DETERMINANTS OF DIGITAL MARKETING ADOPTION AMONG SMEs IN THE TSHWANE METROPOLITAN MUNICIPALITY: A STRUCTURAL EQUATION MODELING APPROACH

by

WILLIAM CHILIYA

23021037

Thesis

Submitted for the requirements of the degree

DOCTOR OF PHILOSOPHY: BUSINESS MANAGEMENT

in the

Department of Business Management

FACULTY OF MANAGEMENT, COMMERCE, AND LAW

Main Supervisor: Dr. W. Munyoka

Co-Supervisor: Dr. L. Nkondo

© University of Venda

DECLARATION

I, William Chiliya, declare that this thesis titled - **DETERMINANTS OF DIGITAL MARKETING ADOPTION AMONG SMEs IN THE TSHWANE METROPOLITAN MUNICIPALITY: A STRUCTURAL EQUATION MODELING APPROACH-** for the degree of Doctor of Philosophy in Business Management, submitted to the Department of Business Management at the University of Venda, has not been submitted previously for any degree at this or another university. It is original in design and execution, and all reference materials contained therein have been duly acknowledged.

Student……23021037 **Date** ……25 March 2025……

© University of Venda

ACKNOWLEDGEMENTS

I am delighted to submit this PhD thesis, which is a testimony of a substantial milestone in my academic journey. I wish to take this opportunity to express my deepest gratitude to my academic promoters, Dr. W. Munyoka and Dr. L. Nkondo, whose guidance, expertise, and unwavering support have been instrumental in shaping this research. Their valuable insights, constructive feedback, and encouragement have empowered me to navigate the complexities of this research project and deliver work that I am proud to call my own.

I would also like to express my deepest gratitude and sincere appreciation to all the research participants who generously shared their time, experiences, and perspectives, thereby, making this study viable. Their tremendous contributions enriched this research and provided an extremely comprehensive understanding of the topic.

Finally, I would like to thank my family, whose love, fortitude, and support have been a constant source of strength throughout this academic journey. Their sacrifices, encouragement, and unwavering belief in me, have enabled me to persevere and accomplish my goal. I am forever thankful for their existence in my life.

© University of Venda

DEDICATIONS

I wish to dedicate this thesis to my loving family, whose unwavering support and encouragement have been the driving force behind my academic journey. To my parents, whose sacrifices and guidance have shaped me into the individual I am today, I am deeply grateful for your love and support. To my friends, who have been a constant source of motivation and inspiration, I thank you for your camaraderie and shared experiences that have made this journey memorable. Your love, support, and encouragement have been invaluable, and I am honored to have you in my life. This thesis is a testament to the power of perseverance, hard work, and the unwavering support of those who believe in me.

© University of Venda

Table of Contents

ACKNOWLEDGEMENTS ii
ABSTRACT xvii
1.1 INTRODUCTION AND BACKGROUND OF THE STUDY 1
1.2 STATEMENT OF THE PROBLEM 3
1.3 RESEARCH OBJECTIVES 5
1.3.1 Aim of the study 5
1.3.2 Objectives of the study 5
1.4 CONTRIBUTIONS OF THE STUDY 6
1.5 DELIMITATIONS OF THE STUDY 8
1.6 HYPOTHESES OF THE STUDY 8
1.7.1 Research Paradigm 9
1.7.2 Positivist Research Philosophy 10
1.7.3 Interpretivist Research Philosophy 10
1.7.4 Pragmatist Research Philosophy 10
1.7.5 Realism Research Philosophy 11
1.7.6 Research design 11
1.7.7 Target population 12
1.7.8 Sampling 12
1.7.9 Sample size 14
1.7.10 Data collection instruments, sources, and procedures 14
1.7.11 Survey method 15
1.7.12 Self-administered questionnaire 15
1.7.13 Reliability and validity analysis 15
1.8 DATA ANALYSIS APPROACH 17
1.8.1 Data cleaning and coding 17
1.8.2 Statistical analysis 18
1.8.3 Descriptive statistics 18
1.8.4 Data analysis and statistical approach 19
1.8.5 Model-fit assessment 19
1.8.6 Hypotheses testing 19
1.9 CHAPTER OUTLINE 20

© University of Venda

1.10 ETHICAL CONSIDERATIONS 22
1.10.1 Informed consent 23
1.10.2 Maintenance of confidentiality and anonymity 23
1.11 CHAPTER SUMMARY 23

CHAPTER TWO 25

THE DEVELOPMENT AND SIGNIFICANCE OF SMALL, MEDIUM, AND MICRO ENTERPRISES (SMEs) 25
2.1 INTRODUCTION 25
2.2 SMALL, MEDIUM, AND MICRO ENTERPRISES (SMEs) DEFINED 25
2.2.1 Defining Small, Micro, and Medium Enterprises (SMEs) in South Africa 26
2.3 THE IMPACT OF SMEs ON BOTH LOCAL AND GLOBAL ECONOMIES 28
2.3.1 Employment Creation 31
2.3.2 Poverty alleviation 32
2.3.3 Gross Domestic Product 33
2.4 THE ROLE OF SMEs IN ATTAINING THE MILLENNIUM DEVELOPMENT GOALS (MDGs) 33
2.4.1 Contribution of SMEs towards the National Development Plan (NDP) 35
2.5 DEVELOPMENT AND PROMOTION OF THE SME SECTOR IN SOUTH AFRICA 36
2.5.1 Legislative, Policy, and Government Strategy for SMEs' Development 37
2.5.2 Financial and non-financial support mechanisms for SME development 42
2.6 BARRIERS HINDERING THE GROWTH AND DEVELOPMENT OF SMES IN SOUTH AFRICA 43
2.6.1 Lack of access to finance 45
2.6.2 Legal and regulatory factors affecting SMEs in South Africa 46
2.6.3 Competency and capability of SME owners or managers 47
2.6.4 Limited market access 48
2.6.5 Infrastructure and technology constraints 48
2.6.6 Additional challenges affecting SMEs in South Africa 49
2.7 DETERMINANTS OF SME SURVIVAL, GROWTH, AND DEVELOPMENT 51
2.8 THE IMPACT OF THE COVID-19 PANDEMIC ON THE SOUTH AFRICAN ECONOMY 52
2.8.1 GDP and Economic Growth 57
2.8.2 Unemployment 57
2.8.3 Government Debt 57

© University of Venda

2.8.4 Inflation 58
2.8.4 Unemployment 59
2.8.5 Income Inequality and Poverty Rates 59
2.8.6 Gross domestic product growth projections 59
2.8.7 Employment estimations 60
2.9 SOUTH AFRICAN FISCAL RESPONSE 61
2.9.1 South African Economic Reconstruction and Recovery Plan 63
2.10 ECONOMIC RECOVERY RECOMMENDATIONS 65
2.11 IMPACT OF COVID-19 ON SOUTH AFRICAN SMES 66
2.12 COVID-19 PANDEMIC-RELATED CHALLENGES FOR SMALL AND MEDIUM-SIZED ENTERPRISES 69
2.12.1 Lack of access to funding 69
2.12.1 Disruption of the supply chain 70
2.12.2 The impact of COVID-19 Decline on market demand 70
2.12.3 Cash-flow management 71
2.12.4 Inconsistencies in COVID-19 policies and regulations on SMEs in South Africa 72
2.13 STRATEGIES TO MITIGATE SMALL AND MEDIUM-SIZED ENTERPRISE-SPECIFIC COVID-19 EFFECTS 73
2.13.1 Digital and New Technologies Adoption 73
2.13.2 Developing clearer market access strategies 75
2.13.3 Retraining and redeveloping employees 76
2.13.4 Retrofitting strategy 77
2.13.5 Digital Marketing Strategies 78
2.13.6 Partnership strategy 79
2.13.7 Innovation 80
2.14 CHAPTER SUMMARY 80
3.1 INTRODUCTION 82
3.2 THE CONCEPT OF DIGITAL MARKETING 82
3.2.1 Definitions and overview of digital marketing 83
3.2.2 The history and development of digital marketing 85
3.2.3 Digital marketing media 90
3.2.4 7Ps of digital marketing 92

© University of Venda

3.3 TYPES AND STRATEGIES OF DIGITAL MARKETING 95
3.3.1 Affiliate marketing 95
3.3.2 Content marketing 96
3.3.3 Email marketing 97
3.3.4 Marketing Analytics 98
3.3.5 Mobile Marketing 98
3.3.6 Pay-per-click 99
3.3.7 Search Engine Optimization (SEO) 100
3.3.8 Social Media Marketing 101
3.4 WHY SHOULD BUSINESSES ADOPT DIGITAL MARKETING? 103
3.4.1 Better brand awareness 104
3.4.2 Wide Customer Reach 104
3.4.3 Increased Customer Engagement 105
3.4.4 Real-Time Customer Feedback 105
3.4.5 Data-Driven Decision-Making 105
3.4.6 Greater Market Share 106
3.4.7 Cost-Effectiveness 106
3.4.8 High Return on Investment (ROI) 106
3.4.9 Competitive Advantage 106
3.4.10 Boosting Sales 107
3.5 DIGITAL MARKETING ADOPTION AND CHALLENGES FACED BY SMEs 107
3.5.1 Technology 111
3.5.2 Skills 112
3.5.3 Lack of finance 113
3.5.4 Reacting to market changes 113
3.6 KEY RESOURCES FOR DIGITAL MARKETING SUCCESS 114
3.6.1 Resources 114
3.6.2 Firm size 116
3.6.3 Employee capabilities 116
3.6.4 Top management support 117
3.6.5 Financial resources 117
3.6.6 Technology Capabilities 117
3.7 MARKETING RESOURCES 118

© University of Venda

3.7.1 Marketing Performance 119
3.8 DIGITAL MARKETING ADOPTION BY SMEs IN SOUTH AFRICA 119
3.9 CHAPTER SUMMARY 120
4.1 INTRODUCTION 121
4.2 THEORETICAL BACKGROUND 121
4.2.1 The theory of reasoned action (TRA) 122
4.2.2 Technology Acceptance Model (TAM) 124
4.2.3 Theory of Planned Behavior (TBP) 125
4.2.4 Innovation Diffusion Theory 127
4.2.5 Unified Theory of Acceptance and Use of Technology (UTAUT) 129
4.2.6 Technology-Organization-Environment (TOE) Framework 131
4.2.7 Technology Context 132
4.2.8 Organizational context 134
4.2.9 Environmental Context 137
4.3 CONCEPTUAL AND HYPOTHESES DEVELOPMENT 139
4.3.1 Perceived usefulness of digital marketing 142
4.3.2 Perceived ease of use of digital marketing 142
4.3.3 Perceived Behavior Control 143
4.3.4 Perceived Compatibility 143
4.3.5 Perceived Cost 144
4.3.6 Firm Size 144
4.3.7 Employee Capability 145
4.3.8 Top Management Support 146
4.3.9 Availability of Financial Resources 146
4.3.10 Competitive Pressure 147
4.3.11 Relationship between behavioral intentions and digital marketing adoption 147
4.3.12 Mediating Role of Perceived Value 147
4.4 CHAPTER SUMMARY 148
5.1 INTRODUCTION 149
5.2 RESEARCH PHILOSOPHY AND PARADIGM 149
5.2.1 The Positivist Research Philosophy 150
5.2.2 The Interpretivist Research Philosophy 150
5.2.3 Pragmatist Research Philosophy 151

© University of Venda

5.2.4 Realism Research Philosophy 151
5.3 RESEARCH APPROACH 152
5.3.1 Qualitative Research Approach 152
5.3.2 Quantitative Research Approach 152
5.4 RESEARCH DESIGN 154
5.4.1 Quantitative Research Design 154
5.5 RESEARCH STRATEGIES 156
5.6 TIME HORIZON 158
5.7 SECONDARY DATA COLLECTION 158
5.8 LITERATURE REVIEW 159
5.9 EMPIRICAL RESEARCH 160
5.9.1 Sampling Design 160
5.9.2 Study Area 161
5.9.3 Population and Target Population 161
5.9.4 Sample Size 162
5.9.5 Sampling Approach 163
5.9.6 Sampling Techniques 164
5.10 DATA COLLECTION PROCEDURE 164
5.10.1 Data Collection Instrument 165
5.10.2 Questionnaire Design 166
5.11 QUESTIONNAIRE ADMINISTRATION 168
5.12 DATA ANALYSIS PROCEDURES 169
5.12.1 Data Preparation 169
5.12.2 Data Editing 170
5.12.3 Data Coding 170
5.12.4 Data Cleansing 171
5.12.5 Normality Testing 172
5.12.6 Descriptive Statistics 173
5.12.7 Exploratory Factor Analysis 175
5.12.8 Structural Equation Modeling 178
5.12.9 Confirmatory Factor Analysis 178
5.13 RELIABILITY 179
5.13.1 Cronbach Alpha 180

© University of Venda

5.13.2 Composite Reliability 181
5.13.3 Inter-item correlation test 181
5.14 VALIDITY 182
5.14.1 Face Validity 182
5.14.2 Content Validity 183
5.14.3 Construct Validity 183
5.14.4 Criterion Validity 185
5.15 MODEL FIT TEST 185
5.15.1 Path Analysis 187
5.16 ETHICAL CONSIDERATIONS 187
5.16.1 Obtaining informed consent from research participants 188
5.16.2 Minimizing the risk of harm to participants 188
5.16.3 Protecting research participants' anonymity and confidentiality 189
5.16.4 Avoiding using deceptive practices 189
5.16.5 Giving participants the right to withdraw from a study at any time 190
5.17 CHAPTER SUMMARY 190
6.1 INTRODUCTION 192
6.2 RESPONSE RATE 193
6.3 DEMOGRAPHIC INFORMATION 193
6.4: COMPANY PROFILE OR CHARACTERISTICS 193
6.4.1 Number of employees 194
6.4.2 Total annual turnover 194
6.4.3 Type of ownership 195
6.4.4 A sector of business operation 195
6.5 RESEARCH PARTICIPANTS' BACKGROUND INFORMATION 195
6.5.1 Gender of respondent 197
6.5.2 Race of respondent 197
6.5.3 Age of respondents 197
6.5.4 Position in the firm 197
6.5.5 Nature of Employment 197
6.5.6 Years of experience in the position held 198
6.6 ADOPTION OF DIGITAL MARKETING 198
6.6.1 Types of digital marketing approaches 199

© University of Venda

6.6.2 Percentage of marketing budget allocated to digital marketing adoption 199
6.7 DESCRIPTIVE STATISTICS OF THE MEASURED VARIABLES 200
6.7.1 Relative advantage 200
6.7.2 Compatibility 203
6.7.3 Complexity Constructs 205
6.7.4 COST CONSTRUCTS 208
6.7.5 Top Management Support 210
6.7.6 Financial Resources Variable 212
6.7.7 Employee Capability 214
6.7.8 Size of enterprise variables 217
6.7.9 Competitive Pressure Variable 219
6.7.10 Customer Pressure Variables 222
6.7.11 Support from technology vendors 224
6.7.12 Attitudes Towards Usage 227
6.7.13 Adoption Constructs 229
6.7.14 Behavioral Intention Variables 231
6.8 EXPLORATORY FACTOR ANALYSIS 233
6.8.1 Factor analysis for the relative advantage scale 234
6.8.2 Factor analysis for the compatibility scales 235
6.8.3 Factor analysis for complexity scales 237
6.8.4 Factor Analysis for the Cost Scales 238
6.8.6 Factor analysis for financial resources scales 240
6.8.7 Factor analysis for employee capability scales 241
6.8.8 Factor analysis for the size of the enterprise 243
6.8.9 Factor analysis for the competitive pressure scales 244
6.8.10 Factor analysis for customer pressure scales 245
6.8.11 Factor analysis for support from technology vendors scales 246
6.8.12 Factor analysis for attitudes towards usage 248
6.8.14 Factor analysis for behavioral intention scales 250
6.8.15 Synopsis of the findings of the factor analysis 251
6.9 TESTS FOR THE NORMALITY OF DATA 252
6.10 INFERENTIAL STATISTICS 253
6.10.1 Confirmatory Factor Analysis (CFA) 254

© University of Venda

6.10.2 Reliability Analysis.....258

6.10.3 Validity Analysis Results.....259

.....262

.....262

6.11 MODEL FIT ANALYSIS.....263

6.12 PATH ANALYSIS.....265

6.12.1 Interpretation of Results.....265

6.12.1 Hypothesis H1: Perceived usefulness has a significant positive relationship with the behavioral intention to use digital marketing......266

6.12.2 Hypothesis H2: Perceived ease of use of digital marketing has a significant positive relationship with behavioral intention to use digital marketing......267

6.12.3 Hypothesis H3: Perceived ease of use of digital marketing has a significant positive relationship with the perceived usefulness of digital marketing......267

6.12.4 Hypothesis H4: Perceived behavior control has a significant positive impact on the behavioral intention to use digital marketing......268

6.12.5 Hypothesis H5: Perceived compatibility has a significant negative effect on behavioral intention to digital marketing adoption by decision-makers of SMEs.....269

6.12.6 Hypothesis H6: Perceived cost of accessing digital marketing tools has a significant negative relationship with behavioral intention to use digital marketing.
.....269

6.12.7 Hypothesis H7: Firm size has a significant positive relationship with the behavioral intention to use digital marketing. 270

6.12.8 Hypothesis H8: Perceived employee capability has a significant positive relationship with behavioral intention to use digital marketing. 270

6.12.9 Hypothesis H9: Top management support has a significant positive relationship with behavioral intention to use digital marketing. 271

6.12.10 Hypothesis H10: Perceived availability of financial resources has a significant positive relationship with behavioral intention toward digital marketing use 272

6.12.11 Hypothesis H11: Competitive pressure has a significant positive relationship with the behavioral intention to use digital marketing......272

6.12.13 Hypothesis H13: The perceived value of digital marketing plays a mediating role between behavioral intentions and the adoption of digital marketing......273

6.13 MULTIGROUP MODELLING.....274

6.14 A LINK BETWEEN THE HYPOTHESES TEST RESULTS AND THE RESEARCH THEORIES 275

6.14.1 Theory of Acceptance Model (TAM).....275

© University of Venda

6.14.2 Theory of Planned Behavior (TBP) 276
6.14.3 Technology-Organization-Environment (TOE) framework. 276
6.15 CHAPTER SUMMARY 277
7.1 INTRODUCTION 278
7.2 BRIEF OVERVIEW OF THE STUDY 278
7.3 CONCLUSIONS ON THE ATTAINMENT OF PROPOSED RESEARCH OBJECTIVES 280
7.3.1 SME owners or managers' awareness of digital marketing 280
7.3.2 The extent of digital marketing adoption among SMEs 281
7.3.3 Factors determining the adoption of digital marketing among SMEs 282
7.3.4 Factors influencing SME owners'/managers' behavioral intention to adopt digital marketing. 282
7.5 RECOMMENDATIONS TO ENHANCE BEHAVIORAL INTENTION AND DIGITAL MARKETING ADOPTION AMONG SMES IN SOUTH AFRICA 286
7.6 CONTRIBUTIONS FROM THE STUDY 288
7.6.1 Theoretical Contribution 288
7.6.2 Scientific or practical contributions of the study 289
7.6.3 Managerial practice and perspective 289
7.7 LIMITATIONS AND AREAS OF FURTHER RESEARCH 290
7.8 CHAPTER SUMMARY 291

© University of Venda

List of Tables

TABLE 1.1 RELIABILITY COEFFICIENTS GUIDELINES 16
TABLE 2.1 NEW NATIONAL SMALL ENTERPRISE ACT THRESHOLDS IN SOUTH AFRICA 26
TABLE 2.2 DIRECT IMPACT OF NATIONAL LOCKDOWN PER SPECIFIC SECTOR 55
TABLE 2.3: COVID-19 FISCAL RESPONSE PACKAGE ALLOCATION 62
TABLE 3.1 GLOBAL TOTAL MOBILE INTERNET TRAFFIC FROM 2015 TO 2023 87
TABLE 3.2 SUMMARY OF THE DIGITAL MARKETING LANDSCAPE 88
TABLE 3.3 CATEGORIES AND TYPES OF RESOURCES 116
TABLE 4.1 DEFINITIONS OF CONSTRUCTS OF THE UTAUT MODEL 129
TABLE 5.1 QUANTITATIVE RESEARCH DESIGN OUTLINE 154
TABLE 5.2 TYPES OF RESEARCH STRATEGIES 156
TABLE 5.4 STRUCTURE OF THE QUESTIONNAIRE IN TERMS OF SECTIONS, QUESTION FORMATS, AND TYPES OF SCALES USED 168
TABLE 5.5 RANGE OF RELIABILITY AND ITS COEFFICIENT OF CRONBACH'S ALPHA 180
TABLE 5.6 MODEL FIT INDICATOR 186
TABLE 6.1 COMPANY PROFILE OR CHARACTERISTICS INFORMATION 193
TABLE 6.2: RESPONDENT'S DEMOGRAPHICS 196
TABLE 6.3: RELATIVE ADVANTAGES VARIABLES 200
TABLE 6.4: COMPATIBILITY CONSTRUCTS 203
TABLE 6.5: COMPLEXITY CONSTRUCTS 206
TABLE 6.6: COST CONSTRUCTS 208
TABLE 6.7: TOP MANAGEMENT SUPPORT CONSTRUCTS 210
TABLE 6.8: FINANCIAL RESOURCES VARIABLES 212
TABLE 6.9: EMPLOYEE CAPABILITY VARIABLES 215
TABLE 6.10: SIZE OF ENTERPRISE VARIABLE 218
TABLE 6.11 COMPETITIVE PRESSURE VARIABLES 220
TABLE 6.12: CUSTOMER PRESSURE VARIABLES 222
TABLE 6.13 SUPPORT FROM TECHNOLOGY VENDORS 225
TABLE 6.14 ATTITUDES TOWARDS USAGE VARIABLES 228
TABLE 6.15: ADOPTION VARIABLES 230
TABLE 6.16: BEHAVIORAL INTENTION VARIABLES 232
TABLE 6.16: THE KMO MEASURE AND BARTLETT'S TEST RESULTS 234
TABLE 6.17: FACTOR ANALYSIS FOR THE RELATIVE ADVANTAGE 234
TABLE 3.18: FACTOR ANALYSIS FOR COMPATIBILITY 236
TABLE 6.19: FACTOR ANALYSIS FOR COMPLEXITY SCALES 237
TABLE 6.20: FACTOR ANALYSIS OF COST SCALES 238
TABLE 6.21: FACTOR ANALYSIS OF TOP MANAGEMENT SCALES 239
TABLE 6.22: FACTOR ANALYSIS FOR FINANCIAL RESOURCES SCALE 240
TABLE 6.23: FACTOR ANALYSIS FOR EMPLOYEE CAPABILITY SCALE 242
TABLE 6.24: FACTOR ANALYSIS OF THE SIZE OF THE ENTERPRISE 243
TABLE 6.25: FACTOR ANALYSIS FOR THE COMPETITIVE PRESSURE SCALES 244
TABLE 6.26: FACTOR ANALYSIS FOR CUSTOMER PRESSURE SCALES 245
TABLE 6.27: FACTOR ANALYSIS FOR SUPPORT FROM TECHNOLOGY VENDORS SCALES 247
TABLE 6.28: FACTOR ANALYSIS FOR ATTITUDES TOWARDS USAGE 248
TABLE 6.29: FACTOR ANALYSIS FOR ADOPTION SCALES 249
TABLE 6.30: FACTOR ANALYSIS STRUCTURE FOR BEHAVIORAL INTENTION SCALES 250

© University of Venda

TABLE 6.31: SYNOPSIS OF FACTOR ANALYSIS DATA PURIFICATION PROCESS....251
TABLE 6.32: SKEWNESS AND KURTOSIS VALUES OF VARIABLES 252
TABLE 6.33: CONSISTENCY AND ACCURACY STATISTICS 256
TABLE 6.35: MODEL FIT RESULTS FOR CONFIRMATORY FACTOR ANALYSIS 263
TABLE 6.36 FINDINGS OF STRUCTURAL EQUATION MODELLING....265
TABLE 6.37: MODEL FIT INDICES FOR MULTIGROUP ANALYSIS 274

© University of Venda

List of Figures

FIGURE 2.1 TYPE OF EMPLOYMENT 32
FIGURE 3.1 ANNUAL OVERVIEW OF THE ADOPTION AND USE OF CONNECTED DEVICES AND SERVICES 86
FIGURE 3.2 PAID MEDIA CHANNELS 91
FIGURE 3.3 PERCEIVED VALUE PRICING 93
FIGURE 3.4 SOCIAL MEDIA MARKETING PLATFORMS 102
FIGURE 3.5 DIGITAL MARKETING SLOPPINESS CAUSES HIGH ATTRITION RATES 110
FIGURE 4.1 THEORY OF REASONED ACTION 122
FIGURE 4.2 TECHNOLOGY ACCEPTANCE MODEL (DAVIS, 1985) 124
FIGURE 4.3 THEORY OF PLANNED BEHAVIOR (TECHNOLOGY SPECIFIC) 126
FIGURE 4.4 INNOVATION DIFFUSION THEORY 128
FIGURE 4. 5 THE UTAUT MODEL 130
FIGURE 4.6 TECHNOLOGY, ORGANIZATION, AND ENVIRONMENT FRAMEWORK 132
FIGURE 4.7 INTEGRATED HYPOTHESIZED CONCEPTUAL MODEL 141
FIGURE 6.1: DIGITAL MARKETING ADOPTION 198
FIGURE 4.2: DIGITAL MARKETING APPROACHES 199
FIGURE 6.3: INTENT TO INCREASE DIGITAL MARKETING BUDGET ALLOCATION 200
FIGURE 6.4: SCREE PLOT FOR RELATIVE ADVANTAGE 235
FIGURE 6.5: SCREE PLOT FOR COMPATIBILITY SCALES 236
FIGURE 6.6: SCREE PLOT FOR COMPLEXITY SCALES 237
FIGURE 6.7: SCREE PLOT FOR COST SCALE 239
FIGURE 6.8: SCREE PLOT FOR TOP MANAGEMENT SUPPORT SCALES 240
FIGURE 6.9: SCREE PLOT FOR FINAL RESOURCES SCALE 241
FIGURE 6.10: SCREE PLOT FOR EMPLOYEE CAPABILITY SCALES 243
FIGURE 6.11: SCREE PLOT FOR THE SIZE OF ENTERPRISE SCALE 244
FIGURE 6.12: SCREE PLOT FOR COMPETITIVE PRESSURE 245
FIGURE 6.13: SCREE PLOT FOR CUSTOMER PRESSURE SCALES 246
FIGURE 6.14: SCREE PLOT FOR SUPPORT FROM TECHNOLOGY VENDORS SCALES 248
FIGURE 6.15: SCREE PLOT FOR ATTITUDES TOWARDS USAGE 249
FIGURE 6.16: SCREE PLOT FOR ADOPTION SCALES 250
FIGURE 6.17: SCREE PLOT FOR BEHAVIORAL INTENTION SCALES 251
FIGURE 6.18: CONFIRMATORY FACTOR ANALYSIS MODEL 255
FIGURE 6.19 INTER-ITEM CORRELATION MATRIX 262
FIGURE 6.19: STRUCTURAL PATH MODEL 264
FIGURE 7.1 DIGITAL MARKETING ADOPTION AMONG SMES 281
FIGURE 7.2 MODEL DEVELOPED 285

© University of Venda

ABSTRACT

Small and Medium Enterprises (SMEs) are continuously gaining recognition as a vital tool for the socio-economic development of South Africa and most countries, throughout the world. SMEs play a pivotal role in job creation and wealth distribution in previously disadvantaged communities, however, several studies conducted in South Africa have shown that SMEs experience high failure rates. It is estimated that South Africa has the highest failure rate of SMEs, however, they can significantly moderate their high failure rate by leveraging digital marketing strategies. Digital marketing is promoting products and services through digital channels, such as social media, share of experience (SOE), email, and mobile apps using the internet. Digital marketing adoption is an essential tool to curb the high failure rate of SMEs, however, several studies that have been conducted in South Africa show that there is a low level of adoption of digital marketing. This study sought to identify the key determinants for digital marketing adoption among SMEs in the Tshwane Metropolitan Municipality in South Africa and to develop a conceptual framework to guide its adoption by SMEs in South Africa and other developing nations with similar socio-economic conditions. A positivistic paradigm was adopted to conduct the empirical component of the study and following the requirements of the positivistic paradigm, a quantitative research design was employed to conduct the study. SME owners or managers operating in the City of Tshwane Metropolitan Municipality were selected using the multi-stage stratified random sampling technique. The research employed a survey method through a self-administered questionnaire to gather data from research participants; the questionnaire was developed using literature from previous studies. The descriptive statistics data analysis was performed using the Statistical Package for Social Sciences (SPSS), Version 30. From the results, the researcher developed and tested a conceptual model using confirmatory factor analysis and structural equation modeling, using the AMOS software package (version 26). Exploratory factor analysis, confirmatory factor analysis, and structural equation modeling were performed to test the hypotheses variables under study, to confirm a causal relationship and make inferences between observed and latent variables. The results obtained in this study reveal a concerningly low level of digital marketing adoption among the SME owners and managers who participated in this study. In addition - perceived ease of use, perceived usefulness, firm size, behavioral control, top management support, perceived cost, and perceived availability of financial resources - were identified as the most significant factors influencing behavioral intention to use digital marketing. Compatibility and competitive pressure, however, were found to be insignificant factors

© University of Venda

influencing the behavioral intention to use digital marketing and the actual adoption of digital marketing. The findings of this study, it is anticipated, will contribute immensely towards the effective adoption of digital marketing by SMEs, using current digital marketing tools and providing guidelines to potential digital-marketing adopters as they develop their growth and sustainability strategies.

