

### **Questionnaire**

**Thesis supervisor**  
PROF.DR. MUSTAFA TUMER

**Student:**

Omayatuffaha 18500631

**Introduction:** The following questionnaire is a useful way to support my research, which is studying the topic of

Our normal lives have been changed by digitization. It is changing the way customers and companies communicate in the modern context. It should be obvious that using digital channels is necessary for brands, and it should be a development that SMEs should take as well if they want to remain competitive and expand.

The aim of this research is to find out how digital marketing can help aSMEs companies to be competitive, as well as examine the relationship between competitiveness of SMEs and digital marketing.

**Definition:** I'm Omayatuffaha ,I'm student at Eastern Mediterranean University and studying for a master's degree in the field of Marketing management and doing this research in order to achieve the requirements of my thesis.

**Thanks:** No doubt, your answers will help me to make the analysis more precise and knowledgeable. In this survey, please complete the questionnaire with whole clarification and honesty. Thanks for cooperating with us.

For more information, please communicate the following e-mail:

**Searcher's Email:** [omaya.tuffaha@gmail.com](mailto:omaya.tuffaha@gmail.com)

**Professor's Email :** [mustafa.tumer@emu.edu.tr](mailto:mustafa.tumer@emu.edu.tr)

**With all gratitude and appreciation**

## **SECTION 1**

1.Age?.....

2.gender?.....

3.What is the number of full-time employees in your firm? .....

Mal.....female: ...

4. What is the number of part-time employees in your firm? .....

Male:... Female.....

5.In which category is your business? (IF you know Please write down your NACE Code .....) IF NOT write your sector: .....

6. When was your company established? .....

7. What is your position: ..... (i.e.: Marketing Manager, Production Manager, HR Manager, General Manager...)

8.Your personal experience in the sector? (Number of Years): .....

9.What is the legal status of your company?

A. Partnership    B. Sole proprietorship    c. Multinational company d. Joint venture

e. others

10. Does your company have

Face book (if yes number of followers): .....

Twitter (if yes number of followers): .....

Insta gram (if yes number of followers): .....

11. Does your company have web page? Yes            No

If yes, do you believe that you are using it effectively for marketing?.....

If not. Write down the reason....

12. Does your company have e-mail address? Yes    No

13. Can you distinguish between major and minor competitors for your main product group?

1.13.1 (To be answered if above response was yes) can you tell me how many major competitors do you have?

1.13.1 (To be answered if above response was yes) can you tell me how many minor competitors do you have?

1.13.2 (To be answered if above response was No) can you tell me how many in general competitors do you have?

**SECTION 2:** Following statements are used for learning your idea about different expressions. Please mark the most appropriate one.

	<b>Company website</b>	Totally Agree	Agree	Neutral	Disagree	Totally Disagree
1	Company websites can be considered as an important tool for increasing sales to existing customers	1	2	3	4	5
2	Company websites can be considered as an important tool for improving customer service	1	2	3	4	5
3	Company websites can be considered as an important tool for facilitating advertising	1	2	3	4	5
4	COMPANY website can be	1	2	3	4	5

	considered as an important tool for facilitating communication					
5	Company website can be considered as an important tool for Strengthening brand	1	2	3	4	5
6	Company websites is an effective tool for saving cost	1	2	3	4	5
7	Company websites can be considered as an important tool for attracting new customers	1	2	3	4	5
	<b>Email marketing</b>	Totally Agree	Agree	Neutral	Disagree	Totally Disagree
	Email marketing is a good way to build customer trust	1	2	3	4	5
	Email marketing can be considered as an effective tool to build awareness	1	2	3	4	5
	Company can promote products and services easily by using email-marketing	1	2	3	4	5
	Email marketing is an effective tool for saving cost	1	2	3	4	5
	<b>Social media in general</b>	Totally Agree	Agree	Neutral	Disagree	Totally Disagree
	Social media is the best tool for the promotion of company's products and services	1	2	3	4	5
	Social media can consider as important tool for improving customer service	1	2	3	4	5
	Company uses social media because of low cost	1	2	3	4	5
	Company uses social media to increase company's revenue and sales	1	2	3	4	5
	Company uses social media to increase customer loyalty and retention	1	2	3	4	5
	Company uses social media to increase customer satisfaction	1	2	3	4	5
	Company supposes social media as an important tool for building reputation	1	2	3	4	5
	Company believes social media as best way to make competitive advantage	1	2	3	4	5
	Company can be considered social media as a good tool for understanding what their competitors are doing	1	2	3	4	5
	Company considers social media as a good tool for understanding how the industry is changing	1	2	3	4	5

	<b>Competitiveness business performance</b>	Totally Agree	Agree	Neutral	Disagree	Totally Disagree
	Company is able to make a good quality for their products and services	1	2	3	4	5
	Firm has a good image and reputation	1	2	3	4	5
	firm has a good knowledge about their customer's need	1	2	3	4	5
	Firm has a good knowledge about competitors	1	2	3	4	5
	Firm take in their consideration customer satisfaction	1	2	3	4	5
	Firm able to Expanding sales area by new groups of customers	1	2	3	4	5
	<b>Competitiveness process</b>	Totally Agree	Agree	Neutral	Disagree	Totally Disagree
	This approach ensures that any changes in the consumers and market requirements and technology in product and service design can be incorporated	1	2	3	4	5
	Processes of Production and delivery meet customer requirements, quality and operational performance	1	2	3	4	5
	Design, production and delivery are coordinated in order to ensure that the products/services are implemented without any problems and delivered in time.	1	2	3	4	5
	The processes are regularly analyzed and improved to improve performance	1	2	3	4	5
	The key support processes (for example, finance and accounting, IT support, etc) are well defined. They support the key product and service process to achieve the company's performance outcome and objectives	1	2	3	4	5
	Processes of suppliers and partners are properly controlled to reach and improve the corroboration objective to fulfill company requirements	1	2	3	4	5