Keywords: SMEs, traditional marketing, digital marketing, digital marketing adoption.

© University of Venda

ABBREVIATIONS

AMOS	Analysis of Moment Structures
ASIGISA	Accelerated and Shared Growth Initiative for South Africa
BEE	Black Economic Empowerment
CIS	Co-operatives Incentive Scheme
DFFS	Debt-Financed Fiscal Stimulus
DFIs	Developmental Finance Institutions
DMT	Digital Marketing Technology
DTI	Department of Trade and Industry
ERRP	Economic Recovery and Reconstruction Plan
GDP	Gross Domestic Product
GDS	Growth and Development Strategies
GEAR	Growth, Employment, and Redistribution Strategy
HRDS-SA	Human Resource Development Strategy for South Africa
ICT	Information and Communication Technology
IDC	Industrial Development Corporation
IDP	Integrated Development Planning
IT	Information technology
JIPSA	Joint Initiative on Priority Skills Acquisition
JTT	Joint Task Team
LBSC	Local Business Service Centers

© University of Venda

LGTAS	Local Government Turnaround Strategy
MACs	Manufacturing Advice Centers
MDGs	Millennium Development Goals
NDP	National Development Plan
NEF	National Empowerment Fund
NEP	National Empowerment Corporation
NYDA	National Youth Development Agency
OECD	Organization for Economic Co-operation and Development
PESTEC	Political, Economic, Social, Technological, Environmental, and Competitive factors
PPC	Pay-per-click
ROI	Return on Investment
SAMAF	South African Micro-Finance Apex Fund
SARS	South African Revenue Service
SDF	Spatial Development Frameworks
SDGs	Sustainable Development Goals
SEDA	Small Enterprises Development Agencies
SEFA	Small Business Finance Agency
SEM	Structural Equation Modelling
SEO	Search engine optimization
SMEs	Small and Medium-sized Enterprises
SPSS	Statistical Package for the Social Sciences
TACs	Tender Advice Centers
TAM	Technology Acceptance Model
TBP	Theory of Planned Behavior

© University of Venda

TERS	Temporary Employer/Employee Relief Scheme
TOE	Technology-Organization-Environment
TRA	Theory of Reasoned Action
UIF	Unemployment Insurance Fund
UTAUT	Unified Theory of Acceptance and Use of Technology

© University of Venda

CHAPTER ONE

BACKGROUND OF THE STUDY

1.1 INTRODUCTION AND BACKGROUND OF THE STUDY

Small and medium-sized enterprises, commonly known as “SMEs” contribute immensely to both developed and developing economies, in areas such as - overall firm numbers, employment creation, contribution towards gross domestic product (GDP), export growth, suppliers of products and services to large and multinational enterprises, poverty alleviation, economic empowerment, and the broader distribution of wealth (World Bank, 2022). According to a report by the World Bank in 2022, SMEs represent approximately 90% of all businesses and account for more than 50% of employment worldwide. This study further demonstrates that formal SMEs contribute up to 40% of national income (GDP) in developing economies, and the statistics are substantially higher when informal SMEs are incorporated. A study by Runde, Savoy, and Staguhn (2021) specifies that SMEs account for 90% of the private sector and create more than 50% of jobs in emerging economies. It is estimated that there are 44 million SMEs in Sub-Saharan Africa, providing an estimated 80 percent of jobs across the continent (Runde et al., 2021). In South Africa, SMEs are considered the lifeblood of the South African economy, accounting for more than 98% of businesses across the country, contributing 39% towards the country's gross domestic product (GDP), and providing employment to approximately 47% of the workforce (Reddy, 2022).

The fundamental impact and prominence of SMEs in socio-economic development in most countries have drawn the attention of governments, economists, policymakers, and researchers (Alkahtani, Nordin, and Khan, 2020). Most countries have developed policies and agencies to support the growth and sustainability of SMEs (International Monetary Fund, 2019). In South Africa, several agencies support the establishment, growth, and development of SMEs, such as - Small Enterprises Development Agencies (SEDA), Co-operatives Incentive Scheme (CIS), Black Business Supplier Programme, Small Business Finance Agency (SEFA), Godisa Fund, Technology for Sustainable Livelihoods, Umsobomvu, National Youth Service and Gender and Women Empowerment Unit. These agencies give support extending from information regarding establishment, conducive business environment, to financing of SMEs. The South African government formed the Ministry of Small Business Development in 2014 and its envisioned role was to assist and promote the inception and growth of SMEs by creating a favorable environment for them. In 2022, the government of South Africa introduced the National Small Enterprise Amendment Bill 2020, which provides legal support to SMEs (Statistics South Africa, 2020).

© University of Venda

There is extensive evidence of the substantial contribution of SMEs to socio-economic development and the efforts from various key stakeholders supporting the growth and sustainability of SMEs, despite these, it is acknowledged that there is a high failure rate of SMEs in developing countries (Faminu, 2022). Ajibo (2023) points out that the failure rate of SMEs in the entire African continent is 54%. The high failure rate of SMEs results in the loss of jobs, an increased poverty rate, and reduced economic growth. This raises the question of whether SMEs are in fact, a key instrument in job creation and poverty alleviation. Several studies have shown that South Africa has the highest number of SME failures, between 70% and 80% (Opperman, 2023; University of the Western Cape, 2023). According to the University of the Western Cape (2023), 70% of South African SMEs fail within their first year of operation, placing South Africa on the map as the country with the highest failure rate in the world. The high failure rate of SMEs is mainly attributed to - financial and economic instability, fierce competition amongst SMEs, inadequate management skills, lack of owners' and managers' expertise in key functional areas, and their lack of adequate understanding of financial affairs (Rungani, 2022). Munyuki (2019), for instance, conducted a study in the Western Cape Province of South Africa, and the results show that limited marketing skills remain a challenge for SMEs in South Africa.

The livelihoods of people and businesses were disturbed severely by the global COVID-19 pandemic. Numerous empirical studies conducted worldwide, after the pandemic, revealed that SME business operations were affected by COVID-19 (Omar, Ishak, and Jusoh, 2020; Oyewale, Adebayo Kehinde, 2020). The phases of the lockdowns and movement-restriction policies implemented by governments in many countries, greatly affected SMEs, negatively, incapacitating their operations, deteriorating their financial positions, and subjecting them to financial risk (Omar et al., 2020; Oyewale et al., 2020). SMEs suffered from a shortage of workforces and production inputs because of distorted supply chains, which adversely affected their sales (Gurría, 2020; Segal and Gerstel, 2020), their capacity to accomplish their financial commitments and to pay employees' wages (Robinson and Kengatharan, 2020). Roushan (2021), maintains that the COVID-19 regulations, particularly, adversely affected small enterprises and the informal sector in South Africa, affecting over 3 million jobs. The study further revealed that economists predicted that 60% of SMEs would fail before the effects pandemic are completely over. People's movement restrictions across the globe, have affected the operations of most SMEs, hence, most are facing challenges, including sustaining their businesses, and inability to come up with innovative solutions to conquer these challenges (Hasbolah, Rosli, Omar, and Bhuiyan, 2021). One such challenge is for SMEs to discover ways of interacting with customers and streamlining transaction processes (Hasbolah et al., 2021). The acceptance of digital

© University of Venda

marketing has been identified as being able to mediate the effects of the COVID-19 pandemic and the intensity of competition (Giantari, Yasa, Suprasto, and Rahmayanti, 2022).

Digital marketing is a moderately novel concept that has brought about a new wave of communication through advertising and relationship-building tools, such as online advertising, video-sharing tools, web apps, and social networks (Mbura, 2020). According to Giantari et al. (2022), digital marketing is an activity of selling products using digital media or the internet. One advantage of digital marketing is its ability to swiftly attract potential clients and retain existing consumers (Ritz, Wolf, and Mquity, 2019). Statista Research Department (2022) estimated that the spending on information technology-related services amounted to 133.57 billion South African rands in 2020. This means there is a lot of capacity to engage with online shoppers by offering a more personalized, significant mobile experience when adopting digital marketing strategies. Arobo (2022) argues that SMEs can improve their business by embracing digital marketing strategies, however, an empirical study conducted by Jeza and Lekhanya (2022), in South Africa , particularly in the City of Tshwane Metropolitan Municipality revealed that the level of adoption of digital marketing strategies among SMEs is low and for some which have employed digital transformation, the agility of implementation in their business models still demonstrates inefficiency in contrast to the availability of new adoptable digital technologies. The study concluded that future studies should develop - a greater awareness and understanding of the benefits of digital marketing, tracking of marketing leads, and the role of digital marketing agencies in implementing digital marketing strategies - for SMEs. It is, therefore, against this background that this study sought to understand the role of digital marketing adoption and to propose a framework for digital marketing adoption among small and medium enterprises (SMEs) in the City of Tshwane Metropolitan Municipality in South Africa.

1.2 STATEMENT OF THE PROBLEM

SMEs play a pivotal role in the socio-economic development of most countries (United Nations, 2022), however, empirical studies conducted in South Africa concluded that the failure rate of SMEs is very high and is considered the highest across the globe (University of the Western Cape, 2023; Mhlongo and Daya, 2023). It is anticipated that between 70% and 80% of SMEs in South Africa fail within five years of operation (University of the Western Cape, 2023). Faminu (2022) reveals that 80% of SMEs conducting business in Africa fail within the first five years of their existence, regardless of the continent having the highest entrepreneurship rate in the world. The high failure rate of SMEs is experienced in most developing countries, yet no solution has been found to sustain the business operations of these SMEs.

© University of Venda

As of 2020, the world experienced a major shock from the COVID-19 pandemic that had a global impact on society and economies (Chaturvedi and Karri, 2021). As a result of COVID-19, entrepreneurs were confronted with unanticipated changes in almost every facet of entrepreneurial activity, including - changes in market trends, consumer demand, and control policies put in place to reduce the spread of the virus (Chaturvedi et al., 2021). Gopinath, Brooks, and Nabar (2021) point out that lockdowns, due to the pandemic caused the worst economic recession since the great depression of 1929 to 1939. The projected global cost of the COVID-19 lockdown amounts to US$120 billion or 4% of the GDP (Choudhary, Sodani, and Dasi, 2020); the condition is direr for small firms because of their constrained financial resources (OECD, 2020). In a quarterly review published by the Small Enterprises Development Agency in August 2021, SMEs in the Gauteng Province were dealt a heavy blow from two avenues: firstly, the extensive third COVID-19 wave (caused by the delta variant of the virus), secondly, the deep unsettling socio-political unrest (SEDA, 2021).

Kunene (2020) contends that numerous SMEs endured financial demises during the lockdown and the ensuing shutdown. Kunene (2020) conducted a study in the Gauteng Province and concluded that 95% of SMEs failed to pay their employees due to a lack of income during the pandemic. Similarly, Gen (2020) reported that 93% of the SMEs conducting businesses in the Gauteng Province do not have other sources of income and predicted that about 71% of the small businesses will run out of cash due to a shortage of income, resulting in their failure. The government made tremendous efforts to support SMEs in the Gauteng Province through relief schemes such as - the Debt Relief Finance Scheme, Resilience Facility, and SEDA Funding – despite this, extant research reveals that most SMEs were not able to access these funds due to stringent requirements, long waiting periods between funding application and disbursement of funds, and a lack of communication between the Department of Small Business and Development and the SMMEs (Kunene, 2020). Mhongo and Daya (2022) conducted a study on challenges faced by small, medium, and micro enterprises in Gauteng and the findings of the study revealed that SMMEs consistently suffer from relatively high levels of failures and lower performance levels caused by: (1) a lack of entrepreneurial leadership skills, (2) a lack of financial resources or finances, (3) a lack of financial education, (4) infrastructure constraints, (5) a lack of training, (6) a lack of technology and (7) crime and corruption. This study was conducted in the City of Tshwane Metropolitan Municipality in the Gauteng Province.

Digitally Driven (2021) points out that the COVID-19 pandemic endangered small businesses worldwide, however, their use of digital tools acted as a "Digital Safety Net" and cushioned most of them from the pandemic. Some scholars in other countries, however, argue that SMEs have not yet successfully incorporated digital technologies into their business models (Yawise and

© University of Venda

Apasrawirote, 2021; Tastic, Amir, and Khader, 2020). Yawise et al. (2021), for instance, identify a lack of digital knowledge and skills as a challenge impeding digital adoption. Jeza and Lekhanya (2022) add that the concept of digital marketing is not yet fully understood in the context of South African SMEs. Other studies conducted in South Africa show that challenges affecting the exploitation of digital marketing include a lack of sufficient staff, finance, skills, tools, and knowledge to adopt digital marketing strategies (Jeza and Lekhanya, 2022); although, the literature relating to the adoption of digital marketing amongst SMEs in South Africa, during and after COVID-19, is very sparse.

Arghya, Pradip, and Shilpee (2020) agree that digitalization is not easy to integrate into SME marketing strategies, even though their adoption yields advantages that enable organizations to share and communicate with customers more effectively. Chapman et al. (2019) claim that it is necessary to conduct studies to develop greater awareness and understanding of the benefits of digital marketing, tracking of marketing leads, and the role of digital marketing agencies in executing digital marketing approaches for SMEs in South Africa, therefore, this study's proposed framework for digital marketing adoption among SMEs in South Africa.

1.3 RESEARCH OBJECTIVES

1.3.1 Aim of the study

The aim of this study is to identify some of the barriers to digital marketing and to propose a conceptual framework for SMEs in the City of Tshwane Metropolitan Municipality that could guide their owners, policymakers, and other stakeholders toward digital marketing adoption.

1.3.2 Objectives of the study

According to Hassan (2023), research objectives describe what your research is trying to achieve and explain why you are pursuing it. In a nutshell, research objectives provide a glimpse of the purpose of the study to help focus its different components.
To achieve the aim of this study, the following objectives were proposed:

- To establish the level of SME owners'/managers' awareness of digital marketing in the City of Tshwane Metropolitan Municipality.
- To determine the extent to which participating SMEs have adopted digital marketing.
- To determine the factors that promote the adoption of digital marketing among SMEs in the City of Tshwane Metropolitan Municipality.
- To establish the factors influencing SME owners'/managers' behavioral intention to adopt digital marketing.

© University of Venda

- To determine the factors influencing non-adopters' behavioral intention to adopt digital marketing.
- To propose and test an integrated conceptual model that could guide policymakers and SME owners on digital marketing adoption in the City of Tshwane Metropolitan Municipality.

1.4 CONTRIBUTIONS OF THE STUDY

The contributions from this study will be three-fold: the first will focus on augmentation to the - theoretical perspective on the topic, followed by the scientific or practical contribution, and lastly, the managerial practices and perspective.

- **The theoretical contributions:**

Prince George's Community College (2020) points out that digital marketing is a moderately novel phenomenon of selling that has brought about a new wave of communication through advertising and relationship-building tools, such as, online advertising, video sharing tools, web apps, and social networks. Several studies that have been conducted in both local and international countries acknowledge that most SMEs are generally at an early stage of adopting information and communication technology (ICT) in their marketing strategies (Bermeo-Girado, Valencia-Arias, Ramos de Rosas, Benjumea-Arias, and Calderon, 2022; Korff, 2021). Chapman et al. (2019) emphasized the need to conduct studies to develop greater awareness and understanding of the benefits of digital marketing, tracking marketing leads, and the role of digital marketing agencies in implementing marketing strategies for SMEs. Several scholars have extensively researched digital marketing adoption in developed countries (Emini and Merovci, 2021; Eze, Chinedu-Eze, and Okike, 2020). These scholars examined factors influencing digital marketing adoption among SMEs in developed countries, however, these should not be generalized to SMEs in developing countries (Fajarika et al., 2024). The findings of this study will guide SMEs owners and managers conducting business activities in the City of Tshwane Metropolitan Municipality in understanding the determinants of digital marketing adoption and advancing existing literature on digital marketing, specifically, in developing countries.

It is essential to detect key factors influencing digital marketing adoption among SMEs, which may contribute to their development and sustainability in determining the most viable course of action for this phenomenon. From these findings, a comprehensive conceptual model was developed by identifying the main aspects related to the use of digital marketing by SMEs from a detailed literature review and innovative adoption theories. Through its successful testing, the results provide answers to digital marketing adoption to guide other scholars and researchers in

© University of Venda

developing countries in identifying individual, environmental, organizational, and technological factors that can drive behavioral intention to adopt digital marketing and encourage the actual adoption. This study also enriches the literature on innovation diffusion and adoption.

- **The scientific perspective made the following contributions:**

Eze et al. (2020) suggest that more studies should be conducted to develop awareness and understanding of the role of digital marketing adoption by SMEs, therefore, this study offered a broad guide to understanding SME owners' or managers' behavior toward digital marketing and its adoption. This understanding presents fundamental insights for governments, economists, policymakers, innovators, and technology vendors, accountable for designing and stimulating the adoption of digital marketing among SMEs in South Africa.

In addition, the results of this study will contribute to SMEs owners', managers', and employees' understanding of the specific drivers of their behavioral intention toward digital marketing use and the factors that drive their adoption. This understanding will enable these stakeholders to make informed decisions about their future intentions, whether to start/continue using digital marketing and their subsequent adoption of other innovations.

- **Managerial practices and perspectives**

Mattos, Pellegrini, Hagellar, and Dolfsma (2023) note that the major obstacle impeding the adoption of digital transformation in most SMEs is a lack of resources and the complexity of technological transformation, which encompasses technology assimilation and business model innovation. Mattos et al. (2023) further highlight that most studies recognize the complementarity of technology assimilation and business model innovation (BMI) in benefiting technology, however, the literature is fragmented, and the technological transformation aspect remains abstract, especially in the SMEs' context. Issues involving digital transformation and leveraging information and communication technology (ICT) in SMEs are continuously gaining recognition in developed and developing countries, however, much of the research focuses on the barriers to adoption, identifying external and internal factors likely to cause slow uptake and use of this new technology. In addition, several studies conducted on digital marketing adoption focused on large and established companies; only limited research has focused on the role of the owner-manager in its adoption (Suroso and Rafinda, 2021). The result of this study isolates the role of the owners or managers in digital marketing, although the results of this study also exposed challenges they face in its adoption. From the results, possible mitigating strategies were developed to cushion such challenges in digital marketing adoption by SME owners, managers, and other interested stakeholders.

© University of Venda

1.5 DELIMITATIONS OF THE STUDY

The study yielded significant results, nevertheless, it was subjected to many delimitations, although, some of these were used to ascertain opportunities for areas of further research. A major limitation is that the study population was restricted to SME owners or managers conducting business activities within the City of Tshwane Metropolitan Municipality South Africa, one of the municipalities. This limited the possibility of generalizing the results to include SME owners or managers in other parts of the country. In addition, some limitations included the high cost of conducting the study, insufficient time for conducting the research, and non-response or providing of inaccurate information by the research participants.

1.6 HYPOTHESES OF THE STUDY

The hypotheses formulated for the study are as follows:

H1: Perceived usefulness has a significant positive relationship with behavioral intention to use digital marketing.

H2: Perceived ease of use of digital marketing has a significant positive relationship with behavioral intention to use digital marketing adoption.

H3: Perceived ease of use of digital marketing has a significant positive relationship with the perceived usefulness of digital marketing.

H4: Perceived behavior control has a significant positive impact on the behavioral intention to use digital marketing.

H5: Perceived compatibility has a significant negative effect on behavioral intention to digital marketing adoption, by decision-makers of SMEs.

H6: Perceived cost of accessing digital marketing tools has a significant negative relationship with behavioral intention to use digital marketing.

H7: Firm size has a significant positive relationship with behavioral intention to use digital marketing.

H8: Perceived employee capability has a significant positive relationship with behavioral intention to use digital marketing.

H9: Top management support has a significant positive relationship with behavioral intention to use digital marketing.

© University of Venda

H10: Perceived availability of financial resources has a significant positive relationship with behavioral intention toward digital marketing use

H11: Competitive pressure significantly impacts SMEs' behavior and intention to use digital marketing.

H12: Behavioral intentions to use digital marketing have a significant positive relationship with the adoption of digital marketing.

H13: The perceived value of digital marketing plays a mediating role between behavioral intentions and the adoption of digital marketing.

1.7 RESEARCH METHODOLOGY

According to Sileyew (2019), a research methodology is a path through which researchers conduct their research, hence, outlines a designated path through which these researchers formulate their problems and objectives and present their results from the data obtained. The author identifies five (5) key elements of research methodology - logic of inquiry (qualitative and quantitative), research settings and participants, methods and procedures of data collection, methods and procedures of data analysis, and ethical issues. This section, therefore, focuses on these elements, in conducting the empirical component of the study. The research methodology used in this study comprises elements such as - research philosophy, research design, target population, sample selection and size, data collection instruments, data collection methods, validity and reliability, data presentation and analysis, and ethical considerations.

1.7.1 Research Paradigm

Abbadia (2022) defines a paradigm as a commitment to a culture of practices and beliefs about reality, and it embodies a combination of a philosophy of science and logic of inquiry. Quinton and Proofed (2022) describe a paradigm as a pattern or philosophical framework that informs the thought processes before conducting research. A research paradigm is a set of common beliefs and agreements shared among experts, within a discipline, about how problems should be understood and addressed. Ebohon, Ajayi, and Ganiyu (2021) explicate a research paradigm as a system of beliefs and assumptions about knowledge development. Thomas (2010) points out that all research is based on some underlying philosophical assumptions about what constitutes 'valid' research and which research method(s) is/are appropriate for knowledge development in a study. Kankam (2019) argues that there are four main trends of research philosophy distinguished and discussed in the works by many authors - positivism, interpretivism, pragmatism, and realism. These trends are discussed briefly below.

© University of Venda

1.7.2 Positivist Research Philosophy

According to Park, Konge, and Artino (2020), positivism relies on the hypothetico-deductive method to verify *a priori* hypotheses that are often stated quantitatively, where functional relationships can be derived between causal and explanatory factors (independent variables) and outcomes (dependent variables). The positivist research makes use of the hypothetico-deductive method which is a circular process that commences with analyzing theory from the literature to (1) build testable hypotheses, (2) design an experiment through operationalizing variables (that is identifying variables to manipulate and measure, through group assignments), and (3) conduct an empirical study based on experimentation (Park et al., 2020). Cuncic (2022) posits that under the positivist approach, research is deemed to be of good quality and meaningful if it has, 1) internal validity, 2) external validity, 3) reliability, and 4) objectivity. A study is considered to have internal validity, if the researcher proves that the independent variable (and not other variables) affected the dependent variable, and if the results arrived at are generalizable, the study has external validity. When researchers conduct the study again at different times, places, and contexts and obtain the same results, the study is considered reliable. If researchers study phenomena without contaminating the results with their biases and preconceived notions, they are considered objective.

1.7.3 Interpretivist Research Philosophy

Pervin and Mokhtar (2022) point out that interpretivism is an approach associated with qualitative data analysis and has a long intellectual history. The interpretive approach is based on the theory that human discourse and action cannot be analyzed with the methods of natural and physical science (Nickerson, 2023). For social interactions, interpretation comes through understanding group actions and interactions and the research is qualitative, descriptive, and holistic. Pervin and Morhtar (2022) contend that an interpretive approach is the systematic analysis of socially meaningful action through direct, detailed observation of people in their natural setting to arrive at an understanding and interpretation of how people create and maintain their social world. Interpretivism has a local rather than a global orientation. It is primarily concerned with the nature-bound frameworks of schools and how individuals understand and act in specific social contexts rather than with finding general laws or all-encompassing explanations (Nickerson, 2023).

1.7.4 Pragmatist Research Philosophy

The pragmatist research philosophy deals with facts, according to Zukauskas et al. (2018). Pragmatist research is underpinned by the principle that the choice of research philosophy is

© University of Venda

mostly determined by the research problem (Zukauskas et al., 2018). The practical results are considered crucial when conducting pragmatic research, however, Kauhik and Walsh (2019) point out that pragmatic research does not belong to any philosophical system or reality. Individual researchers select methods, techniques, and procedures that best meet their needs and scientific research aims, hence, pragmatists do not see the world as an absolute unity.

1.7.5 Realism Research Philosophy

According to Žukauskas (2018), the realism research philosophy draws upon the principles of positivist and interpretivist research philosophies. The realism research philosophy is based on assumptions based on the subjective nature of humans. Cole (2023) points out that the research philosophy of realism emphasizes reality and beliefs existing in a certain environment. Zukauskas (2018) identifies two main branches of realism philosophical approach - direct and critical realism. Direct realism includes what an individual feel, sees, and hears. On the other hand, in critical realism, individuals discuss their experiences in specific situations (University of Warwick, 2020).

Park, Konge, and Artino (2020) state that positivism is the conventional philosophical position of management studies and is closely related to the logic and ways of quantitative research. This is mainly because the nature of management knowledge is often functional and needs to be translated globally. These authors note how management research adopts the social science approach of positivism and deductive reasoning. Omadan (2022) suggests that positivism provides the best way of investigating human and social behavior. In positivist studies, the researcher is independent during the research, hence, there are no provisions for human interests within the study (Crowther and Lancaster, 2008). Positivism frequently includes using existing theories to develop hypotheses to be tested during the research activity (Kuwornu-Adjaottor, 2020). This study aimed to test hypotheses developed from theories and relationships between the dependent and independent variables which are then utilized to refine the conceptual framework. This study adopted the positivist approach, which only considers things to exist if they are directly observable and if their knowledge has a broad or general application.

1.7.6 Research design

According to Bouchrika (2023), a research design refers to the procedures for collecting, analyzing, interpreting and reporting data in research. This means that the research design sets the procedure for the required data, the methods to be applied to collect and analyze this data, and how all these answers the research question. Bhandari (2021) identifies three possible forms of research design: quantitative, qualitative, and mixed methods. Quantitative methodology is allied with analytical research to draw a conclusion that can be generalized to a broader

© University of Venda

population (Bhandari, 2021). This research design involves a systematic and scientific collection of primary data to investigate quantitative properties and phenomenon and their relationship to generalize results to a wider population (Haradhan, 2020). Park, Lars, and Anthony (2020) explain that studies associated with positivism normally focus on identifying explanatory associations or causal relationships through quantitative approaches, where empirically-based findings are from large sample sizes, therefore, the quantitative research design was deemed the most suitable approach for this study.

1.7.7 Target population

A target population refers to the whole set of units for which the data is used to make inferences (Thomas, 2023). The target population for this study comprised SMEs, of all sectors, operating in the City of Tshwane Metropolitan Municipality in the Gauteng Province of South Africa. The Gauteng province is generally known as the nation's growth engine (Young, 2020). Not only is Gauteng the province with the largest GDP, but it is also heavily populated. A study conducted by Statistics South Africa (2019) showed that 14.3 million people were living in the Gauteng Province, and it had contributed R1,59 trillion to the country's GDP of R4,65 trillion. The province is ranked at the top in terms of GDP per capita. According to Small Statistics South Africa (2021), as of August 2024, 783,410 SMEs were registered and conducting businesses in the Gauteng Province of South Africa.

1.7.8 Sampling

Lee and Landers (2022) recommend that probability sampling measures should be followed when conducting quantitative surveys. In addition, probability sampling is appropriate when the researcher seeks to achieve results that are representative of the entire population and to reduce researcher bias. Nilolopoulou (2023) agrees that the main advantage of probability sampling strategies is that, when done correctly, they should provide an objective and unbiased sample representing the target population. Other ancillary advantages include cost-effectiveness, ease of use, and time-effectiveness (Ayanyemi, 2022). Probability sampling is also used when the researcher seeks to gather data from a large and dispersed population (Ayanyemi, 2023). This study gathered data from a large and dispersed population of SME owners and or managers in the City of Tshwane Metropolitan Municipality, hence, the probability sampling technique was deemed suitable. Four main methods are used in probability sampling designs - simple, stratified, systematic, and cluster.

Most research studies rely on simple random sampling as their primary data collection method, which is typically simple and common (Taylor, 2023). In a simple random sampling technique,

© University of Venda

each member of the target population has an equal chance (greater than zero) of being selected as a subject of the study, and the whole process of sampling is done in a single step with each subject selected independently of the other members of the population (Sharma, 2017). The advantages of the simple random technique are that it is - easy to conduct, inexpensive, provides a good representation of the population, and produces unbiased results (Noor, Tajik, and Golzar, 2022). On the other hand, stratified sampling requires researchers to divide subjects into similar subgroups called “strata” based on pre-established characteristics such as - race, gender identity, educational background, and position in the organization (Saavedra-Nieves, 2023). Once the subjects have been divided according to the preferred characteristics, each subcategory is randomly sampled using probability sampling method, as well. The benefits of using stratified sampling include providing more precise, diverse, and manageable data and preventing sample bias (Saavedra-Nieves, 2023). Systematic sampling is another probability method in which sample members are selected from a larger population based on a random starting point but within a fixed time and period (Taherdoost, 2016). The merits of implementing a systematic sampling approach include, its simple and quick implementation, minimum or less opportunity for data manipulation, and even distribution, making it easier to compare, execute, and analyze the results.

In the cluster sampling technique of the probability sampling approach, researchers divide a population into smaller groups, commonly known as “clusters”. The researchers then randomly select among these clusters to form a sample. Taherdoost (2016) suggests that large populations with high geographical dispersion are more likely to be analyzed using cluster sampling. The cluster sampling process is classified into two categories: single-stage and multi-stage, while, in single-stage sampling, all members of selected clusters are included in the study. In multi-stage sampling, additional sampling methods are used to choose certain individuals within selected clusters (Taherdoost, 2016). Single-stage sampling certainly leads to a multi-stage sampling process because of the primary selection of clusters and the ensuing selection of either clusters or population units. The benefits of using multi-stage sampling include its flexibility since it allows the researcher to use other probability sampling techniques after determining the groups or clusters and it is also simple to use, hence, the researcher employed the multi-stage sampling technique in conducting this study. In South Africa, SMEs are classified into three main clusters: small, micro, and medium enterprises (Bureau of Economic Research, 2016). The researcher, thus, implemented a multi-stage sampling technique whereby the target population of SME owners or managers were segmented into clusters according to the Bureau of Economic Research of 2016 which are - Small, Micro, and Medium enterprises.

© University of Venda

1.7.9 Sample size

According to Kibuacha (2021), “sample size” is a research term used to determine the number of people used in a research study to represent the population. A sample is usually used when it is not feasible to collect data from an entire large population, such as the population of all SME owners or managers conducting business activities in the City of Tshwane Metropolitan Municipality. The author adds that determining an appropriate sample size is one of the most critical factors in statistical analysis. Stephanie (2020) explicates that if a sample is to be inferred from a population, a formula must be used to measure confidence levels and margins of error. The author suggests that Slovin’s (1960) formula allows a researcher to sample the population with a desired degree of accuracy. Slovin's formula informs the researcher what the sample size should be to ensure a reasonable accuracy of results and is used when the population is large and known. The population of this study is large, known, and the information was obtained from the registers of the Tshwane Central Statistics. According to statistics compiled by the Tshwane Central Statistics (Statistics South Africa), at the time of conducting the study, there were 783 410 SMEs in the Gauteng Province.

Slovin’s formula was used to calculate the sample size of this study which is denoted by n= N/ (1 + N $(e)^2$. Where:

N= Number of sample

N= Total population

e= Error of tolerance.

The sample size was calculated at the 95 percent confidence level, giving a 0.05 margin of error. A value of 0.05 is acceptable as an error of tolerance to represent the whole population (Stephanie, 2020), hence, the utilized formula was as follows: n= 783410/ (1 + 783 410$(0.05)^2$. The sample size obtained from the calculation, therefore, was 400 SMEs. The absolute minimum sample size recommended for structural equation modeling is 200 SMEs (Memon et al, 2020). Therefore, the sample size obtained in this study is deemed suitable.

1.7.10 Data collection instruments, sources, and procedures

This study used both primary and secondary data to conduct the research and used the survey method to gather primary data from the research participants.

© University of Venda

1.7.11 Survey method

According to Mills (2021), a survey involves obtaining information from a large sample of individuals through their responses to questions. Self-administered questionnaires were personally delivered to the respondents and were completed by the respondents without the researcher's involvement (Kendall, 2020). This type of questionnaire ensures the anonymity and privacy of respondents and encourages honest responses. In addition to being relatively cheaper to use, it also has a higher response rate than other techniques, such as mail surveys (Kendall, 2020). The self-administered questionnaire, hence, was used as the data instrument in this study; the contents of the questionnaire are explained in Section 1.7.12.

1.7.12 Self-administered questionnaire

Most positivist researchers use self-administered questionnaires to collect primary data (Pam, 2018). Questionnaires allow researchers to collect large amounts of data due to the number of questions that can be asked - open-ended and close-ended (UKEssays, 2018). Questionnaires with closed-ended questions collect quantitative data, which the researcher can measure during data analysis. The questionnaires were distributed to respondents with the help of two field workers. The questionnaire employed in this study comprised four (4) sections. Section A required the company profile / characteristics while Section B sought the demographic information of the research participants. Sections C to D contained segmented questions on the constructs under investigation in this study. The questionnaire in this study was developed mainly from instruments used in other similar studies, however, not all questions were maintained in their original format but they were adjusted to fit the context of this study, without changing their value or meaning. In addition, the study adopted closed-ended questions since it is the most used method in quantitative research (Taherdoost, 2021).

1.7.13 Reliability and validity analysis

Reliability and validity play an important role in evaluating a measurement tool or instrument for a good research study (Suruku and Maslakei, 2020). The main purpose of conducting reliability and validity testing for a research instrument is to ensure the replicability of the data collected and the accuracy of the results obtained. This research conducted reliability and validity tests to ensure that the survey instrument will measure what it was supposed to measure.

© University of Venda

Salomao (2023) defines reliability as the extent to which a measurement of a phenomenon provides stable and consistent results if the research instrument is used repeatedly, hence, the most critical aspect of reliability is the repeatability of the research instrument. According to Taherdoost (2016), a scale or test is reliable if the results of repeated measurements are consistent across constant conditions. Testing for reliability is critical as it refers to the consistency across the parts of a measuring instrument (Chiang, 2015). Huck (2007) points out that a scale is said to have high internal consistency reliability if the items of a scale "hang together" and measure the same construct. Robinson (2009) explains that the most frequent internal consistency measure, is the Cronbach Alpha coefficient. Whitley (2002) explains that Cronbach's Alpha coefficient is the most accurate measure of reliability when using a Likert scale. Nawi, Tambi, Samat, and Mustapha (2020) agree that Cronbach's alpha coefficient is one of the common indicators used in the quantitative study, hence, the Cronbach Alpha coefficient was used in this study. Pallant (2016) suggests that Cronbach's alpha coefficient of a scale must be calculated following specific guidelines. The guidelines that were adopted in this study are presented in Table 1.1.

Table 1.1 Reliability coefficients guidelines

Cronbach's alpha coefficient	Decision
>0.5	Poor
0.50-0.60	Moderate
0.60-0.69	Acceptable
0.70-0.79	Satisfactory
0.80-0.89	Good
0.90 and above	Excellent

Validity is the extent to which the scores of a measure represent the variable being assessed (Chiang, 2015). Validity embraces the entire experimental concept and establishes whether the results obtained meet all the requirements of a scientific research (2008). Creswell (2014) defines validity as the degree to which a research instrument can test the study's objectives and the hypothesis it is intended to measure. Ruel, Wagner, and Gillespie (2015) highlight that construct validity is an overarching term to assess the validity of the measurement procedure of research instruments. Construct-related validity, hence, shows that an instrument is consistent with the related theories (Ruel et al., 2015).

There are two main types of construct validity - convergent and discriminant. Grobler and Joubert (2018) explain that the examination of construct validity entails both convergent and discriminant

© University of Venda

assessment, hence, this study used both. When evaluating the convergent validity of this study, the 'convergent validity' criteria outlined by Carlson and Herdman (2012) were used. Carlson and Herdman (2012) state that convergent validities above r =0, 70 are recommended, whereas those below r = 0, 50 should be avoided. Hair et al. (2022) point out that the purpose of assessing discriminant validity is to ensure that the reflective construct has the strongest relationship with its indicators, when compared to other constructs. The discriminant validity was measured using Guttman's split-half coefficient. To make the discriminant validity approach reliable, Guttman's split-half coefficient value must be below 0.90, indicating that discriminant validity has been established between two reflective constructs (Roemer, 2021). In addition, the self-administered questionnaire employed in this study was pre-tested before it was used to collect the actual data, and an extensive literature review was conducted to inform the questions.

1.8 DATA ANALYSIS APPROACH

Data analysis involves collecting, modeling, and analyzing data using various statistical methods or logical techniques to obtain valuable information (Calzon, 2023) and the initial step after collecting data is to clean it (Shruti, 2023). Data cleaning and coding are explained briefly in the section that follows:

1.8.1 Data cleaning and coding

Quinn (2023) suggests that the Statistical Package for Social Sciences (SPSS) software is ideal for data cleaning since it has several techniques designed to handle multiple data cleaning problems. The researcher began by coding the collected data in SPSS version 30 before conducting the final analysis. This helped identify missing elements and incorrect or duplicate information, to name a few. In data analysis, "cleaning" data set is crucial because it eliminates inappropriate, corrupt, incorrectly formatted, duplicate, or incomplete data, within a dataset (Warbug, 2022). Data cleaning is the first step executed immediately after data collection. Excel spreadsheets are one of the most essential tools used in data cleaning for storing, reading, and analyzing data (Prakash, 2022). Before analyzing the raw data gathered from the questionnaires, a researcher must assess the accuracy and consistency of the data, and if there are any irregularities, these must be corrected or removed to ensure meaningful results are attained. Bhandari (2022) points out that errors are often inevitable during data collection, hence, data cleaning helps to reduce such errors, as failure to correct or eliminate such errors may lead to incorrect results or invalid conclusions. Gautam (2021) states that immediately after receiving data, the researcher must screen it for accuracy. Data screening helps identify possible errors that could have occurred during data collection, such as duplication of information or missing information. A researcher must take into consideration, the source of the data, such as self-

© University of Venda

administered questionnaires, so that he or she can trace the results back to the original document from which the data was collected. Gautam (2021) posits some questions that a researcher must ask during the data screening phase:

- Are the responses legible/ readable?
- Are all important questions answered?
- Are the responses complete?
- Is all relevant contextual information complete: data, time, place, and the researcher's details?

During the data cleaning process, the researcher assigns codes to the data collected so that the statistical software could easily read it. This is commonly known as "data coding"; a process that converts data into a form that can be analyzed using statistical software. It involves assigning numerical or categorical codes to data items, such as responses to survey questions or demographic information. Coding allows the use of various statistical software programs to enable the analysis of data (Edgar and Manz, 2017). After cleaning and coding the data, the researcher performed descriptive and inferential statistics analyses which are explained in the sections that follows.

1.8.2 Statistical analysis

The raw data, which was cleaned, coded, and verified using the Statistical Packages for Social Sciences (SPSS version 30), was exported to the Analysis of Movement Structures (AMOS version 26) statistical software for further analysis. SPSS was utilized to analyze descriptive statistics, such as the demographic details of the research participants. AMOS statistical software is used to perform structural equation modeling (SEM) to test hypotheses and confirm relationships among observed and latent variables.

1.8.3 Descriptive statistics

According to Muller (2018), descriptive statistics form the basis of virtually every quantitative data analysis. Descriptive statistics provide summaries about the sample and the measures of the data collected and the results may be presented in the form of graphical presentations (pie charts), tabular presentations (tables), and summaries, wherein statistical calculations are computed that show the main components of the study, such as demographic information. The University of Suffolk (2023) notes that the descriptive statistics feature of SPSS software gives summary statistics such as the mean, median, and standard deviation.

© University of Venda

1.8.4 Data analysis and statistical approach

This section presents the data analysis and statistical approaches employed in the empirical component of the study. Data analysis for this study was conducted using the latest SPSS version 30 and AMOS statistical software version 26. The first step after data collection was to code and clean the data in SPSS, which facilitates export to AMOS statistical software for further data analysis. Descriptive analysis for the demographic background of respondents was performed using SPSS which can give summary statistics such as the mean, median, and standard deviation, as well as graphs and tables.

1.8.5 Model-fit assessment

This study adopted a two-step modeling approach as suggested by Liu and Qin (2022) - (a) validating the measurement model and (b) fitting the structural model. Hair et al. (2010) support that the modeling approach can consist of two steps: the measurement model and the structural model. The measurement model examines the quality of the factor structure, while, the structural model tests the statistical and theoretical relationships among the latent constructs (Ullman, 2007). According to Jöreskog and Sörbom (1993), testing the structural model alone may be meaningless, without testing the measurement model.

In this study, the researcher began by examining the validity and accuracy of the measurement model based on multi-item constructs, such as Likert scale items and finally tested the research model and hypotheses. In both stages of data analysis, the researcher used confirmatory factor analysis (CFA) and structural equation modelling (SEM). Baharam, Ismail, Awang, McKenna, Ibrahim, Mohamed, and Hassan (2023) argue that conducting a confirmatory factor analysis (CFA) test ensures that a measurement model is sufficiently valid, reliable, and fit for collecting data. This study performed a confirmatory factor analysis using AMOS to validate the measurement model. These CFA results were used to model structural equation modeling (SEM) for further path analysis. The main reason for using SEM in this study was that, it is easy to show the measurement error and to model complex multivariable relations among observed and latent variables between direct and indirect relationships assessed (Kang and Ahn, 2021). In addition, AMOS was used when computing SEM.

1.8.6 Hypotheses testing

Hair, Page, and Brunsveld (2020) describe “path analysis” as an approach based on simple regression techniques which allows for a richer understanding of the relationships between and among examined variables. These authors point out that path modeling describes the relationships between observed or measured variables and theoretical constructs, as well as tests

© University of Venda

the structural paths of the conceptualized research model. A common observation in the definitions is that path analysis is performed to examine relationships in the examined variables (hypotheses). After evaluating the model fit, using confirmatory factor analysis (CFA), the researcher performed path analysis using the AMOS statistical software package, version 26. The SEM technique demonstrates and tests the theoretical underpinnings of a proposed study and the significance of the relationships between model constructs. SEM exploits a technique where separate relationships are allowed for each set of dependent variables and provides an estimation technique for a series of separate multi-regression equations to be estimated concurrently. It contains two mechanisms: the structural model (the path where independent and dependent variables are linked) and the measurement model (which enables a study to use several indicators for a single independent variable). In addition, the researcher conducted variance inflation factor tests to ensure no multi-collinearity of the constructs.

SEM has three major advantages over traditional multi-variate techniques: (1) explicit assessment of measurement error; (2) estimation of latent (unobserved) variables via observed variables as well as (3) model testing where a structure can be imposed and assessed to fit the data. In this study, several attributes were identified that affected the role of adopting digital marketing. The multi-item scales for each construct were developed, assessing each relationship, simultaneously, rather than separately, by incorporating all the multi-scale items to account for measurement errors with each scale.

1.9 CHAPTER OUTLINE

The study comprises seven chapters, and a brief description of each chapter is discussed below:

Chapter one

Chapter one unpacked the topic by providing - the introduction and background to the study, specified the problem statement, research objectives, contributions of the study, delimitations of the study, preliminary literature review, theories of digital marketing adoption and innovation, summary of the study's hypotheses, research methodology, data analysis approach, ethical considerations and chapters' outline and summary.

Chapter two

The second chapter of the study discussed the available literature on the development and significance of small, medium, and micro enterprises (SMEs). The chapter was demarcated into fourteen main sections. The first section comprised the introduction, which provided the chapter synopsis. The second section examined several definitions of small, medium, and micro enterprises (SMEs). The third section assessed the impact of SMEs on local and global

© University of Venda

economies. The fourth section addresses the role of SMEs in attaining the Millennium Development Goals (MDGs). The fifth section reviewed the development and promotion of the SME sector in South Africa. The sixth section presented the barriers hindering the growth and development of SMEs in South Africa. The seventh section discussed determinants of SME survival, growth, and development. The eighth section reviewed the impact of the COVID-19 pandemic on the South African economy. The ninth section explored the South African's fiscal response to the pandemic. The tenth section discussed the economic recovery recommendations. The eleventh section deliberated the impact of COVID-19 on South African SMEs. The twelfth section covered COVID-19 pandemic-related challenges for small and medium-sized enterprises. The thirteenth section addressed strategies to mitigate small and medium-sized enterprise-specific COVID-19 challenges and the fourteenth section provided the summary of the chapter.

Chapter 3

Chapter three of the study reviewed the literature on digital marketing resources and capabilities. The chapter was divided into nine main sections. Section one presented an introduction to the chapter, covering literature on digital marketing resources and capabilities and a brief overview of the chapter. The second section explored the concept of digital marketing. The third section presented types and strategies for digital marketing. The fourth section discussed why businesses should adopt digital marketing. The fifth section identified digital marketing adoption and its challenges faced by SMEs. The sixth section presented key resources for digital marketing success. The seventh section highlighted marketing resources. The eighth section explored digital marketing adoption by SMEs in South Africa. The ninth and final section presented the chapter summary providing a synopsis of the chapter.

Chapter 4

Chapter four, which focused on literature relating to the theoretical and conceptual framework development, was segmented into four main sections. The first section presented an overview and introduction to the chapter. The second section discussed the theoretical background. The third section presented conceptual and hypotheses development, while the fourth section was the chapter summary.

Chapter 5

Chapter five of the study deliberated on the methodology and design applied; it comprised of eighteen sections. The first section presented the introduction to the chapter. The research reasoning was presented in the second section while section three outlined the research philosophy and paradigm. Section four detailed the research approach, and section five unpacked

© University of Venda

the research design. Section six presented the research strategies and in section seven, the time frame for the study was briefly discussed. Section eight explored the secondary data collection, and section nine narrated the literature review. In section ten is a review of empirical research; the data collection procedure is discussed in detail in section eleven. Section twelve addressed the questionnaires' administration, while section thirteen focused on the data analysis procedures. Sections fourteen and fifteen presented how the reliability and validity of the questionnaire was established. Section sixteen explored the model fit test, while section seventeen outlined the ethical considerations; section eighteen summarises the chapter.

Chapter 6

Chapter six of the study focused on data analysis, interpretation of the research's findings and comprises fifteen sections. Section one of the chapter gave a synopsis of the chapter's contents, while the second section presented the response rate. The third section discussed demographic information, while the fourth section addressed the sampled companies' profiles. The fifth section outlined the research participants' background information. The sixth section presented the results on the adoption of digital marketing. In sections seven and eight, descriptive statistics for the measured variables and exploratory factor analysis are displayed, respectively. Section nine evaluated tests for the normality of data while section ten focused on the inferential statistics. In section eleven, the model fit was assessed and a path analysis was presented in section twelve. Section thirteen assessed multi-group modelling, while section fourteen established links between hypotheses test results and research theories; finally, section fifteen presented the chapter summary.

Chapter 7

Chapter seven focused on conclusions, recommendations, limitations, and areas of further research. The chapter consists of eight main sections. The first section provided the introduction to the chapter, while section two provided a brief overview of the study. Section three presented conclusions on the earlier articulated research objectives. Section four introduced the developed model, while section five made recommendations to enhance behavioral intention and digital marketing adoption among SMEs in the City of Tshwane Metropolitan Municipality. The sixth section provided contributions from the study to various stakeholders, and section seven identified limitations encountered during the conducting of the study, as well suggestions on areas for further research. The chapter concluded by providing a summary of the chapter and the whole research.

1.10 ETHICAL CONSIDERATIONS

© University of Venda

Ethics refers to moral standards that can be applied to situations where there is possible harm to an individual or group (Singer, 2023). To ensure the success of any research project, researchers should be aware of their obligations. These obligations include - not deceiving respondents, avoiding misrepresentation by the researcher, clearly communicating the purpose of the research to the respondents, and seeking their consent.

This study was directed by the University of Venda's conditions which stipulate that all studies involving human participants must apply to the Human Research Ethics Committee for approval before commencement. The researcher acquired an Ethics Clearance Certificate from the designated Committee at the University before the questionnaires were distributed to respondents.

1.10.1 Informed consent

A researcher issues detailed information on the research as well as consent forms to each research participant for signature indicating his/her willingness to be involved in the study, before the data collection process. This will enable respondents to understand what the researcher expects them to do and the possible risks before agreeing to participate in the study. Respondents will be informed that they can withdraw from the study if they feel uncomfortable answering the questions as honestly as possible.

1.10.2 Maintenance of confidentiality and anonymity

Confidentiality and anonymity should be ensured in the entire research process. The researcher will assure respondents that any information they provide, as far as the study is concerned, will be kept safe and secure, and no unauthorized individuals will have access to it. Participants will also be assured that copies of the findings will be made available upon request.

1.11 CHAPTER SUMMARY

In Chapter One was presented the introduction, context, and background of the study. In addition, the study's - objectives, statement of the problem, hypotheses, brief review of literature, chapters' content, summary of the research methodology as well as the ethical considerations were outlined. The next chapter reviews the available literature on the development and significance of small, medium, and micro enterprises (SMEs).

© University of Venda

© University of Venda

CHAPTER TWO

THE DEVELOPMENT AND SIGNIFICANCE OF SMALL, MEDIUM, AND MICRO ENTERPRISES (SMEs)

2.1 INTRODUCTION

Chapter One (1) of this study presented the rationale for researching and developing a framework for digital marketing adoption among SMEs in the City of Tshwane Metropolitan Municipality. Focus was also on the development and significance of SMEs at the international and local levels. In this chapter, attention is paid to the South African context, where the researcher will focus on the development of SMEs, prioritizing the vision set out in the White Paper of 1995 on national strategy for the Development and Promotion of Small Businesses in South Africa. In addition, the chapter addresses the challenges faced by SMEs conducting businesses in South Africa and provides solutions to curb such challenges. Furthermore, the chapter highlights the challenges faced by SMEs since the COVID-19 pandemic and presents possible solutions to mitigate such challenges. Section 2.2 provides a general overview of various definitions of what constitutes SMEs from different scholars and agencies, leading to the most acceptable definition of SMEs in South Africa.

2.2 SMALL, MEDIUM, AND MICRO ENTERPRISES (SMEs) DEFINED

SMEs play an important role in helping to create jobs, create wealth, and alleviate poverty in developed and developing countries, however, it is acknowledged that there is no universal definition for what constitutes SMEs, worldwide (Naveed, Rehmani, Khokhar, Shah, Ali, Shahzadi, and Irshad, 2022). The definitions of SMEs differ depending on the economic classifications of each country (Liberto, 2022). The lack of consistency in the definition of SME in South Africa has a significant impact on measuring performance (Baseline Study, 2018). The Indeed Editorial Team (2022) maintains that the commonly-used definition of SMEs shows some limitations in terms of employee and financial measurements. The CFI team (2020) states that the country a company operates in provides the specifics on the defined size of an SME. According to the OECD (2017), SMEs are defined differently in the legislations across countries, especially, because the dimensions "small" and "medium" to describe a firm are relative to the size of the domestic economy. Section 2.2.1 present the definition of SMEs in the South African context.

© University of Venda

2.2.1 Defining Small, Micro, and Medium Enterprises (SMEs) in South Africa

In South Africa, the definition of what constitutes an SME was amended in 2019 to factor in aspects, such as inflation on turnover threshold since it was previously updated in 2003. The comprehensive definition of an SME is provided in the updated South African Government Gazette of 2019 (Department of Small Business Development, 2019), which defines SMEs according to quantitative measures - annual turnover, number of employees, and size or category. This definition is similar to those of the other organizations which use headcount and annual turnover, despite the discrepancies in the figures. The South African SME definition, however, differs from other definitions as it classifies SMEs according to different industries and specifies the total annual turnover according to enterprise size or class. Table 2.1 presents the definition of an SME in the South African context.

Table 2.1 New National Small Enterprise Act Thresholds in South Africa

(Sector, Total Full-time Equivalent of Paid Employees, and Total Annual Turnover)

Sector or sub-sector according to industry classification	Size or class of enterprise	Total number of full-time or equivalent paid employees	Total annual turnover
Agriculture	Medium	51 – 250	≤ 35,0 million
	Small	11 – 50	≤ 17,0 million

Sector or sub-sector according to industry classification	Size or class of enterprise	Total number of full-time or equivalent paid employees	Total annual turnover
	Micro	0 – 10	≤ 7,0 million
Mining and Quarrying	Medium	51 – 250	≤ 210,0 million
	Small	11 – 50	≤ 50 million
	Micro	0 – 10	≤ 15,0 million
Manufacturing	Medium	51 – 250	≤ 170,0 million

© University of Venda

	Small	11 – 50	≤ 50,0 million
	Micro	0 – 10	≤ 10,0 million
Electricity, Gas and Water	Medium	51 – 250	≤ 180,0 million
	Small	11 – 50	≤ 60,0 million
	Micro	0 – 10	≤ 10,0 million
Construction	Medium	51 – 250	≤ 170,0 million
	Small	11 – 50	≤ 75,0 million
	Micro	0 – 10	≤ 10,0 million
Retail, Motor Trade, and Motor Repair	Medium	51 – 250	≤ 80,0 million
	Small	11 – 50	≤ 25,0 million
	Micro	0 – 10	≤ 7,5 million
Wholesale	Medium	51 – 250	≤ 220,0 million
	Small	11 – 50	≤ 80,0 million
	Micro	0 – 10	≤ 20,0 million
Catering, Accommodation, and Other Trade	Medium	51 – 250	≤ 40,0 million
	Small	11 – 50	≤ 15,0 million
	50Micro	0 – 10	≤ 5,0 million
	Medium	51 – 250	≤ 140,0 million
Sector or sub-sector according to industry classification	Size or class of enterprise	Total number of full-time or equivalent paid employees	Total annual turnover
Transport, Storage, and Communications	Small	11 –	≤ 45,0 million
	Micro	0 – 10	≤ 7,5 million
Finance and Business Services``	Medium	51 – 250	≤ 85,0 million
	Small	11 – 50	≤ 35,0 million
	Micro	0 – 10	≤ 7,5 million

© University of Venda

Community, Social, and Personal Services	Medium	51 – 250	≤ 70,0 million
	Small	11 – 50	≤ 22,0 million
	Micro	0 – 10	≤ 5,0 million

Source: Department of Small Business Development (2019)

2.3 THE IMPACT OF SMEs ON BOTH LOCAL AND GLOBAL ECONOMIES

The global business environment in which SMEs operate is rapidly changing, hence, SMEs must be equipped to face the resultant challenges. Jobillico (2023) asserts that SMEs can succeed by adapting to this ever-changing business environment. SMEs are quite capable of adapting to the ever-changing business environment because they are less rigid and have low-sunk cost factors (Chaturvedi and Karri, 2023). It is unarguable that SMEs play a significant role in economic growth and sustainable development worldwide. Baporika (2018) points out that small and medium-sized enterprises (SMEs) are engines of economic growth that promote sustainable development and create new opportunities for innovation, to provide sustainable solutions; Singh (2023) agrees that SMEs are recognized as a major force in global economies. It is estimated that SMEs account for 90% of all businesses and provide more than 50% of the labor force worldwide. The World Bank (2023) acknowledges that SMEs are the economic drivers for developing countries, like South Africa. Similarly, the South African government recognizes the importance of SMEs by providing support to promote their establishment and sustainability (Statistics South Africa, 2021).

The World Bank Group (2019) identifies SMEs as a key vehicle to promoting employment creation, value-chain development, economic and social inclusion, and resilience in the face of fragility and conflict. The poverty levels in most African countries can be reduced by implementing policies and support programs that enhance the sustainability of small and medium enterprises (Borgen Project, 2022). Countries that provide financial sustenance to SMEs stabilize their domestic business environment, thereby, increasing economic growth and, eventually, eradicating poverty (Borgen Project, 2022). South Africa's youth unemployment it is believed, can be significantly reduced by small and medium enterprises (Zwane, Radebe, and Mlambo, 2021). Masocha (2018) points out that much of employment creation and poverty alleviation have been attained through the emergence and intervention of SMEs, in many countries. The need to create roughly 600 million jobs, worldwide, by 2030 has prompted governments across the globe to prioritize SME development (World Bank, 2023). A healthy and vibrant SME sector is critical for the economic recovery of African countries, where SMEs constitute more than 90% of all business enterprises in all domains, thereby, significantly contributing towards inclusive economic growth (African Business, 2023). According to African Business (2023), there are approximately 44

© University of Venda

million SMEs in sub-Saharan Africa, accounting for 80% of employment across the continent. Globally, there are approximately 400 million SMEs, which account for nearly 90% of all business enterprises and 50% of all employment (Zhou, 2023).

Most, if not all, countries in both developed and developing nations comprehend that SMEs are one of the strategic keys to attaining sustainable economic growth and employment creation (Begum, Talukder, Rahman, Das, Bhattacharjee, and Miah, 2022). SMEs outnumber large firms in employment creation, since it is entrepreneurial, and contribute to steering innovation (Liberto, 2022). SMEs are also recognized as crafting new markets and aiding the foundation of new companies (African Union Developing Agency, 2022).

The fundamental role played by SMEs in economic development and employment creation has attracted attention from the government, policymakers, scholars, citizens, and economists in South Africa and other countries, worldwide. Kongolo (2010) conducted a study and concluded that small business owners, globally, have the same characteristics and face the same obstacles but differ in their understanding of how small businesses assist in economic growth. SMEs can fuel economic growth because they create new jobs, expand the tax base, and are drivers of innovation. According to Beck and Levin (2005), SMEs enhance competition and entrepreneurship, hence, have external benefits on economy-wide efficiency, innovation, and aggregate productivity. They are the primary vehicles by which new entrepreneurs provide the economy with a continuous supply of ideas, skills, and innovations (CACCI, 2003). Globally, there is an agreement that SMEs hold the key to economic growth due to their ability to swiftly expansion their businesses and their significant contribution to employment creation.

In South Africa, SMEs are recognized as the lifeblood of the economy since they contribute immensely towards economic growth and employment creation (Reddy, 2022). It is estimated that SMEs account for around 98% of all businesses across the country and contribute approximately 39% of gross domestic product (GDP) (Redd, 2022). The existence of SMEs in most of the sectors of the economy clearly shows the crucial role that SMEs play in socio-economic development. SMEs also play a critical role in broadening the tax base, stimulating skills development, and securing financial futures for several citizens (Bierman, 2023). The author adds that SMEs in South Africa generate opportunities for previously-marginalized groups and minorities. In addition, SMEs also play a significant role in serving communities or locations that cannot attract larger firms by operating businesses such as 'spaza shops' in townships. According to the South African Institute of Race Relations (2023), "spaza" shops in the informal sector contribute more than 5.2% to the country's gross domestic product (GDP), annually. This shows that small and medium-sized enterprises, even in the informal sector, contribute to the growth and development of the South African economy.

South Africa's SME sector also has the potential to increase the country's export market (Bizcash, 2023), since, they have the agility to pivot toward international markets, contributing to the

© University of Venda

country's trade balance and generating foreign exchange. According to a report by the OECD (2023), SMEs account for more than 87% of all employment in the country. It is estimated that SMEs employ more than 9.8 million citizens in South Africa (SEDA, 2021), however, the country slipped into recession in the first quarter of 2021, which resulted in a decline of SMEs by 11% (or 289,000) year-on-year from 2.61 million to 2.33 million in 2021 first quarter (SEDA, 2021). SMEs, however, are highly commended for their resilience and ability to swiftly adapt and adjust to challenges in market conditions, such as recession and changes (Ates, 2022). The value and importance of SMEs, hence, cannot be underestimated.

In South Africa, SMEs are commonly referred to as the backbone of the economy and contribute significantly to job creation, innovation, and overall prosperity (Bizcash, 2023). Mbengeni, Mavhungu, and John (2021) conducted a study on the effects of Small and Medium Enterprises on economic development in South Africa and found that there is a significant positive relationship between a healthy SME sector and economic growth. Reddy (2023) also conducted a study in South Africa and established that SMEs are the lifeblood of South Africa's economy, making up more than 98% of businesses across the country and contributing 39% to the country's GDP. With South Africa’s unemployment rate of 32.6%, supporting SMEs is essential to reduce unemployment and other social challenges in the country (Mhlongo and Daya, 2023). In addition, the potential role of SMEs in South Africa is acknowledged, since serious social and economic challenges have been intensified by a long period of economic stagnation (Du Plessis, 2023). In South Africa, there has been an increase in the number of SMEs in the past few years (Saah, 2021). Promoting the growth and development of SMEs plays a critical role in poverty alleviation, economic growth, and wealth distribution to previously-marginalized groups (Enaifoghe and Ramsuraj, 2023). The South African government recognizes the critical role of SMEs, hence, has developed several policies, strategies, and programs to create an enabling environment for SMEs (Staden, 2022).

Rathnayka (2021) equally agrees that SMEs in both developed and developing countries contribute to the economy through five (5) key areas - employment creation; fast adaptation to new situations with their flexible feature; encouragement of entrepreneurship; product differentiation through boutique production, as well as working as sub-industry in larger enterprises. A growing body of literature confirms that SMEs can improve economic growth, reduce poverty, and develop new technologies (Runde, Savoy, and Staguhn, 2021; Mhlongo and Daya, 2023). According to Santos, Perin, Simoe, and Sampaio (2020), SMEs develop faster because of their ability to produce innovative products and offer improved service. Makuwe and Lekhanya (2021) argue that through innovation, SMEs can sustain economic development so that they can maintain a competitive advantage in the market.

The National Development Plan (NDP), with its Vision of 2030, suggests that SMEs by that period, will create new jobs and add economic value to most parts of the country (Department of Small

© University of Venda

Business, 2023). The National Development Plan aims to generate 90% of all new jobs through SMEs by 2030. Matshoba (2023) highlights that South Africa needs approximately 40,000 new SMEs to be established annually to attain the target set by the NDP. Establishing new and vibrant SMEs is crucial to promoting economic growth and development in developed and developing nations (Nexford University, 2023). The World Bank (2023) points out that SMEs account for approximately 90% of all businesses and more than 50% of employment worldwide. In addition, formal SMEs contribute up to 40% of the national income (GDP) in developing economies (World Bank, 2023); this shows that SMEs play a significant role in developed and developing economies. Arnold (2019) asserts that SMEs do not merely contribute to the 'economy' but are the 'economy'; this is supported by figures presented and the fact that SMEs are celebrated in most, if not all, countries.

The literature presented thus far, shows that SMEs contribute significantly towards job creation and poverty alleviation while also playing an essential role in the economy by contributing towards socio-economic objectives and steering economic growth and innovation (Bruwer, 2020). Du Plessis (2023) states that the potential role of SMEs is especially crucial in South Africa, where serious social and economic challenges have been exacerbated by 15 years of economic stagnation. Du Plessis (2023) continue that SMEs need a supportive and conducive environment to reach their full potential. South Africa's government can implement policies that support SMEs in their efforts to promote economic development and growth. The essential nature of SMEs in the development of the South African economy is evident, based on the diverse policies the government is promulgating to promote the sector to flourish. Price (2023) points out that the unemployment rate in South Africa was pegged at 32.7%, which equates to approximately 7.2 million unemployed South African citizens, and experts believe that providing extensive support to SMEs is essential to curb this high unemployment rate. The National Development Plan Vision 2030 acknowledges the significance of SMEs in the South African economy, in reducing high unemployment levels, poverty reduction, and increasing gross domestic product (GDP) (Government Gazette, 2023). In this respect, the impact of SMEs in the South African context is evaluated from three main perspectives: employment creation, poverty alleviation, and gross domestic product (GDP) contribution.

2.3.1 Employment Creation

In a study conducted in 2020, the results revealed that SMEs are generally more labor-intensive and profitable than large firms, in conducting business activities in South Africa (Opperman, 2023). Birch's 1979 research discovered that small and medium-sized enterprises (SMEs) were responsible for more job creation than large corporations, resulting in a shift in the balance of power between large and small enterprises. The World Bank (2023) recognizes that SMEs make up most businesses worldwide and contribute significantly to job creation. It is estimated that

© University of Venda

SMEs occupy about 90% of all business sectors and provide more than 50% of employment worldwide (World Bank, 2023). These figures only show the contribution of formal SMEs, however, these figures may increase if informal SMEs are included in the computation of their contributions (World Bank, 2023). From an African perspective, it is estimated that SMEs account for more than 80% of employment on the continent (Forbes Africa, 2023). In the second quarter of 2022, SMEs in South Africa provided 59% of employment, equivalent to 9.31 million jobs for South African citizens (Small Enterprise Development Agency [SEDA], 2023). The report further showed that of the 9, 31 million jobs created, SME owners occupied 27%, and hired employees occupied the remaining 63%. The figures are presented in Figure 2.1.

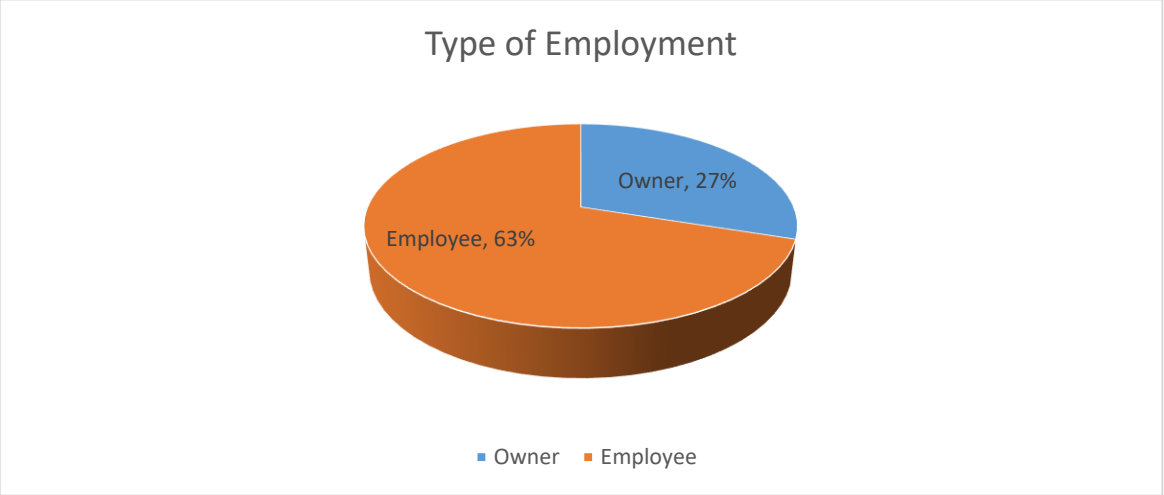


FIGURE 1.1 TYPE OF EMPLOYMENT

The South African government recognizes the importance of SMEs, hence, actively supports small businesses to promote economic growth through competitiveness, employment creation, and income distribution (Mmbengeni, Mavhungu, and John, 2021). According to the State of the Nation Address (2023), it is estimated that there are between 2.4 and 3.5 million SMEs in South Africa and these contribute immensely to employment creation. The South African Government partnered with the South Africa SME Fund to establish an R10 billion fund to support SMME growth and development (State of the Nation Address, 2023). With the unemployment rate staggering at 32.7%, the government of South Africa has identified SMEs as the major solution to reduce the unemployment rate (Mugabe and Qabazi, 2020).

2.3.2 Poverty alleviation

Poverty alleviation is one of the Sustainable Development Goals (SDGs). The SDGs seeks for job creation, the elimination of poverty, the reduction of inequality, and the growth of an inclusive economy by 2030 (Statistics South Africa, 2019). More than 190 countries, including South Africa, have signed the charter, hence, hopes to alleviate poverty by 2030. The prevalence of poverty in

© University of Venda

most developing countries, including South Africa, poses a serious challenge since it causes adverse consequences on human welfare (Ayo, 2021). Countries that signed the SDGs sought to implement strategies to help them attain the goals in this uncertain global economy (Nursini, 2020). The author continues that one of the most strategic efforts to solve the problems of poverty in uncertain conditions is through the empowerment of SMEs as their roles in poverty alleviation and employment creation are broadly acknowledged (Abisuga-Oyekunle, Patra, and Muchie, 2021). A study conducted in South Africa by Saah (2021) revealed that SMEs play a crucial role in reducing poverty. Von Berge (2018) points out that SMEs create jobs for various disadvantaged population groups such as, marginalized communities, deprived women, and unemployed youths. According to Opperman (2023), in 2022, 4% of young people aged 15 to 34 were business owners, which equated to 15% of all employed youth, while, the Women's Report (2023), noted that 21.9% of all small businesses were owned by women, as of 2021. The significance of SMEs in supporting marginalized groups, therefore, is very evident.

2.3.3 Gross Domestic Product

The South African government recognizes that the SME sector contributes enormously towards economic growth (Statistics South Africa, 2020). It is estimated that the formal SMEs contribute more than 39 % of the GDP, however, this figure can be higher if informal SMEs are factored in (Reddy, 2022). In the financial year of 2019, formal SMEs generated a total revenue of R10,5 trillion in turnover, implying that SMEs in South Africa play a significant role in economic development while also contributing approximately 6% of corporate tax (Liedtke, 2019). They, hence, play an essential part in the South African economy through their contribution to GDP and enhancement of the general citizens' living standards; despite these significant contributions the South African business environment is not conducive to SMEs. Their performance is mainly hampered by structural hurdles, including - access to funding, lack of access to markets, inadequate skills, uncompetitive regulatory frameworks, and technological disruptions (Liedke, 2019). Wozniak, Duda, Gasior, and Bernat (2019) conducted a study measuring the relationship between GDP and the development of SMEs and found a positive relationship between the measured constructs.

2.4 THE ROLE OF SMEs IN ATTAINING THE MILLENNIUM DEVELOPMENT GOALS (MDGs)

The United Nations Millennium Development Goals (MDGs) comprises eight goals that all 191 UN member states have established to try and attain, by the end of 2015 (Reichardt, 2019). The United Nations Millennium Declaration, signed in September 2000, commits world leaders to combat poverty, hunger, disease, illiteracy, environmental degradation, and discrimination against women (World Health Organisation, 2019). The MDGs are derived from this declaration and have specific targets and indicators. The Eight Millennium Development Goals are as follows:

- ✓ to eradicate extreme poverty and hunger;
- ✓ to achieve universal primary education;

© University of Venda

- ✓ to promote gender equality and empower women;
- ✓ to reduce child mortality;
- ✓ to improve maternal health;
- ✓ combat HIV/AIDS, malaria, and other diseases;
- ✓ to ensure environmental sustainability; and
- ✓ to develop a global partnership for development**.**

The World Health Organisation (2018) acknowledges that most countries committed to MDGs had improved in many areas, including health and economic recovery. According to National Geographic (2022), the MDGs helped to lift nearly one billion people out of extreme poverty, combat hunger, and allow more girls to attend school. The Millennium Development Goals report published in 2015 showed that most countries, even the poorest countries, had made significant progress towards implementing the eight major MDGs, despite having different and difficult economic and political conditions (United Nations, 2015), however, by the end of 2015, most countries had not fully attained the set goals, and the United Nations and world leaders agreed to transform the Millennium Development Goals, hence, the MDGs were superseded by the Sustainable Development Goals (SDGs). The shift from the MDGs (2000–2015) to the SDGs (2015–2030) reflects the most contemporary transition in the discourse on sustainable development. Upon the formation of the MDGs declaration, the founding document mainly focused on sustainable human rather than only economic development (UN, 2020). UN (2020) points out that the MDGs and their founding document, the Millennium Declaration, mainly focused on economic imperatives, poverty reduction, without a clear focus on other development dimensions such as human rights, empowerment, and equality (UN, 2020). Sustainable Development with its 17 Sustainable Development Goals (SDGs) are a set of established goals, targets, and indicators that address various aspects such as poverty alleviation, environmental protection, human prosperity, and peace (UN, 2020).

According to the Asia-Europe Foundation (2022), Small and Medium-sized Enterprises (SMEs) play a vital role in achieving the 2030 Sustainable Development Goals (SDGs) owing to their significant contributions to economic growth, job creation, and innovation. SMEs contribute significantly to attaining Sustainable Development Goal 8, which promotes sustained, inclusive, and sustainable economic growth, full and productive employment, and decent work for all (Our World in Data team, 2023). The SME sector is paramount to the South African economy's addressing sustainable development goals (Our World in Data team, 2023). In South Africa, it is estimated that SMEs account for over 87% of all employment (Emaifoghe and Ramsuraj, 2023). Kamal-Chaoui (2017) emphasizes that the Sustainable Development Goals (SDGs), launched by the United Nations in 2015 can only be achieved if countries can create strong SMEs. Karlstrom (2018) points out that the SME sector is not a group of businesses that can be ignored when it

© University of Venda

comes to achieving something as momentous as the Sustainable Development Goals (SDGs). SMEs play an essential role in achieving sustainable development by favoring inclusive and sustainable industrialization, promoting sound community relations, and fostering innovation (OECD, 2017). Endris and Kassegn (2022) assert that investing in SMEs can contribute to 60% of the targets established in the SDGs, for developing countries.

The role that SMEs play is particularly important for poverty reduction, especially in rural areas and amongst women and other socially and previously-disadvantaged groups. SMEs because of their role and place in national economies, are leaders in helping to meet most of the economic-related SDGs, including promoting inclusive and sustainable economic growth, increasing employment opportunities and decent work, especially for the poor, thereby, advancing sustainable industrialization and innovation, and creating a positive push for a higher quality of life, better education and good health for all (Lessidrenska, 2019).

2.4.1 Contribution of SMEs towards the National Development Plan (NDP)

In South Africa, the NDP was initially launched in 2012 to eradicate poverty and inequality by 2030 and the plan was developed solely with the South African citizens at heart. According to the National Planning Commission (2023), the NDP serves as an action plan for securing the future of South Africans as charted in the Constitution. The Constitution requires that "we must build a united and democratic South Africa, able to take its rightful place as a sovereign state in the family of nations". The NDP is guided by seven main pillars that outline the broad objectives of the plan to eliminate poverty and reduce inequality. The objectives are as follows:

1) Uniting South Africans of all races and classes around a common program to eliminate poverty and reduce inequality;
2) Encouraging citizens to be active in their development, in strengthening democracy, and in holding their government accountable,
3) Raising economic growth, promoting exports, and making the economy more labour-absorbing;
4) Focusing on key capabilities of both people and the country;
5) Capabilities include skills, infrastructure, social security, strong institutions, and partnerships both within the country and with key international partners;
6) Building a capable and developmental state, and
7) Strong leaders across society to work together to solve problems. (National Planning Commission, 2023).

The Government Gazette (2023) argues that the National Development Plan (NDP) target demands that SMEs should create more than 90% of new jobs in South Africa by 2030. This figure is about 9.9 million jobs, in line with the target of 11 million jobs by 2030, however, the NDP economic settings do not provide a breakdown, by sector, of the contribution of SMEs. Several

© University of Venda

studies that have been conducted in South Africa and most countries across the globe acknowledge that the SME sector is the key to employment creation and has become a critical solution to the employment challenge in South Africa (Bizcash, 2023; Enaifoghe and Ramsuraj, 2023. This clearly shows that SMEs play an important role in job creation, however, despite a significant contribution by SMEs towards employment growth and employment creation, several studies conducted in South Africa reveal disproportionately high levels of failure rate of SMEs in the country (University of Western Cape, 2022; Rungani, 2022). Evidence shows that 70-80% of SMEs fail within their first five years of conducting business (University of Western Cape, 2022). The failure rate of SMEs is alarming and confusing as to whether, indeed, SMEs contribute towards sustainable economic development and poverty alleviation. The OECD (2020) states that limited access to financial resources for SMEs remains a major obstacle in South Africa by hindering their development and sustainability.

2.5 DEVELOPMENT AND PROMOTION OF THE SME SECTOR IN SOUTH AFRICA

The origins of SMEs in South Africa can be traced back to the apartheid era from 1948 to the early 1990s (Bvuma and Marnewick, 2020). During this period, black ownership and operation of any business was prohibited, and black entrepreneurs faced prosecution for engaging in SME activities (Township Tech Sector Intelligence Report, 2021). Many black SMEs operated in townships during the apartheid era (Bvuma and Marnewick, 2020), however, the acronym SME was not used during that era and illegal SMME owners in townships were deemed as being “self-employed” (Bvuma and Marnewick, 2020). On the other hand, the affluent white entrepreneurs residing in towns, during the apartheid era, were allowed to perform business activities and participate freely without prosecution, through legislation and other local authority ordinances (South African History Online, 2023). Malefane (2013) states that this situation led to the rise of formal SMEs (mostly owned by white entrepreneurs and largely concentrated in towns) while emerging SMMEs (mostly unlicensed) were owned by black entrepreneurs in townships. In addition, the largest SMEs sector in townships are informal and are used by jobless individuals to fulfill their basic needs (Malefane, 2019), however, the newly and constitutionally elected Government of South Africa ascertained the need and essence of SMEs to the economy as early as 1995 (Small Business Development, 2023). The democratically-elected government's commitment to economic restructuring was visible post-1994. When the government assumed office duties, the government embarked on several restructuring initiatives, notably, local government transformation to deliver on its economic development mandate - to cater to the citizens’ diverse fiscal needs, including women, black people, and people with disabilities, who previously, were marginalized (Malefane, 2019). The author further notes that the political support for SMEs has resulted in South Africa's legislation setting forth national objectives for the SME economy. The following section presents legislative, policy and government strategies for SME development as outlined by the government of South Africa.

© University of Venda

2.5.1 Legislative, Policy, and Government Strategy for SMEs' Development

South Africa, like many countries across the globe, acknowledges that SMEs play a vital role in reinforcing the economy, driving innovation, alleviating poverty, and creating employment opportunities (Enaifoghe and Vezi-Magigaba, 2023). To foster the growth and sustainability of these enterprises, the South African government has implemented various pieces of legislation to provide support and resources. The imposing of several laws and legislation shows the government's commitment to the development and sustainability of SMEs. These supporting pieces of legislation are discussed briefly in the following subsections.

2.5.1.1 White Paper on National Strategy for the Development and Promotion of Small Business in South Africa (1995)

The origins of the National Strategy for Small Business Development in South Africa can be traced back to the White Paper on National Strategy for the Development and Promotion of Small Business in South Africa, issued in 1995 (Department of Small Business Development, 2022). Before 1994, the South African SME sector did not receive the needed and equitable support from the government (Saah and Musvoto, 2020). According to Staatskoerant (2017), the White Paper of 1995, on the National Strategy for the Development and Promotion of Small Businesses in South Africa, was the first effort by the government to formulate a policy framework that targeted the whole spectrum of the small business enterprise sector. The White Paper emphasized the urgency of developing a comprehensive strategy to tackle small business challenges and promote growth (Ntsika, 1997). It recognized that small businesses have the potential to contribute significantly to job creation, poverty alleviation, and economic transformation (Department of Small Business Development, 2022). The National Strategy for Small Business Development in South Africa aims to provide a clear roadmap for the growth and promotion of small businesses in the country. The strategy aims to create an enabling environment that fosters entrepreneurship, innovation, and competitiveness among small businesses. Its objective is to provide small businesses with the necessary support, resources, and opportunities to thrive and overcome the challenges they are facing (Department of Small Business Development, 2022).

It is acknowledged that one of the main objectives of the constitutionally-elected government, as outlined in the 1995 White Paper, was to provide an empowering environment for SMEs (Department of Small Business Development, 2022), however, research shows that the adoption and implementation of the White Paper have fallen short of expectations (Department of Small Business Development, 2022). The Department of Small Business Development (2022) notes that the White Paper of 1995 faced challenges with its supply-driven approach, which paid little attention to market needs, since it was a government-led institutional environment that was ill-equipped to connect with stakeholders and a regulatory environment that did not support the

© University of Venda

mandate of institutions to develop SMEs. The Department of Small Business Development (2022) further states that, although, the White Paper (1995) represented a theoretically-sound approach to SMME development, however, it failed to account for the real structure of the South African economy and the level of skills within its population.

2.5.1.2 The National Small Business Act (102 of 1996)

The National Small Business Act of 1996 in South Africa is the foundational framework for supporting and promoting the growth and development of small businesses. The enactment of the National Small Business Act of 1996, provided for the implementation of the White Paper (1995) by providing guidelines to state organs, on promoting small businesses in South Africa and setting up several implementation structures. These include - the National Small Business Advisory Body and the Ntsika Enterprise Promotion Agency, which were subsequently restructured into three institutions, namely, the Small Enterprise Development Agency (SEDA), the South African Micro Finance Apex Fund (SAMAF), and the Khula Enterprise Finance Limited. In 2012, the SAMAF and the Khula Enterprise Finance Limited were then merged into the Small Enterprise Finance Agency (SEFA) (Department of Small Business Development, 2023)

The National Small Business Act (102 of 1996) outlines the key provisions designed to create a favorable environment for small businesses to thrive, including financial support, training and mentorship programs, and improved market access. The Act also establishes a regulatory framework that ensures that small enterprises comply with registration, licensing, and taxation requirements. Enforcement and compliance mechanisms are in place to monitor and inspect small businesses, impose penalties and sanctions for non-compliance, and provide dispute resolution mechanisms. The Act further emphasizes the need for evaluation and impact assessment, which would contribute to monitoring the growth of small businesses and informing policy recommendations. Through the Act, South Africa aims to achieve significant accomplishments in small business development, while addressing challenges and identifying potential avenues for future amendments (South African Government, 1996).

- **Key Provisions**

Key Provisions of the National Small Business Act of 1996 in South Africa include the definition of a small business, the scope of the Act, and the exclusions and limitations. The Act also provides support and assistance programs, such as, financial support, training, and market access. By this regulatory framework, the Act covers registration and compliance, licensing, permits, taxation and reporting. Enforcement and compliance measures include, monitoring and inspection, penalties and sanctions, and dispute resolution. The Act also provides evaluation and impact assessment mechanisms, which involve monitoring and evaluating small business growth and making policy

© University of Venda

recommendations. Overall, the Act aims to promote the development and success of small businesses in South Africa (South African Government, 1996).

- **Impact on Small Businesses**

In South Africa, small businesses have been greatly impacted by the implementation of the National Small Business Act of 1996. The Act defines precisely what constitutes a small business, thereby, helping to identify and support these enterprises. This process also sets out the scope of the Act, including the various support programs available to small businesses, such as, financial support, training, and mentorship. Additionally, the Act addresses regulatory aspects, such as registration, compliance, licensing, and taxation requirements for small businesses. Enforcement and compliance measures are also established, with monitoring, inspection, penalties, and dispute resolution mechanisms being put in place. The Act also focuses on the urgency of evaluation and impact assessment, thereby, helping to monitor the growth of small businesses and make policy recommendations. Overall, the National Small Business Act of 1996 plays a crucial role in promoting the development and success of small businesses in South Africa (South African Government, 1996)

The National Small Business Act 102 of 1996 in South Africa, therefore, is a significant legislation that aims to promote the growth, development, and sustainability of small businesses in the country, however, despite its excellent intentions, the Act has faced numerous challenges throughout history. The impact of the Act has yielded both positive and negative. On the positive side, the Act has contributed to the growth of small businesses in South Africa by providing them with access to funding, training, and support. It has also created a more inclusive business environment by facilitating the participation of previously-disadvantaged groups, such as women and black entrepreneurs (Parliament of the Republic of South Africa, 2024). The Act, however, has also faced significant challenges over the years. One of the main challenges is the limited availability of funding and resources, which hampers the effective implementation of the Act's provisions. Small businesses often struggle to access capital and face difficulties in meeting the stringent requirements set by financial institutions. Another challenge is the lack of coordination and collaboration among government departments responsible for implementing the Act. This fragmentation leads to a disjointed approach and ineffective support systems for small businesses. Additionally, bureaucratic red tape and corruption further hinder the Act's successful implementation, making it difficult for small businesses to navigate the regulatory landscape (International Monetary Fund, 2023).

2.5.1.3 The Joint Initiative on Priority Skills Acquisition (JIPSA)

According to the Human Resource Development Council of South Africa (2009), the Joint Initiative for Priority Skills Acquisition (JIPSA) was launched in March 2006 to identify solutions to major

© University of Venda

skills' shortages constraining South Africa's ability to meet its economic growth objectives contained in the Accelerated and Shared Growth Initiative for South Africa (ASGISA). JIPSA has established a high-level Joint Task Team (JTT), representing the social partners engaged in the skills development environment, a Technical Working Group (TWG), and a Secretariat. JIPSA was initially intended to have an 18-month lifespan, but this was extended by a further 18-month period in November 2007, following a JTT bosberaad. JIPSA was subsequently further extended, until March 31, 2010, by a decision of the Cabinet Committee on Employment and Investment; this was with the proviso that JIPSA begins its evolution into relevant processes related to the Human Resource Development Strategy for South Africa (HRDS-SA) (Human Resources Development Council of South Africa (2009); despite implementing the Joint Initiative on Priority Skills Acquisition (JIPSA), several studies conducted in South Africa show that the country is continuously experiencing a critical skills shortage across almost all sectors (Business Tech, 2023; Parker, 2023). These studies have also acknowledged that there is a high failure rate of SMEs in South Africa and that this is due to a lack of relevant skills (Enaifoghe and Ramsuraj, 2023). Rhyn (2023) states that small business owners in South Africa often struggle to attract and retain skilled talent because of limited financial resources when compared to their large counterparts.

2.5.1.4 The Local Government Municipal Systems Act of 2000

The Local Government Municipal Systems Act of 2000 seeks to provide for the core principles, mechanisms and processes that are necessary to enable municipalities to move progressively towards the social and economic upliftment of local communities. This process should ensure:

- universal access to essential services that are affordable to all;
- definition of the legal nature of a municipality as including the local community within the municipal area, working in partnership with the municipality's political and administrative structures;
- provision for the manner in which municipal powers and functions are exercised and performed;
- provision for community participation;
- establishment of a simple and enabling framework for the core processes of planning, performance management, resource mobilisation and organisational change which underpin the notion of developmental local government;
- provision of a framework for local public administration and human resource development;
- empowerment of the poor and ensure that municipalities put in place service tariffs and credit control policies that take their needs into account by providing a framework for the provision of services, service delivery agreements and municipal service districts;

© University of Venda

- provision for credit control and debt collection;
- establishment of a framework for support,
- monitoring and standard setting by other spheres of government in order to progressively build local government into an efficient, frontline development agency capable of integrating the activities of all spheres of government for the overall social and economic upliftment of communities in harmony with their local natural environment;
- provision for legal matters pertaining to local government and for matters incidental thereto (The Staatkoerant, 2000).

In addition, the Act considers the need to promote the empowerment of small and emerging enterprises (The Staatkoerant, 2000). The Local Government Municipal Systems Act of 2000 has been a significant legislative development in South Africa's local government system, aiming to establish democratic and accountable municipalities. A report published by the Auditor General in 2021, however, indicates that there is pervasive malfeasance and corruption in municipalities, impeding the successful implementation of the Act.

The Act sought to create an enabling environment for municipalities to fulfill their roles in fostering socio-economic development and providing basic services. To achieve the developmental goals and identify roles played by municipalities, the government developed several policies, such as the Growth, Employment, and Redistribution Strategy of 1996, commonly denoted by the acronym GEAR (le Roux, 1997). The GEAR strategy is a macro-economic framework that sought to bring the South African economy into a new path by ensuring that:

- a competitive and fast-growing economy that creates enough jobs for all;
- a redistribution of income and opportunities in favor of the poor;
- a society where sound health, education, and other services are available to all, and
- an environment in which homes are protected and places of work are productive (ANC, 1997).

The 1996 GEAR strategy faced substantial criticism due to its shortcomings in addressing key areas such as education, unemployment, inequality, and social development. While it brought about macro-economic stability and foreign investment, critics argue that it failed to prioritize job creation and neglected key areas of social development (South African History Online, 2014). Among the remarkable strategies adopted in the South African economy is the Economic Growth Path Strategy introduced in 2010 (South African government, 2024). The Economic Growth Strategy sought to promote SME growth, employment creation, and equity. The Strategy's principal target was to create five million jobs by 2020, thereby, revealing the government's obligation to prioritize employment creation in all economic policies (South African government, 2024). From 2010 to 2019, there was a significant improvement in employment creation (National

© University of Venda

Planning Commission, 2020), however, the COVID-19 pandemic hindered employment creation in South Africa and most countries. The government of South Africa also enacted the Local Government Turnaround Strategy (LGTAS), in November 2009. According to van Niekerk (2012), LGTAS is a comprehensive intergovernmental intervention mobilizing all municipalities and their communities to embark upon a concentrated effort to deal with the factors undermining municipalities in the country, hence, ensure good performance and effective service delivery. The government also implemented the Growth and Development Strategies (GDS) and provincial Spatial Development Frameworks (SDF) (Garden Route District Municipality, 2023), as well as provincial SMME desks that would serve as information centers for SMMEs, in each of the nine provinces (Lwadzani, 2010). Within the local sphere of government, the need to restructure local economic inequalities between towns and townships has led to the development of the Integrated Development Planning (IDP) approach with which municipalities are increasingly expected to give attention to the impact of their decisions on the economic welfare of residents (Malefane, 2013).

Among the noteworthy, recently-adopted strategies are - the Economic Growth Path strategy (2010), which aimed to create 5 million jobs and reduce inequality, poverty, and unemployment from 25% to 15% by 2020 (Chabane, 2010), and the Local Government Turnaround Strategy (LGTAS) published in November of 2009. Within the provincial sphere of government - the provincial Growth and Development Strategies (GDS) and provincial Spatial Development Frameworks (SDF), as well as provincial SMME desks that serve as information centers for SMMEs in each of the nine provinces - demonstrate the commitment of the South African provincial governments' support for SMMEs.

2.5.2 Financial and non-financial support mechanisms for SME development

The South African government and various private organizations have introduced many SME support frameworks, including financial and non-financial assistance (Makina, Fanta, Mutsonziwa, Khumalo, and Maphosa, 2015). The role of government, through financial and non-financial mechanisms, is confined to the obligations of the Developmental Finance Institutions (DFIs), such as the Khula Financial Enterprise Ltd (OECD, 2022). Khula Financial Enterprise was founded in 1996 by the Department of Trade and Industry (DTI) in response to growing financial challenges faced by emerging entrepreneurs and SMEs (Khadiagala, 2011). The main purpose of the Khula financial enterprise is to facilitate access to finance for entrepreneurs previously excluded from mainstream financial services due to various barriers, such as, lack of collateral and track record (Parliamentary Monitoring Group, 2010). Initially, Khula provided financial assistance to entrepreneurs and SMEs through intermediaries, such as commercial banks (Khadiagala, 2011), however, with the increasing demands for small business financing in the expanding informal sector, the Khula commenced directly financing SMEs and entrepreneurs (Khadiagala, 2011). Khula had provided loans of approximately R3 billion to small businesses and SMEs by 2009.

© University of Venda

Additionally, Khula provides non-financial assistance to SMEs, such as, business development and mentorship, training and capacity building, market access and linkages, and advisory services, which complement their financial support, (Parliamentary Monitoring Group). Khula, however, merged with the South African Micro-Finance Apex Fund (SAMAF), Khula Enterprise Finance, and the Industrial Development Corporation's (IDC) small business activities to form the Small Enterprise Finance Agency (SOC) Ltd (SEFA) which was launched in 2012 (SME Toolkit South Africa, 2017). The vision of SEFA is to be the leading catalyst for the development of sustainable survivalist, micro, small, and medium enterprises through the provision of finance (SME Toolkit South Africa, 2017). SEFA became, wholly, a subsidiary of the Industrial Development Corporation (IDC).

Some of the notable DFIs for SMEs include the Industrial Development Corporation (IDC), through its Small Enterprise Development Agency (SEDA), and the National Empowerment Corporation (NEP) of South Africa. Ntsika, which implements the national SME strategy, provides non-financial support to SMEs via a range of programs that are accessible through a network of retail service providers. These programs are classified as - (1) local business service centers (LBSCs) (for assistance with business administration and general information); (2) tender advice centers (TACs) (to provide assistance and training to SMMEs on government tendering processes and information about current tenders; and (3) manufacturing advice centers (MACs) (which provide industry-specific assessments and link SMMEs with highly-specialized service providers) (Maloka and Dlamini, 2016). Despite the significant number of support agencies in South Africa, Ogujiuba, Eggink, and Olamile (2023) argue that most SMEs are unaware of these supporting agencies and information. This lack of support agencies' information is worrying, given the high failure rate of SMEs in South Africa and their important role in the economy. Louis and Macamo (2011) point out that there is a need to address obstacles hindering the growth of small enterprises' capacity for creating jobs. The following section presents the barriers impeding SMEs' growth in South Africa.

2.6 BARRIERS HINDERING THE GROWTH AND DEVELOPMENT OF SMES IN SOUTH AFRICA

In South Africa, SMEs are viewed as the backbone of the economy. They contribute immensely towards employment creation, poverty alleviation, innovation, gross domestic product (GDP), and prosperity (Bizcash, 2023). Scheers (2016) argues that an economy can grow and sustain itself if a healthy SME sector, that forms the backbone of the economy, flourishes. In South Africa, there are several programs and policies designed to help and encourage the growth and sustainability of SMEs, such as - the National Youth Development Agency (NYDA), Small Enterprise Development Agency (SEDA), and the National Empowerment Fund (NEF) - to mention just a few (Mashele, 2023). A survey by SME South Africa (2022) found that SEDA and NYDA provided

© University of Venda

financial assistance to numerous small and medium-sized enterprises (SMEs), however, despite the significant support from the government, enabling policies, and programs, SMEs in South Africa still encounter several persisting challenges impeding their development, growth, and sustainability (OECD, 2022).

A report from the University of the Western Cape (2022) argues that South Africa has the highest failure rate of SMEs. Research shows that the failure rate of SMEs in South Africa lies between 70%-80% within the first five (5) years of conducting business (Fetola, 2023). Bowmaker-Falconer and Herrington (2020) contend that the poor performance of SMEs in South Africa can be ascribed to the entrepreneurial environment, which is not conducive to business growth and development. Global Entrepreneurship Monitor (2020) revealed that the business discontinuance rate in the 2019-2020 fiscal year was 4.9%, while the established business ownership rate that owned or managed businesses for more than 42 months was 3.5%. These figures clearly show that the business failure rate in South Africa is slightly above the rate at which start-up SMEs are created. Nomafu, van Vuuren, and Davies (2023) suggest that favorable entrepreneurial policies and regulations can foster a significant difference in growth, development, and SMEs' survival, however, Nieuwenhuizen (2019) argues that the South African government has failed to achieve its own goal of providing a stimulating and empowering environment for SMEs. A survey conducted in 2021 showed that only 6% of SMEs in South Africa have received support from the government (Mokwena, 2021). Ogujiuba, Olamide, Agholor, Boshoff, and Semosa (2022) agree that the failure of SMEs in South Africa can mainly be attributed to a lack of governmental support, either in the form of start-up funding or operating funds. Mhlongo (2023) highlights that the failure rate of SMEs in South Africa is attributable to numerous factors, such as the entrepreneurial environment as well as, internal and external factors, although, some studies show that the underlying causes of SME failure are predominantly internal factors (Msimango-Galawe and Urban, 2019).

Joshi and Sharma (2022) state that several internal and external factors affect the survival and success of SMEs. The internal factors include aspects such as - a lack of business planning, a lack of entrepreneurial skills and mindset, a lack of creativity and innovation, and high levels of stress and burnout (Fatoki, 2018). On the other hand, external factors include facets such as - high levels of competition, difficulty in accessing markets, and lack of external funding (Fatoki, 2018). Bugwandin and Bayat (2022) conducted a study in South Africa and found that internal and external factors equally contribute to SMEs' failure, however, Masama and Bruwer (2018) posit that the high failure rate of SMEs is mainly due to internal factors because, most entrepreneurs - do not have sufficient business skills, business research, business planning, financial literacy, money management, and the ability to secure funding. Ndlela (2022) conducted a study in KwaZulu-Natal and found that the most noteworthy internal challenges were - a lack of

© University of Venda

financial discipline, a lack of managerial skills, failure to utilize internal resources as resources for competitiveness, a lack of strategic planning, and organizational inertia to change. Underhill Corporate Solutions (2021) suggests that special training institutions should be established to promote skills development with the aim of increasing SME growth.

Adam and Alarifi (2021) note that the performance and survival of SMEs are largely affected by external business environmental factors. Businesses have no control over external environmental factors, but taking measures in advance and identifying them in time increases business handling of these factors (Sadiku, 2022). The common external environmental factors affecting SME performance are the political, economic, social, technological, environmental, and competitive factors, represented by the acronym PESTEC (Sadiku, 2022). Surnhi (2015) points out that external factors in the economy directly influence working conditions, decision-making, strategy, and performance; these factors are dynamic and ever-changing. Bushe (2019) argues that if these external factors are not properly managed, they result in SMEs' failure. Management within the SME sector has no control over external business environmental factors (Kalarov and Georgrava, 2020). Nevertheless, those who manage enterprises should constantly monitor the business environment, taking stringent measures before the businesses fail. The most noticeable challenges plaguing the success and sustainability of SMEs in South Africa are - crime and corruption, non-compliance with legislation, resource scarcity, HIV/AIDS, and the ever-changing technology (United Nations, 2022).

Challenges impeding the growth of SMEs are not limited to South Africa, but are also prevalent in most developing countries (Hansen-Addy, Parilli, and Tingbani, 2023), however, most scholars and organizations have shifted their focus to African SMEs since they present a unique and challenging context for entrepreneurship (Kansheba, 2020; Asongu and Odhiambo, 2019). The main obstacles impeding the growth of African SMEs include - poor access to finance and business development services, poor tax regimes, corruption, weak institutions, and inadequate infrastructure (Alhassan and Kilishi, 2019). Rhyn (2023) identified five (5) major challenges affecting the performance of SMEs in South Africa - lack of access to finance, regulatory challenges, skills shortages and access to talent, limited market access, and infrastructure constraints. These above-stated challenges hinder growth and sustainability of SMEs, and management must be able to tackle such challenges. The major challenges affecting the SME sector from growth and development in South Africa are explained briefly below:

2.6.1 Lack of access to finance

According to the OECD (2022), the lack of access to finance for SMEs remains a major challenge in South Africa, inhibiting their growth and sustainability. Several factors contribute to low access to finance for SMEs in South Africa which include - the lack of suitable formal finance products

© University of Venda

available to small enterprises; the lack of readily available credit information; the perceived riskiness of small enterprise finance; and the apparent lack of appropriate assets available to small enterprises for collateral (OECD, 2022). Limited access to finance is frequently cited as one of the main challenges impeding the growth and sustainability of SMEs in South Africa (Enterprise Survey, 2020) and the South African government concurs that a lack of access to finance is one of the major constraints for SMEs' development (OECD, 2022). A study conducted by Asah, Louw, and Williams (2020) found a high rejection rate for applications submitted to formal financial institutions. Panda and Leepsa (2017) point out that most SME owners argue that they do not understand the reasons behind the high rejection rate of their credit applications, as the formal financial sector does not provide feedback on why their credit applications were unsuccessful. In a survey conducted by FinScope in the 2022 financial year, only 33 percent of SMEs were reported to have accessed credit from formal financial institutions (Government Gazette, 2023). The Government Gazette (2023) further posits that many SMEs eligible to receive credit facilities cannot be financed due to a lack of financial readiness. Most SMEs do not provide supporting documents to financial institutions to assess their banking status and affordability, to enable their approval for funding applications. The required documents typically include, but are not limited to - bank account details, up-to-date management accounts, current financial statements, budgets, and business plans.

2.6.2 Legal and regulatory factors affecting SMEs in South Africa

Nieuwenhuizen (2019) posits that the regulatory environment and related legislation and compliance have been identified as primary inhibitors of small business growth. In South Africa, it is acknowledged that the cost of compliance with legislation is high and is considered a significant threat to the South African SME industry (Chakabva, Tengeh, and Dubihlela, 2020). This is reinforced by many scholars, who acknowledge that compliance with governmental rules and laws is very demanding and stressful, thereby, impeding SMEs' sustainability and employment-creation capability, and imposing unnecessary burdens on them (Mhlongo and Daya, 2023; Kamara, 2017). Fatoki (2018) points out that legal factors include all regulations, policies, and law determinants that negatively or positively affect results in the SME sector, including market actions and decisions made concerning managing SMEs in South Africa; despite these stated challenges, legal and regulatory policies remain essential for SMEs to conduct business ethically and follow proper channels. The South African government, however, must develop policies that favor SMEs and business growth, since these legal factors are designed to protect and control the business conduct of SMEs and large companies. Stoke (2021) contends that the South African government excels at bureaucracy and red tape, despite the well-documented negative impact of hostile regulatory environments on small businesses. This turns out to be a burden to SMEs operating in the country.

© University of Venda

Mohlongo and Daya (2023) conducted a study and found that the business regulatory environment negatively affected the growth of SMEs in South Africa. SMEs are mandated to comply with regulations, but the processes are often expensive, although, entrepreneurs must still deal with rigorous regulatory policies and challenges related to insufficient governmental support (Mhlongo and Daya, 2023). In a study conducted by Nieuwenhuizen (2019), the most complex legal factors affecting SMEs are related to the South African Revenue Service (SARS), mandatory regulations, Black Economic Empowerment (BEE), municipal and labor issues. Among the stated factors, SARS is known to be the biggest problem for SMEs, however, the South African Revenue Service (SARS 2019) upholds that tax compliance contributes to the country's development. On the other hand, Tee, Boadi, and Opoku (2016) argue that the complex administration burden and taxation weigh on the ability of the SME sector to be innovative and competitive due to tax compliance costs. SARS (2023) acknowledges that compliance remains disappointing among the registered and formal SMEs, hence, this calls for the SARS to make suitable tax relief initiatives for SMEs. Naicker and Rajaram (2019) argue that numerous SMEs are unaware of any tax relief initiatives.

2.6.3 Competency and capability of SME owners or managers

In South Africa, SME failure is also attributed to poor managerial skills and competencies which hamper their growth and survival (Mukwarami, Mukwarami, and Tengeh, 2020). It is established that SME owners lack management skills, such as financial, marketing, and human managerial skills, to operate their firms successfully (Cele, Nyide, and Stainbank, 2023). Aidara, Mammum, Nasir, Mohiuddim, and Nawi (2021) assert that the scarcity of these vital competencies among owners or managers negatively affects the performance and sustainability of SMEs. Many studies that have been conducted show that there is a positive relationship between a higher level of entrepreneurial competence and the survival of SMEs (Reis, Fleury, and Carvalho, 2020; Al Mammum and Fazal, 2020). SMEs operate in an evolving and competitive environment that is embodied with a range of opportunities and challenges that require management controlling their firms efficiently to enable them to make immediate strategic decisions and adapt to the continuously changing business environment. This, therefore, means that SME owners or managers must execute conceptual activities quickly and logically to enable the success and survival of the business, however, most SME owners or managers encounter tremendous challenges, such as limited human, financial, and technological resources, contributing to their inadequate decision-making skills (Van Wyk, 2023). The government and vocational training colleges, thus, should intervene and fill the skills gap among SME owners in South Africa.

© University of Venda

2.6.4 Limited market access

Constrained and limited market access remains another key limitation to the South African government's efforts to boost the longevity of SMEs (Tshuma, 2022). Business Day (2021) posits that market access is one of the key requirements to obtain funding from financial institutions, however, SMEs have a significant disadvantage in terms of market access when compared to large and established firms (International Finance Corporation, 2018). This is mainly because SMEs have fewer resources and less proficiency than their large counterparts. To be competitive in such a business environment, SMEs should have - effective and proactive management capable of ascertaining and using knowledge, skills, and technology, developing distinguished products and services, and upgrading production processes to meet consumer preferences and demands. To achieve this, SMEs must furnish sufficient and feasible market information on several aspects, such as - customers, suppliers, prices, trade regulations, cultural differences, and business procedures in the target market (Hurryworld, 2023). Continuous market research is essential in understanding the potential of the target market, however, Hurryworld (2023) states that investments in the collection of data on marketing can be a strain on the resources of SMEs. Matekenya and Moyo (2022) conducted research and found that SMEs have an average market share of over 11%, which shows the problems they face in gaining market share. According to Msomi and Olarewaju (2021), the success of SMEs in South Africa is heavily reliant on market access, hence, the government of South Africa and financial institutions must boost market access and demand for SMEs and eliminate regulatory and bureaucratic market-access constraints.

2.6.5 Infrastructure and technology constraints

Infrastructure offers a foundation for economic activities for any country and fosters economic growth, development, and competitiveness (Boushey, 2021). Efficient infrastructure such as - good roads, water supply, reliable electricity supply, internet infrastructure, and adequate buildings to conduct business activities - enable the economy to function properly. The South African economy, however is experiencing a slowdown due to deteriorating infrastructure, poor telecommunication networks, and low investment (Fall, 2022); for instance, poor electricity generation has become the main bottleneck to production and a concern for investors. This clearly shows that the quality of infrastructure affects businesses' development and growth. Alene (2020) points out that access to, public physical infrastructure services, including water, electricity, serviceable roads, telephones, electronic media, and postal services, is essential for business start-up, development, and performance. Danga, Chongela, and Kaudunde (2019) maintain that good infrastructure positively affects SME performance, while bad infrastructure negatively affects SME performance. The South African government acknowledges the urgency of improving infrastructure development and embarking on renewable energy (Development Bank of Southern

© University of Venda

Africa, 2023) as the country has been affected by power supply crisis, which has halted economic development and growth for a long period. Olunloyo and Moloi (2023) maintain that poor electricity supply has affected the performance of most small businesses in the country; hence, Infrastructure South Africa (2022) urges that South Africa must expand its electricity, water, transport, and telecommunications infrastructure to support economic growth and social development goals. Technological advancement also enhances the quality of infrastructure in the country, as the implementation of technology in infrastructure can result in the creation of new ways to benefit society. This is because technology makes it easier for people to connect, ensures that goods and services are conveyed quickly, and creates more employment for citizens (Gaglio, Kraemer-Mbula, and Lorenz, 2022). Mavimbela (2016), however, points out that the exploitation of digital technologies in South Africa is slow due to poor and inadequate infrastructure, therefore, infrastructure becomes an important factor to consider when making sound decisions.

2.6.6 Additional challenges affecting SMEs in South Africa

Crime and Corruption: Security Lodge (2022) reports that South Africa has the second-highest rate of violent crime in the world. A study by Statista (2023) reveals that 608,059 contact crimes were reported in South Africa during the 2021/2022 fiscal year; adding that there is an average of about 69 murders and almost 61 attempted murders per day. This crime rate is extremely high and creates an environment that is not conducive to economic and business growth. Moodley (2020) believes that while crime is extremely high, attracting foreign investment will remain a significant challenge. Statistics South Africa (2023) points out that the crime rate is continuously increasing in South Africa which affects not only citizens but also businesses. Lodge Service (2022) notes that there were 14,677 burglaries of business premises from April to June 2022, which had increased by 0.3% from the previous year. SME South Africa (2022) argues that crime wreaks havoc, mainly on small businesses. Crime losses can cause business failures since more than 50% of small businesses do not have insurance (Miya, 2022). Given this scenario, most SMEs will shift their attention from pursuing growth, staying ahead of competitors and wanting a market share to operational matters because of the high crime rate (Fatoki, 2014).

SME South Africa (2022) states that small businesses exposed to numerous criminal activities are compelled to shut down or relocate their operations. In addition, crime can also affect business customers, especially if the crime rate is extensive in the area or the business has been a victim of burglary in the past. Customers might fear losing their lives in such circumstances, if they were to interact with such SMEs. Corruption is also rising in South Africa, affecting private and public sectors (World Data Info, 2022). According to the Corruption Perception Index report published in 2022 by Transparency International, the corruption perception rose from 41 out of 100 points to 43 points from 2011 to 2022, however, during the period, the corruption index perception reached a peak average of 46.20 points. The OECD (2022) points out that SMEs are more vulnerable to

© University of Venda

corruption than large and established companies. The focal huddles affecting SMEs' handling of corruption are allied to regulatory compliance and government bureaucracy (Khan, 2022). Caboverde, Abad, and Fransico (2019) state that even just the perception of corruption and red tape may discourage entrepreneurs from registering their businesses and instead remain in the informal economy. Most SMEs in South Africa pay bribes to access government services, including trade or retail licenses (Xego, 2020). Frey, Skrinjaric, and Budak (2022) contend that SMEs are perceived as particularly being affected by a corrupt environment where large companies are seen as the source of corruption. In a study conducted by the World Bank, 70% of SMEs perceived corruption as an impediment to their businesses compared to approximately 60% of large firms (Bushe, 2019). This clearly shows that SMEs are more prone to corruption than large companies.

Investment in information technology and cost of production: Information technology (IT) has become the cornerstone of most business operations worldwide. Information technology forms an essential and integral component of any business plan and plays a significant role in both small and large businesses. Information technology has become a powerful tool for attaining a competitive advantage in terms of cost or differentiation amongst competitors (Ajaero, 2023). Visual Edge IT (2023) maintains that IT is essential for businesses to grow, remain competitive, and be efficient. In South Africa, there has been a significant increase in investment in the digital economy and information technology (Andrew, 2022) with the country being recognized as one of the biggest information and communications technology (ICT) markets, in developing countries (International Trade Administration, 2023). As of April 2023, various companies had pledged 81.056 billion rand for ICT investment in South Africa (Odendaal, 2023) in recognition that it can enhance sales performance and boost revenue and customer confidence through effective utilization (Ferry, 2023). Hizam, Sheikh, and Mohammad (2020) assert that information technology is crucial for performance, survival, and SME growth. Mavhimbela and Dube (2016) point out that SMEs in South Africa have been slow to adopt internet technologies due to the development and implementation of a relevant internet framework that can effectively meet the needs of the SME sector. In addition, SME owners/ managers possess inadequate knowledge of IT to make precise investment decisions and lack the skills to maintain the systems, resulting in extra costs as they require assistance from external consultants (Cant, 2023).

This section presented major challenges faced by SMEs in South Africa. The key challenges identified include - lack of access to finance, legal and regulatory factors, competence and capability of SME owners or managers, limited market access, and infrastructure and technology constraints. Having identified and discussed a set of challenges faced by SMEs conducting business activities in South Africa, it is crucial, however, to note that not all SMEs face the same challenges (Bureau for Economic Research, 2016). Bromeher, Musah, and Hassan (2017)

© University of Venda

conducted a study and found sectoral differences in the SME financing gap. This prompt gathering data from different sectors of the economy to understand challenges impeding the growth of SMEs in South Africa. The sectors included in this study are agriculture, mining and quarrying, manufacturing, construction, retail, motor trade, repair services, wholesale trade, catering, accommodation, transport, storage, communications, finance and business services, as well as community, social and personal services.

2.7 DETERMINANTS OF SME SURVIVAL, GROWTH, AND DEVELOPMENT

The previous section showed that several studies have been conducted to identify the challenges facing SMEs in South Africa and most countries worldwide. The results showed consistency in challenges encountered by SMEs in research studies spanning many years (Mhlongo and Daya, 2022; Yoshino and Taghizedeh-Hersary, 2016; Ramachandram and Yahmadi, 2019). Various challenges impeding the growth and development of SMEs have been established including - poor access to finance, lack of management skills, lack of investment in information technology, limited market access, inadequate infrastructure, crime and corruption, and regulatory and bureaucratic constraints. The documentation of these challenges to the growth and development of SMEs, indicate their full awareness by stakeholders, yet, the failure rate of SMEs remains the highest in the world, with approximately 80% of small businesses failing within their first five years of operation (Mashele, 2023). The failure rate of SMEs in South Africa clearly shows that there is something profoundly problematic and that little or nothing has been done to address the impasse of failing SMEs. Rungani (2022) concur that the failure rate of SMEs in South Africa has been inadequately investigated and addressed. Based on the failure rate statistics, the South African government is obviously unable to attain its mandate of providing a stimulating and empowering business environment conducive to SMEs' survival and development.

Findan Accountant (2023) highlights that SMEs also require accountants' assistance to ensure the success of their businesses in the following areas, to:

1) ascertain the proposed value of their companies;
2) examine factors that are negatively affecting cash flow and profitability;
3) perform customer profitability analysis. A review of the existing and new product lines;
4) set up accounting systems and business advisory services.

Wei, Cai, and Sony (2023) point out that factors determining the success of SMEs are normally related to research and development, access to sufficient financial resources, innovation, need for achievement, as well as lack of bureaucracy rigor, internal locus of control, and marketing opportunities. The government of South Africa, therefore, must reduce and eliminate the red tape associated with, for instance, tax regimes and the registration of small businesses. In addition,

© University of Venda

the government and other training institutions should equip SME owners and managers with the necessary financial and marketing skills. This can be achieved by offering free courses and incentives to help financially-constrained SMEs. Besides the challenges mentioned in the preceding sections, the challenges faced by SMEs were also escalated by the emergence of the COVID-19 pandemic which affected individuals and businesses alike. In these circumstances, it is imperative to understand the scale, nature, and depth of socio-economic impacts and how businesses fared during the COVID-19 era, for future policy development (Engidaw, 2022).

2.8 THE IMPACT OF THE COVID-19 PANDEMIC ON THE SOUTH AFRICAN ECONOMY

In South Africa, the first confirmed case of the novel COVID-19 virus was reported on 5 March 2020 from a man who had traveled to Italy with his wife (National Institute for Communicable Diseases, 2023) after this, the COVID-19 virus spread quickly in the country. As of 15 March 2020, there were 51 confirmed cases and zero deaths in South Africa (Government of South Africa, 2020), however, the quick spread of the virus prompted the Government of South Africa to declare a State of National Disaster on 15 March 2020 in terms of the National Disaster Act (Government of South Africa, 2020). The government implemented measures, such as, the temporal closure of businesses and schools, lockdowns, and restrictions on large gatherings (van Walbeek, Filby, and van der Zee, 2020), however, certain people deemed as providing essential services and goods were permitted to work under strict conditions during the pandemic (Schoeman Law Inc, 2020). The closure of businesses and lockdowns resulted in an 8,2% loss in GDP in the 2020 fiscal year, amounting to approximately R389 billion (The Presidency Republic of South Africa, 2020). The South African government proposed a R500 billion bailout to stabilize the economy, of which 80% of the proposed funds were going to be sourced from various international lenders (Steyn and Klopper, 2020). The Reserve Bank of South Africa had projected that 370,000 jobs would be shed, and more than 1600 business firms would become insolvent by the end of 2020, however, these projections were published a month before the extended lockdown period was announced, hence, these figures were most likely to have been exacerbated due to extended lockdowns (Business Tech, 2020). Stats SA (2020) affirms that job losses increased in 2020, and over 2 million jobs were lost. The COVID-19 pandemic caused the largest job losses since the global financial crisis, with nearly 900,000 jobs lost (Erten, Leight, & Tregenna, 2019).

South Africa's GDP growth, since 2015 has been on a downward trend of approximately 1% even before the onset of COVID-19 (Verick, 2020), hence, the emergence of COVID-19 resulted in the South African economy entering a recession (Verick, 2020). Before the COVID-19 pandemic in early 2020, the unemployment rate in South Africa was at its highest in history, pegged at 29.1%, and this climbed to 35.3 % during the COVID-19 pandemic (Hlayisi, 2020). It is reported that even before the 2019 coronavirus pandemic, South Africa had been plagued by high poverty levels and

© University of Venda

growing inequality (De Man, 2023). The World Bank estimates that 55.5 percent of the population in South Africa live in extreme poverty, and South Africa is known as "one of the most unequal countries in the world" (World Bank, 2020), thus, the outbreak of COVID-19 intensified the socio-economic challenges faced by South Africa.

The COVID-19 pandemic has also had a devastating impact on South Africa's healthcare system. Most studies show that before the emergence of the COVID-19 pandemic, the South African healthcare system had been mainly burdened with human immunodeficiency virus (HIV) and tuberculosis (TB) epidemics for several decades (Eike, Hogrebe, Kifle, Tregilgas, Uppal and Calmy, 2020; Alinda, 2020). It is estimated that South Africa has the highest number of people living with HIV and AIDS in the world; approximately 20% of the adult population (15–49 years) is HIV positive (Bulled and Singer, 2020). Additionally, it is estimated that more than 320,000 people are suffering from TB, causing close to 80,000 TB-related deaths, yearly (Bulled and Singer, 2020). Kalonji and Mahomed (2019) conducted a study in Durban and found that 90% of the clinics do not have sufficient infrastructure and facilities to provide adequate HIV and TB services. This clearly shows that South Africa is experiencing high burdens of HIV/AIDS and TB, which are detrimental to society. The South African healthcare system had numerous pre-existing difficulties before the emergence of the COVID-19 global pandemic, such as, a shortage of qualified staff, a lack of resources, infrastructure, and units being at overcapacity in the adult and pediatric populations (Columbia University, 2023). The situation was made worse by COVID-19, which demanded additional personnel, resources, infrastructure, and facilities (Cleary, Wilkinson, Tchuem, Docrat, and Solanki, 2021). According to Cleary, Wilkinson, Tchuem, Docrat, and Solanki, (2021), the COVID-19 pandemic has intensified demands on the healthcare system and resulted in critical shortages of resources (hospital beds, intensive care unit (ICU) beds, ventilators, medical workforce), particularly, in the South African public sector.

On 23 March 2020, the President of the Republic of South Africa, Cyril Ramaphosa announced the first lockdown in the country commencing from 26 March to 16 April 2020 to try and curb the spread of the novel virus (Parliament of the Republic of South Africa, 2020). The initial lockdown in South Africa played a crucial role in curbing the virus and giving the healthcare system time to be equipped for any upsurge in cases (Investec, 2020). The government of South Africa has been applauded internationally for its quick, "ruthlessly efficient" response to the COVID-19 pandemic and the drastic measures it implemented (Wadvalla, 2020). The first lockdown was a major step in reducing the number of infections, which was increasing by 40.6% per day, in the three weeks before lockdown, to 3.9% during the first two weeks of the lockdown (Wiysonge, 2020), but while these restrictions did help reduce outbreaks, they had a major impact on socio-economic activities within the country (Asmal and Rooney, 2021). Viser (2023) concur that the pandemic's impact

© University of Venda

was devastating as most employees were left with little or no income, leading to warnings that a pandemic of hunger may eclipse the deadliness of the COVID-19 pandemic.

Before the outbreak of the COVID-19 pandemic, it was reported that the South African economy was already experiencing severe economic challenges (Stauss, Isaacs, Rosenberg, and Passoni, 2020). South Africa had recorded two consecutive periods of negative GDP growth in the third and fourth quarters of 2019, meaning the economy was in recession in early 2020 (Asmal and Rooney, 2021). According to the StasSA report (2019), the country's economic growth declined by 0.8% in the third quarter of 2019 and dropped by 1.4% in the fourth quarter. The Bureau of Economic Research (2020) identified - unstable electricity supply, low consumer and business confidence, the diversion of departmental funds to bail out state-owned enterprises, and a lack of structural reforms - as the major factors impeding the GDP growth in South Africa. The outburst of the COVID-19 pandemic and its associated stringent restrictions on socio-economic activities, thus, worsened the burden on an already crippled and malfunctioning economy.

It is acknowledged that the COVID-19 pandemic caused significant disruptions to the South African economy and resulted in a catastrophic number of people's lives being lost (Myers, 2021). Almost all South African industrial sectors faced an adverse impact from this global pandemic (Asmal and Rooney, 2021). The South African government placed the country under a national lockdown to curb the diffusion of the virus, resulting in a temporary closure of many businesses and restrictions on large gatherings (Asmal and Rooney, 2021), with businesses that do not provide essential services being the most affected by the national lockdown. The most noted industries affected by national lockdown included - those reliant on the movement of goods (supply chain disruptions), the telecommunications sector, selected mining activities (due to a decrease in demand for minerals), accommodation and tourism (due to travel bans), construction and transport (van Heever, 2020). Arndt et al., (2020) identified four channels by which the lockdown and other circumstances influenced economic activities - (i) the forced reduction in production and other restrictions on non-essential business operation; (ii) the impact of the lockdown on household demands for goods and services (for instance, tourism as a result of travel and movement restrictions); (iii) the effect of disrupted global production and supply chains on South African exports, and (iv) the effect of uncertainty on business investment. The authors further present information regarding the relentlessness of the extended lockdown and its direct economic implications on various economic sectors. Table 2.8 presents the direct impact of the national lockdown per specific sector.

© University of Venda

Table 2.2 Direct Impact of National Lockdown per Specific Sector

Mild Decline (0 to -10%)	**Moderate Decline (-10% to -30%)**	**Large Decline (-30% to -60%)**	**Severe Decline (Larger than 60%)**
Agriculture, forestry, and fishing			
		Mining and quarrying	
	Food and non-alcoholic beverages		Alcoholic beverages and tobacco
		Textiles, clothing, leather and footwear	
		Paper, paper products	Wood, wood products
Pharmaceuticals, hygiene and cleaning	Petroleum	Basic chemicals, fertilizer, paint, and other	
	Plastic, glass		Tyres and rubber products
			Non-metallic minerals and products (cement, concrete, etc.)
			Iron, steel, metal products
			Machinery and equipment
Electricity, gas, water			
			Construction
		Wholesale, retail trade	Accommodation, catering
Communication		Transport and storage	

© University of Venda

Finance and insurance, computing services	Real estate, legal and accounting, and other support services	Rentals, research, manufacturing services, and other business services	
Health services		Education services	Recreation, other community services

Source: Arndt et al., (2020)

The information presented in Table 2.2 is in line with a report published by Dayimani (2021), who discovered that the alcoholic beverages and tobacco industries had been hit hard by the three consecutive alcohol and tobacco sales' bans, causing the sector to lose an equivalent of R36 billion in revenue. In addition, the impact was not encountered by businesses only; Finance Minister Tito Mboweni highlighted that the country lost R1.7 billion in tax revenue over 29 days in April 2020 because of the first strict lockdown (Merten, 2020). On the other hand, firms providing pharmaceutical, hygiene, and cleaning services were spared since they were providing deemed essential services (Truter, 2020). The importance of cleaning services was heightened during COVID-19 due to the need for safety, health, and hygiene measures, in all sectors of the economy. The COVID-19 pandemic amplified the need for clean, healthy spaces, particularly in health services and in other areas frequented by many people, although, most of the workers in these services were placed on the front line without training or special knowledge (Dias, Lopes, Azevedo, Maia, & Baptista, 2020).

Many studies that have been conducted in South Africa reveal that the measures (lockdowns and movement restrictions) implemented by the government harmed the economy as well as the society (Rogan and Skinner, 2020; Nwosu and Oyenubi, 2021; Matthee, Saville, Flowerday and Bezuidenhout, 2022). The measures implemented by the government to curb the spread of the virus did not affect South Africa alone; most countries were affected by various measures imposed by their governments. McKibbin and Fernando (2023) reiterate the fact that the global pandemic COVID-19 caused significant global economic and social disruption. Ignacio and Nova (2021) point out that companies had to constantly adapt to the challenges caused by the global economic and health crises, global competition, and technological advancements; relearn; make their business structures more flexible and be able to withstand a series of adverse situations at the macro- and micro-economic levels. The International Monetary Fund (2001) identifies various macro-economic variables, including - economic growth (GDP), inflation, fiscal deficit, current account deficit, and international reserves - that indicate macro-economic instability. Several macro indicators of the South African economy were significantly affected by the COVID-19

© University of Venda

pandemic. The following section presents the major macro-economic indicators affected by the COVID-19 pandemic, on the South African economy.

2.8.1 GDP and Economic Growth

Before the COVID-19 global pandemic, the South African economy had experienced two consecutive quarters of recession (Statistics South Africa, 2023), however, the outbreak of the COVID-19 pandemic worsened the country's economic situation (World Bank, 2023). According to Statistics South Africa (2020), the gross domestic product (GDP) fell by just over 16% between the first and second quarters of 2020, giving an annualized growth rate of -51 %. The harsh lockdowns imposed by the government disrupted economic activity and decreased production and consumption (Wolhuter, 2022). In addition, the decline in international trade and tourism due to lockdowns further contributed to the sharp decline in economic growth (Statistics South Africa, 2021). Statistics South Africa (2021) revealed that the tourism sector contributed R130.1 billion to the gross domestic product (GDP)in 2018, about 3% of the direct contribution to the GDP. In 2018, the tourism sector contributed about 4,5% of the total employment in South Africa, however, the number of tourists decreased by 72.6% from 10.2 million in 2019 to 2.8 million in 2020 (Statistics South Africa, 2021).

2.8.2 Unemployment

South Africa is considered to have the highest unemployment rate in the entire world. Before the outbreak of the COVID-19 pandemic, the unemployment rate was pegged at 25.4% (Statista, 2024), however, the emergence of the novel coronavirus worsened the situation. Many businesses were closed due to the prolonged strict lockdown, leading to significant job losses (Business Tech, 2020). According to the Quarterly Labour Force Survey (QLFS) for the second quarter of 2020, South Africa's official expanded unemployment rate (EUR) figure was 42,3% (Institute for Economic Justice, 2020); meaning that, as of July 2020, three million South Africans had lost their jobs due to the COVID-19 pandemic and subsequent lockdown (Tswanya, 2020).

2.8.3 Government Debt

Hollander (2021) states that South Africa has seen its level of government debt-to-GDP rise substantially, which has led to much debate around fiscal sustainability and sovereign debt risk. This was worsened by the global economic fallout due to the COVID-19 pandemic as governments implemented large-scale debt-financed fiscal stimulus (DFFS) programs (Hollander, 2021). The impact of the South African government debt due to COVID-19 has been far-reaching and multi-faceted. The decline in economic activity and subsequent loss of revenue placed a significant strain on the government's finances. Statistics South Africa (2022) indicates that the South African government spent R2 trillion in the 2020/21 financial year. It is established that the

© University of Venda

government channeled a lot of funds toward social protection, health, and public services as the country battled the COVID-19 pandemic (Statistics South Africa, 2022). At the same time, total revenue decreased due to lower taxes received, thus, increased spending on healthcare, socio-economic support, and stimulus packages further worsened the debt burden experienced over a decade. The high levels of government debt had implications for the country's credit ratings, making it more expensive to borrow in the international financial markets (United Nations Conference on Trade and Development, 2023). This restricted the government's ability to secure financing for essential projects and public services, thereby, hindering long-term development - it had the same effect on both individuals and businesses. A struggling economy means fewer job opportunities and increased levels of poverty and inequality.

2.8.4 Inflation

The COVID-19 pandemic has had a substantial impact on inflation in South Africa. Mathekga (2024) notes that South Africa is experiencing significant challenges due to high inflation and unemployment. The inflation rates in South Africa for 4 consecutive financial years are as follows:

- South Africa's inflation rate for 2022 was 7.04%, a 2.43% increase from 2021.
- South Africa's inflation rate for 2021 was 4.61%, a 1.4% increase from 2020.
- South Africa's inflation rate for 2020 was 3.21%, a 0.91% decline from 2019.
- South Africa's inflation rate for 2019 was 4.12%, a 0.4% decline from 2018.

The measures implemented to control the spread of the virus, such as lockdowns and travel restrictions, disrupted supply chains and caused a decrease in production. As a result, the prices of essential goods and services escalated, leading to higher inflation. One aspect of the impact is the rise in the cost of food. Like many developing countries, South Africa is highly dependent on agriculture, and the disruption caused by COVID-19 disrupted access to food commodities (Mthemba, Mkhize, and Arthur, 2022). This has led to food price inflation, making it difficult for vulnerable populations to access necessities (Kakei, Nourmoradi, Bakhtiyari, Jililian, and Mirzaei, 2022). Another significant impact is the depreciation of the South African rand against the United States Dollar ($US), considered the major currency (Accountancy SA, 2020). The pandemic significantly affected international trade and investment, reducing demand for South African goods and services. This decline in demand has put pressure on the rand, resulting in its depreciation against major currencies, which in turn, increased inflation and the cost of imported goods and commodities (Nedbank, 2023).

A report published by the World Bank (2021) indicates that South Africa entered the COVID-19 pandemic with low employment levels and a decade of weak job creation, far below the standards

© University of Venda

of most upper-middle-income countries. The report indicates that despite the government's solid response to the pandemic, jobs have been severely impacted, and recovery is slow. Employment and income distribution are two major micro-indicators affected during the COVID-19 pandemic (National Treasury of South Africa, 2020). South Africa has a history of inequality in income distribution and employment opportunities (International Monetary Fund, 2020) and the onset of the COVID-19 global pandemic exacerbated the situation. The South African government imposed several measures to curb the spread of the virus, including a nationwide lockdown (Nwosu and Ayenubi, 2021). This resulted in a loss of income as well as jobs.

2.8.4 Unemployment

The pandemic and the subsequent lockdown measures led to a substantial decline in employment opportunities across different sectors of the South African economy (Kohler, Bhorat, Hill, and Stanwix, 2023). Many businesses deemed not providing essential services were forced to close temporarily or permanently due to the loss of revenue during the lockdown, resulting in significant job losses (Discovery, 2020). According to official statistics, the unemployment rate reached a record high of 34.4% in the second quarter of 2020, further exacerbating the pre-existing job crisis in the country (Statistics South Africa, 2021).

2.8.5 Income Inequality and Poverty Rates

South Africa is known to have the most alarming levels of poverty and inequality in the world (Futshane, 2023). In 2017, Statistics South Africa (Stats SA) published the poverty trends which indicated that by 2015, over half (55.5 %) of the South African population (30.4 million people) were living in poverty (Statistics South Africa, 2017). Futshane (2023) points out that South Africa remains one of the most unequal countries in the world and the episode of COVID-19 exacerbated this situation. The economic downturn caused by COVID-19 has disproportionately affected the most vulnerable populations, aggravating income inequality and poverty rates in South Africa. With millions losing their jobs or experiencing reduced working hours, households were affected by diminished incomes, making it increasingly challenging to meet basic needs such as food, housing, and healthcare. The country witnessed a rapid increase in poverty rates, pushing the already impoverished population deeper into destitution (Futshane, 2023.

2.8.6 Gross domestic product growth projections

Before the onset of the COVID-19 pandemic, South Africa had been experiencing over a decade of slow economic growth, well below the population growth (Treasury, 2020). The COVID-19 pandemic further reduced production capacity, worsening the sluggish economy (Treasury, 2020). According to the Reserve Bank of Australia (2024), the size of an economy is typically measured by the total production of goods and services in the economy, which is called “gross

© University of Venda

domestic product" (GDP). Gross domestic product (GDP) is considered the main indicator of macro-economic performance and is often used by governments, businesses, and investors to make sound financial decisions (Corporate Finance Institute, 2024). Most countries use GDP as an economic indicator, but, for example, the Kingdom of Bhutan uses the Gross National Happiness Index instead (Institute of Corporate Finance, 2024). Gross domestic product (GDP) is considered the best and most accurate indicator of a country's economic growth because it accounts for the total economic output, including goods and services sold nationally and internationally (McKinsey, 2022).

Statistics South Africa reported that South Africa's GDP shrunk by 7% in 2020 (Centre for Development and Enterprise, 2021). The COVID-19 pandemic and subsequent lockdown negatively affected the South African economy (Cowling, 2023); Fernandes (2020) projected that South Africa's economy would shrink by 3.2% due to the COVID-19 pandemic. Fernandes (2020) had estimated that the prolonged lockdown, up to mid-June 2020, would result in an economic shrinkage of 6.8%, with a 10.8% shrinkage when the lockdown continued up to July 2020. South Africa's economy suffered significant contractions during April, May, and June when the country operated under widespread lockdown restrictions in response to COVID-19. Statistics South Africa (2020) states that the gross domestic product (GDP) fell by over 16% between the first and second quarters of 2020, giving an annualized growth rate of -51 %. This shows that the impact of COVID-19 on the South African economy was significant.

2.8.7 Employment estimations

Before the outbreak of the COVID-19 pandemic in early 2020, unemployment in South Africa was at a record high of 29.1% (Hlayisi, 2022). It is established that South Africa has the highest unemployment rate in the whole world (Institute for Economic Justice, 2020). The Quarterly Labour Force Survey (QLFS) estimated that the unemployment rate in South Africa was 30,1% in the first quarter of 2020 (Stats SA, 2020), however, the report by the Quarterly Labour Force Survey (QLFS) for the second quarter of 2020 revealed that South Africa's official expanded unemployment rate (EUR) figure was 42,3%. The International Monetary Fund (2023) estimated that the unemployment rate will continue to grow until 2024, with the World Economic Forum unemployment forecast predicted at an increase of 35.6% for South Africa by the end of 2023 (National Economic Development and Labour Council, 2023). As of July 2020, when COVID-19 peaked, researchers found that 3 million South Africans had lost their jobs (Business & Human Rights Resource Centre, 2020), although, the Reserve Bank of South Africa had estimated that 370,000 individuals would lose their jobs by the end of 2020 (Reserve Bank of South Africa, 2020). The loss of employment also increased poverty levels in the country. Statistics South Africa (2021) estimates that the South African economy shed over half a million jobs in the third quarter of 2021.

© University of Venda

Economists estimate that the total number of employed will take three to five years to return to 2019, pre-pandemic levels (Kruge, 2021). A study conducted by the National Income Dynamics Study (Coronavirus Rapid Mobile Survey) indicates that South Africa lost a decade's worth of jobs in less than half a year due to the strict lockdown regulations.

Statistics SA (2020) indicates that more than 9 million of the country's 10.2 million workers are employed in SMEs. GEN 22 in SLOANE (2020) maintains that small and medium-sized enterprises are considered job creators in South Africa. From the onset of the COVID-19 pandemic in Wuhan, China, in December 2019 and it swiftly spreading to almost all countries across the globe, the SME sector in South Africa has been the most affected in the country (University of Kwa-Zulu Natal, 2023). It is estimated that 92% of small business activities were significantly affected (GEN 22 on SLOANE, 2020). The GEN 22 on SLOANE (2020) further estimated that more than 55,000 SMEs will not survive an extended lockdown from the COVID-19 pandemic. TransUnion, a credit-rating agency in South Africa conducted research and the results indicated that 14% of people employed by SMEs reported that they had lost their jobs by April 2020; in addition, 37% of people had to take pay cuts, as businesses were trying to keep afloat amid a closed economy (TransUnion, 2020). The Catalyst for Growth (2020) points out that the eminent loss of SME-contributed jobs will be in the millions from the effects of the pandemic; this will be devastating to the South African economy.

The onset of democracy in 1994, prompted the government of South Africa to embark on a mission to reduce inequality and unemployment in the country and to develop policies to address them (Rooney and Asmal, 2021); however, the gains were reversed due to the COVID-19 pandemic. The OECD (2020) reiterated that the COVID-19 pandemic prompted one of the worst job crises since the Great Depression. It was established earlier that South Africa had the highest unemployment rate in the world before the emergence of COVID-19, thus, the onset of COVID-19 further aggravated the pre-existing unemployment rates (Institute for Economic Justice, 2020). The U.S. Bureau of Labour Statistics (2020) points out that it is not clear how quickly employment will fully recover since it took more than 5 years for the labor market to recover after the end of the Great Recession.

2.9 SOUTH AFRICAN FISCAL RESPONSE

The Government of South Africa allocated R500 billion as a fiscal support package that combined revenue and spending measures, with loan guarantees, amounting to approximately 10 percent of GDP (National Treasury, Republic of South Africa, 2020). This fiscal support package was mainly directed at funding the health response to the coronavirus and stabilizing the economy while also assisting the poor, vulnerable, and small businesses (Moosa, 2020). The Corruption Watch (2021) details that the emergency measures financed by the support package included

© University of Venda

providing food parcels for the needy, a temporary social grant increase for over 16 million beneficiaries, and the Temporary Employer/Employee Relief Scheme (TERS) for those whose salaries were affected. This fiscal package is considered the highest compared with other packages provided by other developing countries (National Treasury, Republic of South Africa, 2020), however, Corruption Watch (2020) notes that there have been many reports of corruption related to the COVID-19 relief funds. Table 2.3 summarizes the allocation of the R500 billion stimulus package as outlined by the South African National Treasury (2020).

Table 2.3: COVID-19 Fiscal Response Package Allocation

Measures	Amount in R(billions)	Percentage allocated (%)
Credit loan guarantee scheme	200	40%
Job creation and support for SME and informal businesses	100	20%
Tax and other levy payment holidays	70	14%
Vulnerable household support (6 months)	50	10%
Wage protection (UIF)	40	8%
Health and frontline services	20	4%
Municipality support	20	4%
Total	**500**	**100**

Source: National Treasury of South Africa (2020)

Table 2.3 depicts the allocation of R500 billion, while R200 billion was also allocated for the credit loan guarantee scheme. The credit loan guarantees scheme formed the major component of the government's supposed R500 billion relief strategy. The scheme was meant to assist businesses with less than R300 million annual turnover (National Treasury, South African Reserve Bank and Banking Association of South Africa, 2020), however, there were conditions attached to the scheme, such as the business should be in good standing with its bank. This meant that the companies were supposed to be up to date with their other loan payments or be account holders without any loans as of the end of February 2020. In addition, the business must have an existing relationship with the bank granting the loan, be registered with SARS, and be financially distressed due to the COVID-19 outbreak and subsequent lockdowns (National Treasury, South

© University of Venda

African Reserve Bank and Banking Association of South Africa, 2020). The National Treasury, the South African Reserve Bank, and the Banking Association of South Africa implemented various changes to the initial scheme to make funds more available and accessible to the public (Parliament of the Republic of South Africa, 2022). Despite significant changes and improvements to the scheme, it was reported as having failed, since only R18.2 billion of the R200 billion was disbursed (Parliament of the Republic of South Africa, 2022). This is mainly attributed to the stringent conditions attached to the relief scheme. The Small Business Institute (2021) estimated that 55,000 small businesses were expected to fail due to a lack of funding during the COVID-19 pandemic.

R100 billion was allocated for job creation and support for SME and informal businesses. This allocation was aimed at creating and retaining jobs and aiding small and medium-sized enterprises and informal firms in improving their growth, development, and sustainability. The SME sector is regarded as a major source of employment in South Africa and is projected to create over 90% of all jobs by 2030 (Matekenya and Moyo, 2022), as the funding would benefit SMEs by fostering entrepreneurship and creating new job opportunities. The funding was meant to provide financial support, training, and mentorship programs, although, the initiative can also empower individuals to start and grow their businesses; this, in turn, can stimulate economic growth and reduce unemployment rates. In addition, focusing on SMEs and informal enterprises is crucial, as they are often more resilient and adaptable than larger corporations (El-Sahli and Alsmara, 2023). Supporting these enterprises can help diversify the economy and improve its overall competitiveness. Additionally, the initiative can help reduce income inequality by creating opportunities for historically-disadvantaged individuals (Nleko, Ladzani, and Seeletse, 2023), however, a study conducted by FinFind (2020) discovered that more than 60% of SMEs who applied for government funding did not receive a response to their applications.

Table 2.9 further depicts that R20 billion of the stimulus package was allocated to the health system to provide additional support to fight against the COVID-19 pandemic (National Treasury, South Africa, 2020). R20 billion was allocated to municipalities to continue providing basic services, while R50 billion was allocated for social grant assistance increments, as half of all South African households are dependent on social grants (National Treasury, South Africa, 2020). The wage protection was funded via UIF and was allocated R40 billion.

2.9.1 South African Economic Reconstruction and Recovery Plan

To respond to the socio-economic challenges posed by the global pandemic of COVID-19, the South African government implemented the South African Economic Reconstruction and Recovery Plan (ERRP) to reconstruct and reset the economy on 15 October 2020 (Mosala, 2022). According to the Government of South Africa (2024), the principal aim of the Economic Recovery

© University of Venda

and Reconstruction Plan is to build a new economy and unleash South Africa's true potential. In South Africa, several companies and industries have embarked on a journey to guarantee that the key goal of the economic recovery plan is to create a sustainable, resilient, and inclusive economy, as a reality post-COVID-19 (MTEF Plans, 2022; Garden Route District Municipality, 2021). According to the South African Government (2020), the Economic Reconstruction and Recovery Plan comprises three (3) phases - (1) Engage and Preserve (which includes a comprehensive health response to save lives and curb the spread of the pandemic); (2) Recovery and Reform (which includes interventions to restore the economy while controlling the health risks); and (3) Reconstruct and Transform (which entails building a sustainable, resilient and inclusive economy). In addition, the plan aims to prioritize the following key areas:

- Energy security;
- Industrial base to create jobs;
- Mass public employment program;
- Infrastructure development;
- Macro-economic interventions;
- Green economy, and
- Food security and revitalization of the tourism sector (South African Government, 2020).

Mosala (2022) argues that the South African Economic Reconstruction and Recovery Plan does not present an opportunity for an economic reset but a continuation of neoliberalism. According to Manning (2022), the policies of neoliberalism typically support fiscal austerity, deregulation, free trade, privatization, and a reduction in government spending, however, the government of South Africa (2020) points out that to ensure the successful execution of the Plan, key enablers must be administered, such as - social compacting, resource mobilization, regulatory change, skills development, building a capable state, economic diplomacy, and further integration into the African continent.

In addition, specific interventions will be made in all sectors that have emerged as important areas for growth and employment (such as SMEs) to promote economic restructuring and recovery (South African Government, 2020). The South African Government (2020) further notes that interventions discussed in the Plan are directed toward the need - to protect vulnerable workers, households, and firms; build consumer, investor, and public confidence; deepen industrialization through localization; pursue environmental sustainability; deliver quick wins; as well as continue providing relief to mitigate the impact of Covid-19 (South African government, 2020). The

© University of Venda

government (2020) identified the following reforms needed to support the successful implementation of the economic reconstruction and recovery plan:

- Modernizing and reforming network industries and associated state-owned enterprises;
- Reorienting trade policies and pursuing greater regional integration to boost exports, employment, and innovation;
- Lowering barriers to entry to make it easier for businesses to start, grow, and compete;
- Supporting labor-intensive sectors, such as tourism and agriculture to achieve more inclusive growth;
- Creating greater levels of economic inclusion;
- Addressing the weak job-creating capacity of the economy'
- Boosting education and skills development;
- Promoting greater beneficiation of raw materials, and
- Addressing racial, gender, and geographical inequalities that hamper deeper economic growth and development.

In summary, the reconstruction and recovery plan attempt to develop a South African economy that meets the needs of all its citizens and redresses inequality, hence, an economy that provides jobs for all job seekers, provides equitable income distribution among all South African citizens and creates a better life for all (South African government, 2020).

2.10 ECONOMIC RECOVERY RECOMMENDATIONS

In response to the labor-related effects of the COVID-19 pandemic, the International Labour Organisation (ILO) designed a framework that governments can implement to eradicate the job and poverty catastrophes caused by the deadly pandemic (International Labour Organisation, 2020). The ILO proposed four key pillars in tackling the COVID-19 crisis, based on international labor standards (OECD, 2021). The framework comprises the following pillars: 1) stimulating the economy and employment; 2) supporting enterprises (including SMEs), jobs, and incomes; 3) protecting workers in the workplace as well as, 4) relying on social dialogue for solutions. The South African government has been applauded for its immediate and effective response to the COVID-19 pandemic and for taking strict measures, despite its poor economic and social circumstances before the onset of the global crisis (Muller, 2020). De Villiers, Ceborne, and van Zijl (2020) however, suggest that given the fact that the South African economy was already in a weak fiscal and economic position pre-COVID-19 crisis, the government could have implemented

© University of Venda

non-cash investments, which include stimulating the economy by ensuring the following:

- Promoting sustainable regulatory environments across all sectors;
- Reducing red-tape burdens to businesses, in particular SMEs;
- Providing certainty over upholding property rights;
- Providing certainty over transformation targets and regulations;
- Dealing with public sector corruption, to ensure adequate, relevant, and productive expenditure, and
- Enhancing the law enforcement and court systems.

2.11 IMPACT OF COVID-19 ON SOUTH AFRICAN SMES

Many facets of South African business and society have been affected significantly by the COVID-19 outbreak. Gen 22 on SLOANE (2020) notes that the entrepreneurship and SME sectors are the most affected by the pandemic, with approximately 92% of small businesses' operations adversely affected (Gen 22 on SLOANE, 2020). Before the emergence of the COVID-19 pandemic outbreak, the South African economy had been experiencing a trend of negative growth coupled with several rating downgrades which negatively affected the performance of SMEs (Kalidas et al., 2020; The World Bank, 2023). The outbreak of the COVID-19 pandemic, however, exacerbated the pre-existing socio-economic challenges in the economy and even unearthed new ones (The World Bank, 2023). Kalidas et al. (2020) note that SMEs were already struggling with a sluggish economy, and additional shocks emanating from the COVID-19 pandemic mounted pressure on SME operations. Kalidas et al. (2020) further note that South Africa's response initiatives and preventative measures, such as lockdowns and social distance restrictions, resulted in a drastic fall in revenue and profitability amongst SMEs; this resulted in most SMEs losing business confidence. The decline in revenue, profitability, and business confidence resulted in SMEs cutting down on their business spending and operating at drastically reduced capacity to remain operating during the difficult times of the pandemic (United Nations Development Programme, 2020). Erdiaw-Kwasie, Abunyewah, and Yusif (2023) point out that Small and Medium Enterprises (SMEs) are particularly susceptible to pandemics, affirming Effendi, Sugandini, and Istanto (2020) claim that the COVID-19 pandemic caused SMEs to become the most vulnerable sector in this economic crisis. A study conducted by Gen 22 on SLOANE (2020) shows that 92% of small business activities were affected by the pandemic, although, approximately 60% of SMEs were most likely to fail even before the pandemic crisis (Kalidas et al., 2020).

It is important to note that South Africa was already experiencing a recession before the emergence of the COVID-19 pandemic, having experienced three-quarters of continuous

© University of Venda

contractions to its GDP between quarter three (Q3) in 2019 and quarter one (Q1) in 2020 (Strauss, Isaacs, Rosenberg and Passoni, 2020). Akinyemi and Adejumo (2017) note that SMEs in South Africa, before COVID-19, were already facing significant headwinds before COVID-19 due to the country's economic recession pre-COVID-19, coupled with both micro- and macro-challenges. Research by University of Kwa-Zulu Natal (2023) highlights that most SMEs would have found it extremely difficult to cope and survive the COVID-19 preventative measures, such as the strict lockdown, although, the COVID-19 pandemic exacerbated the challenges faced by SMEs and made their survival during and after lockdown increasingly uncertain (University of Kwa-Zulu Natal, 2023). The GEN 22 on SLOANE (2020) confirmed that 92% of South African small businesses were affected by COVID-19. According to GEN 22 on SLOANE (2020), it was estimated that approximately 55,000 small businesses will not survive the pandemic, and at least 42,350 workers in the SME sector will lose their jobs. Kunene (2020) argues that the government of South Africa responded late to the challenges of SMEs, therefore, many SMEs did not survive the pandemic. Writer (2021) points out that nearly 1000 businesses closed in South Africa in the first half of 2021. A study by Kalidas et al. (2020) revealed that most SMEs encountered a low demand for their products and services. The impact of COVID-19 resulted in a decline in revenue/income, rising unemployment, and widespread SME business closure (National Youth Development Agency, 2020). The National Youth Development Agency conducted a study during COVID-19 in 2020 among SME owners and 38% of respondents indicated that they had retrenched their staff although, some businesses have been able to retain their employees, but there is a correlation between layoffs and salary cuts. Over 80% of the respondents have had to institute salary cuts (National Youth Development Agency, 2020).

The outbreak of the SARS-COV-2 novel virus prompted the declaration of COVID-19 as a global pandemic in March 2020 and resulted in over 4.5 million fatalities globally by September 2021 (de Palma, Vosough, and Liao, 2022). The COVID-19 pandemic was not only a global health crisis but also a global economic crisis (United Nations Publications, 2020). De Palma, Vosough, and Liao (2022) note that the COVID-19 pandemic also led to changes in people's mobility and lifestyle. Mene (2020) had concluded that the outbreak of COVID-19 had led to unprecedented restrictions on mobility in South Africa. The government-imposed movement restrictions, and traveling using all modes of transport; using roads, railroads, and flights in and out of the country were banned, and people were asked to stay at home as much as possible (Luke, 2020). To control the spread of the COVID-19 disease, the government of South Africa, hence, instructed a total closure of borders, flight suspension to and from South Africa, and entry or exit bans that restricted traveling due to limited face-to-face interaction or services (Mkhonza and Sifolo, 2022). Mene (2020) posits that mobility restrictions, tight budgets, and few resources inhibited SMEs from quickly adapting to the change caused by the pandemic. To stay in business, most SMEs resorted to working remotely from home to remain in business and generate revenue, however,

© University of Venda

working from home posed many challenges because not all SMEs could work virtually as it is costly and sometimes impossible, because of their limited resources available (Mkhonza and Sifolo, 2022).

According to Bouey (2020), SMEs were financially more fragile in 2020 and were normally cash-strapped when market demand was down. GEN 22 on SLOANE (2020) predicted that preventive measures such as strict lockdowns and social distancing measures will lead to 71% of businesses going bankrupt due to a lack of income. Kunene (2020) points out that sources of finance available to most SMEs include loans, savings, and family; the continued lockdown measures, hence, led to the loss of jobs because of the limited support for the businesses. DSBD (2020) reported that the impact of the COVID-19 lockdown on small businesses affected their ability to increase revenue and maintain profitability. Masadi (2020) conducted a study and found that of the 233 SMEs who took part in the survey, a significant proportion of respondents (87%) could not run their businesses from home, while 63% attempted to use social media platforms like Facebook. Glocker and Haxton (2020) point out that it is crucial to discuss the negative impact imposed by the COVID-19 pandemic on SMEs, as SMEs play a significant role in economic growth, job creation, and inclusive growth in South Africa and most countries worldwide. SMEs are commonly described as the lifeblood and backbone of the South African economy (Lubbe, 2021). It has been established that SMEs across South Africa represent more than 98 percent of all businesses; employ between 50 and 60 percent of the country's workforce across all sectors; are responsible for a quarter of job growth in the private sector, and contribute approximately 39 percent towards GDP. It is inarguable that SMEs are described as the lifeblood and backbone of the South African economy (Kalidas et al., 2020). Before the COVID-19 pandemic, SMEs faced numerous challenges hindering their growth, development, and sustainability, however, the emergence of COVID-19 worsened the situation (Kalidas et al., 2020). These authors further note that the change in the South African economy due to COVID-19 and its resultant lockdown significantly affected SMEs, as many struggled to remain in business and protect their employees' jobs and income.

Several studies that have been conducted show that the COVID-19 pandemic also yielded both opportunities and challenges for SMEs (Engidaw, 2022; Kalidas et al., 2020; Mishirif and Khan, 2023), although, Bartik, Betrand, Cullen, Glaeser, Luca, and Stanton (2020) argue that the effect of COVID-19 on South African SMEs has not been fully identified, as both the country and SMEs are still navigating through the effects of the pandemic and the possible opportunities presented thereby. The following sections, therefore, focus on the challenges and opportunities faced by SMEs in South Africa during the COVID-19 pandemic and its related lockdown measures. The sections further present strategies SMEs can implement to mitigate these challenges.

© University of Venda

2.12 COVID-19 PANDEMIC-RELATED CHALLENGES FOR SMALL AND MEDIUM-SIZED ENTERPRISES

The literature revealed that SMEs in South Africa face numerous challenges such as limited access to finance, regulatory compliance, limited market access, skills shortages, and infrastructure constraints, which hinder their performance, growth, and development, however, these challenges escalated due to the COVID-19 global pandemic (Chiloane-Phetla and Mathipa, 2021). Esau (2020) points out that the COVID-19 pandemic outbreak and mitigating measures implemented exacerbated the challenges that SMEs had been facing, hindering their growth and sustainability. The Global Entrepreneurship Monitor (2021) indicates that the contribution of entrepreneurs and SMEs to South Africa's GDP growth in the 2020-2021 financial year was minimal as this was during the peak of the pandemic. GEN 22 on SLOANE (2020) acknowledges that the COVID-19 pandemic had a profound impact on many facets of society, and entrepreneurship is one of them, with 92% of small businesses being affected. According to SEDA (20221), the number of SMMEs in South Africa (SA) declined by 11% (or 289,000) year-on-year (y-o-y) from 2.61 million to 2.33 million in the 2021 first quarter (Q1). In addition, 60% of the livelihoods of small businesses were threatened by the end of the COVID-19 pandemic era (Cunha, Entwisle, Jeenah, and Williams, 2020). Okhuwhere and Tafamel (2022) assert that the emergence of the COVID-19 pandemic has generated new critical challenges for SMEs in Africa, however, this study will focus on the challenges faced by SMEs in South Africa during the COVID-19 epidemic. These challenges are explained in detail in the following subsections.

2.12.1 Lack of access to funding

Access to adequate finance has been a major challenge faced by SMEs conducting business in South Africa even before the emergence of the COVID-19 pandemic (OECD, 2022), however, the outbreak of the COVID-19 pandemic exacerbated the challenges SMEs encounter in accessing adequate and affordable finance (Msomi and Zungu, 2023). The government of South Africa partnered with commercial banks in South Africa to provide financial relief to SMEs during and after the COVID-19 pandemic by availing R200 billion (commonly known as the Loan Guarantee Scheme) (Cunha et al., 2020), however, the Banking Association South Africa (2020) indicates that only 8% of the available funds had been approved for disbursement after five (5) months of the initiative. A report published by the Banking Association South Africa (BASA) (2020) indicates that of the applications made for the COVID-19 loan guarantee scheme, only 25% of applications by SMEs were approved, 38% were pending assessment, and 36% were rejected, with more than R183 billion yet to be disbursed. Stringent measures were put in place to obtain the funding, which includes that a business must have been registered with the Companies and Intellectual Property Commission, and it must be registered and compliant with the South Africa Revenue Service (SARS) and the Unemployment Insurance Fund (UIF) (OECD, 2022). As per the requirements, small and medium-sized enterprises (SMEs) not registered with the mentioned bodies were

© University of Venda

automatically excluded from receiving funds through the Scheme. In addition, Cunha et al. (2020) found that the credit-scoring models employed by most banks place a heavy requirement burden on SMEs, limiting their access to finance in South Africa.

2.12.1 Disruption of the supply chain

Several studies conducted in South Africa show that the COVID-19 pandemic disrupted the supply chain and negatively affected the South African economy (Naidoo, 2020; Omuruyi and Makaleng, 2022). The COVID-19 pandemic rippled the supply chain for large and small businesses (Naidoo, 2020), however, it had major detrimental effects on small enterprises (Omuruyi and Makaleng, 2022). Small and medium-sized enterprises were more exposed to supply chain disruption due to their limited resources and capabilities than large companies (Asamoah, Agyei-Owusu, and Ashun, 2019). Musela (2023) points out that the COVID-19 pandemic disrupted supply chains worldwide. In the South African context, Anakpo and Mishi (2020) similarly argue that the COVID-19 pandemic and its associated lockdown measures posed significant challenges to the South African supply chain system. The supply chain in South Africa was drastically affected by two components from the imposed lockdowns (Fatoki, 2021). Firstly, COVID-19 reduced the labor supply, as workers became sick or looked after children who could not attend school because of the lockdown; secondly, COVID-19 interrupted supply chains, leading to shortages of parts and intermediate goods (Fatoki, 2021). Harapko (2021) notes that the strict lockdown restrictions caused a slowdown in the flow of raw materials and finished goods to and from the country, affecting various sectors of the economy. The South African Reserve Bank (2022) states that the COVID-19 lockdowns halted production and led to supply shortages, backlogs at ports, and the displacement of shipping containers, thus, COVID-19 created significant challenges to the supply chain in the South African economy. A study by Harapko (2021), however, reveals that the COVID-19 pandemic did not necessarily create new challenges for the supply chain system but exposed pre-existing unseen vulnerabilities. According to Anakpo and Mishi (2021), approximately 90% of all SMEs in South Africa faced significant supply chain challenges during the pandemic due to the prolonged lockdown measures.

2.12.2 The impact of COVID-19 Decline on market demand

Market demand for SME's products or services is a critical factor influencing their success and survival (Gumel and Bardai, 2023). Cant and Wiid (2013) conducted a study and found that low demand for products and services is a major problem affecting SMEs conducting business in South Africa. The COVID-19 pandemic caused a widespread disruption in the supply chain, resulting in changes in consumer behavior as well as fluctuations in market demand, which had far-reaching consequences for businesses and industries in South Africa (Raj, Mukherjee, Jabbour, and Srivastava, 2022). The demand for goods and services classified as non-essential

© University of Venda

declined significantly, as the sale of commodities, such as alcohol and tobacco, was prohibited (Ngarava, Mushunje, Chaminuka, and Zhou, 2022). The outburst of the COVID-19 pandemic brought about a market demand shock for industries such as the agricultural, entertainment/hospitality industry, retail/wholesale businesses, and transport sectors, in most developing countries such as South Africa (COMESA, 2020). The regulations imposed by the government to curb the spread of the novel coronavirus virus, such as social distancing, lockdowns, and the restriction of physical movement, instigated a disruption in consumer behavior as well as consumer spending leading to a drop in market demand for goods, or services across the globe, and South Africa was not exempted (Das, Sarker and Debroy, 2022). Reda (2021) states that due to the restrictions imposed by the South African government in response to the COVID-19 outbreak and the resultant loss or reduction of income, there has been a change in consumer behavior and demand for retail goods and services. Arndt et al. (2020) concur that the lockdown regulations had a major adverse impact on market demand, as people were only allowed to buy essential products. During the pandemic, the government's policy on movement restrictions, peoples' worries and panic about contracting the COVID-19 virus, significantly reduced the consumer demand for non-essential goods, causing decreased expenses on social activities. This led to less demand for goods and services for most SMEs, relying on walk-in customers (Ma, Liu, and Gao, 2021).

2.12.3 Cash-flow management

Even before the outbreak of the COVID-19 pandemic, it was established that most SMEs in South Africa have been experiencing poor cash-flow management problems (Business Partners Limited, 2022; SA SME, 2022). According to a survey by Xerox in December 2019, 91% of SMEs were owed money outside of their payment terms, and 47% cited cash flow issues and late payments as two of the main obstacles to their growth and development (SA SME, 2022). Planting (2020) points out that the number of SMEs in South Africa has been stagnant since 2004, although, these businesses were already struggling before the COVID-19 pandemic. In addition, the Small Business Research Specialists (2020) note that the SME sector has been predominantly vulnerable to any shocks to the system; however, the emergence of the COVID-19 pandemic worsened the situation, since many South African SMEs do not have sufficient cash flow management skills and adequate cash reserves (Cowling and Rocha, 2020). The lockdown and movement restrictions imposed by the government also affected revenue generation by SMEs, and analysts estimated that 60% of SMEs were most likely to fail before the crisis would have ultimately been over (Mckinsey, 2020). Statistics South Africa (2020) shows that 90% of all SMEs were forced to close temporarily to prevent the spread of the coronavirus. Several South African SMEs were negatively affected by the temporal closure of their operations, leaving them with little or no cash to cover their daily expenses, such as rent, replenishing stock, or interest on loans (Weber, 2020) for Menzies and Erwin (2020) note that 74.9% of SMEs in South Africa had no

© University of Venda

cash reserves. The South African government acted swiftly and made available funding in partnership with commercial banks in South Africa to provide financial relief to SMEs during and after the COVID-19 pandemic. This was done by availing R200 billion (commonly known as the loan guarantee scheme), however, obtaining funding for most South African SMEs was impossible because of the many bottlenecks in funding-application processing. Menzies and Erwin (2020) indicate that less than 50% of all the SMEs that applied for relief funding during lockdown, succeed as the rejection rate of those that did apply was over 90%. This clearly shows that available funding options do not suit most SMEs in South Africa, and the government must address this issue since SMEs play a crucial role in employment creation, poverty alleviation, and contribution towards GDP.

2.12.4 Inconsistencies in COVID-19 policies and regulations on SMEs in South Africa

The COVID-19 pandemic brought about a range of policy responses and measures from the South African government, intended to curb the spread of the novel virus and mitigate its economic impact (Tralac, 2020). The South African government has been applauded for its swift response to the COVID-19 pandemic, implementing a strict lockdown within three weeks of its first recorded case (Muller, 2020). As of May 2020, researchers found that South Africa's travel restrictions and lockdown measures saved 20,000 lives (Friedman, 2020), although, Mbunge (2020) maintains that the government of South Africa delayed acting against the pandemic due to underestimating the ruthlessness of COVID-19. The strict lockdown and movement restrictions were intended to mitigate the spread of the virus; however, the measures had a severe impact on all businesses worldwide, with a disproportional effect, especially on SMEs (United Nations Development Programme South Africa, 2020). Bartik, Bertrand, Gullen, Glaeser, Luca, and Santon (2020) contend that the key victims of the COVID-19 outbreak were the SMEs because in comparison to large enterprises, they usually do not possess sufficient resources, especially financial and managerial, and are not prepared for such disruptions likely to go longer than expected. The government of South Africa is applauded for its quick intervention in mitigating the spread of COVID-19, however, the preventative measures and policies also had a significant negative impact on SMEs (Omar, Ishak, and Jusoh, 2020). As a result of these strict restrictions on the movement of people and goods, SMEs suffered from a shortage of workers and production inputs because of regulations that affected supply chains, sales, and revenue (Gurría, 2020). These challenges also resulted in decreased consumer spending because of the reduction in consumers' income and widespread feelings of uncertainty (Gurría, 2020), thus, many SMEs found themselves incapable of dealing with the overwhelming pressure from supply and demand. Bartik et al. (2020) note that most firms stopped their production and remained closed during the first months of the outbreak.

© University of Venda

2.13 STRATEGIES TO MITIGATE SMALL AND MEDIUM-SIZED ENTERPRISE-SPECIFIC COVID-19 EFFECTS

The previous section explored business challenges faced by SMEs in South Africa during and after the COVID-19 pandemic. The SME sector in South Africa had pre-existing challenges, however, the emergence of the COVID-19 pandemic exacerbated these challenges and even brought new ones (Khoza, Adeniyi, and Ayandibu, 2022). The government of South Africa imposed a strict lockdown to curb the spread of the COVID-19 disease, however, the lockdown had a distressing impact on the survival and development of SMEs in South Africa and most countries worldwide (Menzies and Erwin, 2020). According to the National Income Dynamics Study, South Africa lost a decade's worth of jobs in less than half a year of lockdown, and the economy slowed by 16.4% in the second quarter of 2020 compared with the first quarter of 2020 (Menzies and Erwin, 2020). In some instances, the profound impact of the containment measures led to permanent business closures (Catalyst for Growth, 2020), although, some SMEs in South Africa and across the globe survived the challenges imposed by the COVID-19 pandemic and its associated lockdown measures due to their intrinsic capability to embrace and implement new and evolving business strategies to provide alternative products and service, ensuring continued business performance. McKinsey (2020) states that staying competitive in this new business and economic environment (such as posed by the COVID-19 pandemic) requires new strategies and practices. The following section presents the robust strategies implemented by SMEs in South Africa and most countries worldwide to mitigate the challenges encountered by SMEs due to the COVID-19 pandemic and its associated strict lockdowns.

2.13.1 Digital and New Technologies Adoption

The COVID-19 pandemic had a profound impact on the business environment across the globe (Gan-Codrean and Fora, 2022). Most governments adopted safe social-distance measures to reduce the spread of the pandemic and suspended business activities considered as non-essential (Gregurec, Furjan, and Tomicic-Pupek, 2021). The spread of the virus, however, continued swiftly, prompting the imposition of strict lockdowns and the elimination of certain business activities in most countries (Bretas and Alon, 2020). The International Monetary Fund (2020) confirms that the COVID-19 pandemic disrupted many business activities worldwide due to strict lockdowns and social distancing and these measures played a crucial role in reducing the spread of the deadly virus. In line with the discussed measures implemented by most governments, some sectors/businesses that rely on social interaction like sports, travel, tourism, hospitality, and manufacturing, experienced adverse impacts (International Monetary Fund, 2020). Due to their reliance on physical interaction with customers, most SMEs were affected by lockdowns and social distancing (OECD, 2020; Thukra, 2021). In addition, most SMEs lost

© University of Venda

revenue during the lockdown as they were not permitted to conduct business (if deemed non-essential) (Rajagopaul, Mangwentshu, and Kalidas, 2020).

Most SMEs in many countries, including South Africa, had to adopt digital and new technologies into their business models to mitigate challenges imposed by COVID-19 and its associated preventative measures (Rajagopaul et al., 2020). The COVID-19 pandemic prompted changes in consumer behavior, market balance, supply chains, and digital technology adoption and assisted SMEs in taking advantage of the window of opportunity (Ceylan, Ozkan, and Mulazimogullari, 2020). According to Prace (2021), digital technologies refer to electronic tools, systems, devices, and resources that generate, store, or process data that can be utilized for commercial or other purposes. Common examples of digital technologies include - social media, personal computers, tablets, digital cameras, online games, multimedia, and mobile phones (Prace, 2021).
Some studies that have been conducted reveal that the COVID-19 pandemic acted as a catalyst in the digitalization of businesses worldwide (Amankwah-Amoah, Khan, Wood, and Knight, 2021; Lumat, 2023). With the COVID-19 preventative measures such as lockdowns and restrictions on close physical proximity interactions, most SMEs were forced to adapt to remote work, online sales, and digital marketing strategies to endure in the challenging economic environment (Cong, Yang, and Zhang, 2021; Lumat, 2023). Research illustrates that digital technologies play a critical role in ensuring continuity and resilience for SMEs, thereby, improving their productivity and performance (Gypta and Bose, 2019; Papadopoulos, Baltas, and Balta, 2020).

Most new digital technologies are embedded in the Fourth Industrial Revolution (4IR). The 4IR combines five main technologies: The Internet of Things (IoT), Big data analytics, Cloud computing, 3D printing/Additive Manufacturing, and Robotic systems (McGinnis, 2020). David, Nwulu, and Aigbavboa (2022) indicate that the technologies of the Fourth Industrial Revolution (4IR/Industry 4.0) are technological catalysts for all fields of human endeavor, hence, are considered an integral part of leveling the playing field for small businesses (Johannesburg Business School, 2022). The Fourth Industrial Revolution allows entrepreneurs and small business owners to innovate faster and be competitive without investing in expensive infrastructure (Johannesburg Business School, 2022). McKinsey (2020) predicts that digital and new technologies will enable SMEs to increase their reach, reduce costs, and overcome scale inefficiencies, compared to larger players. The alteration of businesses' models, reinforced by adapting digital technology, is one of the key strategies used to respond to disruptive environmental changes such as the one caused by the pandemic (Achieng and Malatji, 2022). Against this background, digital technology adoption is considered a feasible response to the disruptive changes caused by the COVID-19 pandemic (Priyono, Moin, and Putri, 2020).

© University of Venda

The digital transformation of SMEs can enable them to expand their customer and supplier base and create business models that enhance operations, products, and services, to generate revenue and increase value (Achieng and Malatji, 2022). Warner and Wager (2019) had also noted that digital technology allows firms to transform business models swiftly and not in traditional ways; for instance, most SMEs had to permit employees to work remotely from home to maintain the preventative measures for social distancing. That has amplified the need for SMEs to adopt digital transformation to continue operating at full capacity despite any disruptions (Priyono et al., 2020). Kumar et al. (2020) claim that embracing new technologies was a crucial consideration for SMEs during COVID-19, as it allowed employees to work remotely to avoid physical contact. Papadopoulos et al. (2020) also emphasized leveraging digital technologies to enhance SME performance, particularly during extreme events. Digital technology adoption is identified as the most appropriate tool for SMEs for mitigating the repercussions of events such as the COVID-19 pandemic; however, despite the significant contribution of digital technology towards mitigating challenges, SMEs face numerous challenges in digital and new technology adoption, which include - the high cost of technology and infrastructure, technical skills and efficiency, adoption challenges, as well as lack of organizational and governmental support (Syed, Kumar, Shaikh and Shaikh, 2021).

2.13.2 Developing clearer market access strategies

The literature showed that small and medium enterprises play an essential role in driving economic growth, poverty reduction, job creation, and the overall development of the economy. Faster Capital (2023) indicates that for SMEs and entrepreneurs to succeed and develop, they must enter markets where they can sell their products and reach their target customers. Faster Capital (2023) further points out that market access is a vital component of any entrepreneurial ecosystem and can make or break a business. Market access refers to the ability of entrepreneurs to enter and operate within a specific market and it encompasses various factors such as regulatory frameworks, infrastructure, distribution channels, and customer reach. Without adequate market access, entrepreneurs may struggle to penetrate new markets, expand their customer base, and generate sustainable revenue streams (Faster Capital, 2023).

The Department of Small Businesses and Development (2019) in South Africa reported that the SME sectors were already facing challenges in access to markets due to their limited capabilities to participate in upstream and downstream activities, in large commercial value chains. Kollambarambil and Oyenubi (2020) posit that the COVID-19 pandemic exposed the pre-existing challenges that most South African SMEs do not have a clear market access strategy. Kalidas, Magwentshu, and Rajagopaul (2020) point out that the change in the market environment and demand because of the COVID-19 pandemic worsened SMEs' lack of access to markets for their

© University of Venda

products and services; this has made it necessary for SMEs to develop clearer market access strategies to be able to increase their market shares during extreme events. SMEs, hence, must develop their market access strategies with greater creativity and scope by re-evaluating current ones (Kalidas et al., 2020). Kalidas et al. (2020) further point out that the 're-evaluation' of existing strategies will help entrepreneurs and SMEs have a clearer and more articulate market access strategy to mitigate regressions in market supply and demand disruptions caused by incidents like the COVID-19 pandemic.

According to Gregurec, Furjan, and Tomicic-Pupek (2021), the COVID-19 pandemic has forced SMEs to assess their core competencies, seek new opportunities, and identify sustainable business models, so as to become more resilient. Similarly, Bidin, Kornelius, Buntuang, and Bidin (2020) state that SMEs need to rethink market access strategies, as some strategies that were used before the advent of COVID-19 can no longer be used, due to a shift in the market environment. Kornelius and Buntuang (2020) however, argue that it is the fundamental role of the government to rethink the right strategy to be incorporated by SMEs after crises. Kalidas et al. (2020) are of the view that developing clearer market access strategies could enable SMEs to concentrate on their core value propositions, which could be leveraged for these enterprises to establish themselves in any market

2.13.3 Retraining and redeveloping employees

The COVID-19 pandemic presented unprecedented alterations in the business environment. For instance, businesses had to shift physical workplaces to remote workforces and adapt to digital transformation (Corrigan, 2023). Most, if not all, companies were forced to adapt quickly to the new normal to thrive or even survive (Corrigan, 2023). The author further states that as we move toward a post-COVID-19 workplace, organizations must prioritize training and development as a key aspect of their recovery and growth strategies, thus, the impact of retraining and redeveloping employees to mitigate challenges encountered by SMEs cannot be underestimated. Bierman (2022) points out that human capital is arguably an asset for any SME since it contributes significantly towards the sustainability and financial viability of enterprises in a direct way. In terms of human resources, there are three ways in which training and redeveloping play a crucial role in developing human capital during and after extreme events (Corrigan, 2023). Firstly, training and development will enable SMEs to retain their workforce by equipping them with the necessary skills to adapt to new roles and responsibilities (Customer Passion Point Limited, 2023). In addition to reducing the risk of unemployment, this also strengthens the loyalty and morale of employees, which benefits both parties (Customer Passion Point Limited, 2023). Secondly, retraining and redevelopment of initiatives will contribute to the growth and competitiveness of SMEs (Customer Passion Point Limited, 2023). By investing in the development of their

© University of Venda

employees, businesses can enhance their operational efficiency, embrace new technologies, and seize emerging opportunities. Saah (2022) attributed the high failure rate of SMEs in most developing countries to inadequate human capital education and training. Leboea (2017) had similarly suggested that the lack of education and training is one of the key attributes of the high failure rate of SMEs in South Africa. Lastly, retraining and redeveloping employees promotes societal resilience and economic recovery. By ensuring that individuals have the skills and knowledge needed in the post-COVID labor market, SMEs can play an important role in reducing unemployment and revitalizing local economies (Jabari, Zhang, Roll, Auguste, and Heller, 2023). The literature shows that training and redevelopment play an essential role in the sustainability of SMEs, including employee retention and performance, however, it is vital to consider both the positive and negative aspects of retraining and redeveloping employees, in the context of the COVID-19 challenges experienced by SMEs. Evolia (2021) notes that training and redevelopment may lead to financial expenses or expenses associated with implementing comprehensive retraining programs. SMEs, particularly those operating on limited budgets, may find it challenging to allocate resources for training initiatives (Lee, 2023), hence, the government of South Africa should provide subsidized training to SMEs (Rabie, Cant, and Wiid, 2016). Timmis (2023) concludes that SMEs conducting business in South Africa need more government investment in digital skills and innovation, although, there may be resistance from employees who are reluctant to adapt to new roles or technologies (Lee, 2023). Overcoming these challenges requires careful planning, strategic investment, and effective communication between employers and employees (Lee, 2023).

2.13.4 Retrofitting strategy

COVID-19 caused widespread destruction worldwide (Thukral, 2021). Due to the absence of proper medication and prevention, most governments worldwide imposed partial or complete lockdowns to curb the diffusion of the virus (Thukral, 2021). The lockdown had a devastating effect on the livelihood of many SMEs in South Africa and most countries throughout the world (Menzies and Erwin, 2020). Small and medium-sized enterprises (SMEs) faced unprecedented challenges during COVID-19, as traditional business models became ineffective due to lockdowns and social distancing measures (Thukral, 2021). To survive and thrive in this new business landscape, SMEs adopted retrofitting strategies that allowed them to adapt to the circumstances and take advantage of emerging technologies associated with the Fourth Industrial Revolution (4IR) (Zulu, Pretorius, and van der Lingen, 2022). Pardo-Bosch, Cervera, and Ysa (2019) identify ‘retrofitting strategy’ as mostly used in the built environment sector, for example, construction, building, architecture, and civil engineering. El-Darwish and Gomaa (2017) define “retrofit” as installing, fitting, or adapting something old for use and adding new technology or features to older systems for some reason or another. The 4IR revolution focused on retrofitting technology, which involves

© University of Venda

adding new technologies and functions to old technology systems (Zulu, Pretorius & van der Lingen, 2021). Arribas and Alfaro (2018) suggest that 4IR is not only about leveraging new technologies but is also about changes to existing key business elements, such as strategies, business models, and organizational structures and cultures. The impact of the retrofitting strategy used by SMEs during COVID-19 and 4IR has been significant. Firstly, SMEs can leverage 4IR technologies, such as cloud computing, artificial intelligence, and e-commerce platforms to enhance their online presence, streamline operations, and reach wider customer bases (United Nations Industrial Development Organisation, 2021). In addition, digital transformation has enabled SMEs to overcome geographical limitations and compete with larger enterprises on a more level playing field (United Nations Industrial Development Organisation, 2021).

Furthermore, the retrofitting strategy has allowed SMEs to identify new revenue streams and diversify their offerings; for instance, many restaurants and cafes have transitioned to takeouts and delivery services during lockdowns, leveraging online food delivery platforms. By adapting these strategies, SMEs have not only been able to survive the immediate challenges but also have the potential to thrive in the digital economy for an extended period (Huang and Siao, 2023).

2.13.5 Digital Marketing Strategies

The COVID-19 pandemic posed many challenges to SMEs conducting business activities in South Africa, such as limited physical interactions, supply chain disruptions, and reduced foot traffic (Nsomba, Tshabalala and Vilakazi, 2021), however, the challenges have also served as catalysts for adopting digital marketing strategies (LaBerge, O'Toole, Schneider, and Smaje, 2020). SMEs quickly realized the potential of leveraging digital platforms to reach their target audience, maintain customer relationships, and ensure business continuity (Lukonga, 2020). Arobo (2022) points out that one of the most significant impacts of digital marketing during the pandemic was the ability of SMEs to reach a wider customer base. Businesses have leveraged social media, search engines, and email marketing to expand their reach beyond geographic boundaries. This newfound virtual presence has enabled SMEs to tap into new markets, expand their customer base, and generate much-needed revenue in times of uncertainty (Arobo, 2022). Gao, Siddik, Abbas, Hamayun, Masukujjama, and Alam (2022) conducted a study in Bangladesh and claimed that digital marketing strategies significantly affect the financial performance of SMEs.

Another notable impact of digital marketing in South Africa was the democratization of advertising. Traditionally, advertising through traditional media channels such as television, radio, and newspapers was expensive, making it inaccessible to most SMEs, however, digital marketing platforms have provided cost-effective alternatives that have allowed businesses to create targeted campaigns within their budgetary constraints. This shift has empowered SMEs to

© University of Venda

compete on a more level playing field with larger enterprises (IMM Institute, 2023), however, despite the benefits of digital marketing for SMEs, there are some challenges and disadvantages to consider. One such challenge is the digital divide that exists within South Africa, for although internet usage is becoming more prevalent in the 21st century, some individuals still lack a stable internet connection or digital device. This creates inequalities and hampers the ability of SMEs to reach a wider audience (Tempest, 2020). According to Chapman, Chappa, and Katrodia (2018), the adoption of digital marketing is low among small and medium-sized enterprises (SMEs) in South Africa. The reasons for this low level of adoption of digital marketing include factors such as - poor website quality, limited technological skills, and a general lack of knowledge about digital marketing and associated benefits (Chapman et al., 2018).

2.13.6 Partnership strategy

Most businesses formed partnership strategies to mitigate the challenges posed by the COVID-19 pandemic (Du, Razzaq, and Waqaz, 2022). Tijani, Osagie, and Afolabi (2021) found that partnership positively affected SMEs' survival, post-COVID-19, in Nigeria. Vanags, Ābeltiņa, and Zvirgzdiņa (2018) identify the partnership model as one of the most popular models in business activities. According to these authors, a partnership strategy is an arrangement between two or more SMEs to help each other or to work together to make it easier for each of them to achieve their objectives. It is established that partnerships are mutually agreed-upon collaborations among SMEs or organizations that share common goals and missions (GGI Insights, 2022). Vanagas et al. (2018) further note that partnerships can take on many objectives and levels of formality depending upon the nature of the agreement, however, the overall goal of strategic partnerships is to share resources in a way that promotes growth for all partners. Partnerships can take place in different shapes or forms, for instance, between businesses in the same industry or even across industries (OECD, 2019).

The COVID-19 pandemic resulted in SMEs identifying strategies to become more resilient and flexible tactics, such as network collaboration with private organizations to enhance the level of digitalization, and to develop strategic partnerships and long-term relationships and commitments among customers and SMEs (Liguori and Pittz, 2020) McFarlin (2017) states that the partnership strategy is beneficial for SMEs with limited resources, hence, Vanagas et al. (2018) suggest that two complementary SMEs that do not have adequate financial resources to develop or access their desired markets can form a strategic partnership to help them accomplish their goals. Partnership, therefore is a strategy that SMEs across sectors can adopt to mitigate the challenges posed by the COVID-19 pandemic or any extreme events (Rajagopaul, Magwentshu, & Kalidas, 2020).

© University of Venda

2.13.7 Innovation

Innovation plays a crucial role in enabling SMEs to overcome any business challenges. By embracing innovative practices, SMEs can find new ways to meet evolving customer needs, optimize operations, and explore untapped market opportunities. Innovation allows SMEs to pivot their business models, adopt digital technologies, and develop new products or services better suited to the current environment (Ganotakis, Angelidou, Saridakis, Piperopoulous, and Dindial, 2023). This process enables businesses to adapt quickly to changing circumstances, enhance their competitiveness, and build resilience (Achieng and Malatji, 2022). The capacity for innovation is essential for survival, but it also enables SMEs to thrive in any post-pandemic environment, positioning them as leaders in recovery and growth. Adam and Alarifi (2021) found that the some of the innovation practices adopted by SMEs to face the repercussions of COVID-19, positively affected the performance and likelihood of business survival.

2.14 CHAPTER SUMMARY

This chapter presented the various definitions of what constitutes an 'SME'; however, the literature indicates that the definition of SME varies among different agencies, organizations, and countries, making it unclear what constitutes an SME. It has been established that the difficulty in obtaining funding for SMEs is often associated with the diversity of definitions used to describe them. The chapter also explored the importance of SMEs across the globe as well as in South Africa. It has been acknowledged that SMEs play a significant role in employment creation, poverty alleviation, contribution towards GDP, innovation, and new skills, to mention just a few; however, despite the great contribution of SMEs, it is recognized that they face many challenges that hinder growth, development, and sustainability. The literature further revealed that the outbreak of the COVID-19 pandemic negatively impacted not only the country's general economy but especially SMEs. This is because the COVID-19 pandemic intensified the difficulties experienced by small and medium-sized enterprises (SMEs) while also creating new ones. Various strategies have, however, been identified to mitigate these noted challenges. Chapter three (3) presents the concept of digital marketing and identifies theoretical models in literature used to predict the adoption of digital marketing by various organizations, including SMEs.

© University of Venda

© University of Venda

CHAPTER THREE

DIGITAL MARKETING RESOURCES AND CAPABILITIES

3.1 INTRODUCTION

Digital marketing is continuously gaining recognition as a crucial aspect of business operations for small, micro, and medium enterprises (SMEs) and large firms (Bruce, Shurong, Ying, Yaqi, Amoah, and Eqala, 2023), for it provides advantages such as - increased reach, targeted audience engagement, measurable results, and cost-effectiveness (Chavev, Magsino, and Madrilejos, 2022). The onset of the COVID-19 global pandemic led to a surge in digital transformation and digital marketing strategies (Almemam, 2024). Ristovska, Blazheska, and Gramatrikovki (2023) note that the COVID-19 pandemic forced many companies to pivot their business models to a digital marketplace to survive. Several studies conducted in South Africa reveal an emerging digital landscape (Mokofe, 2023; Zabriskie,2023). Statistics on the phenomenon, in South Africa indicate a digital adoption rate of 72.3% by 2023, highlighting the potential of digital marketing opportunities available to businesses in the country and across the region (Kemp, 2023). Digital marketing has significant benefits for all types of companies, including SMEs, however, research shows that the level of adoption among SMEs in South Africa, particularly in the City of Tshwane Metropolitan Municipality is low compared to most countries (Chapman, Chapman, and Katrodia, 2018; Yong, 2023). In today's highly-competitive marketplace, digital marketing has emerged as a critical tool for businesses to reach their target audience and drive growth (Segreto, 2023), although, a lack of knowledge about digital marketing is a major issue for small business owners and managers (Chaudhary, 2023). Section 3.2, which follows, presents the concept of ‘digital marketing’.

3.2 THE CONCEPT OF DIGITAL MARKETING

The digital marketing perspective is constantly changing, with new trends and strategies shaping how businesses connect with their target customers (Ram, 2023). The rise of digital marketing has enabled companies to reach a larger customer base and establish an online presence (Nagpal, 2024). There are several definitions of the digital marketing concept, however, the lack of a consistent and universally-accepted definition for digital marketing poses distinct challenges for small and medium-sized enterprises (SMEs) (Hughes, 2023). Shalton (2016) contend that there are many gaps in understanding the concept of digital marketing. Section 3.2.1 presents various definitions of the concept of digital marketing.

© University of Venda

3.2.1 Definitions and overview of digital marketing

Philip Kotler (1991: 38) coined the first definition of digital marketing in the early 1990s. Philip Kotler, a well-respected marketing professor also known as the “father of digital marketing”, defined the concept as "the process of building and maintaining customer relationships through online activities to facilitate the exchange of ideas, products, and services that satisfy the goals of both parties”. Kotler and Armstrong (2009), add that digital marketing is a form of direct marketing that links consumers with sellers electronically using interactive technologies like emails, websites, online forums and newsgroups, interactive television, and mobile communications. Digital marketing, hence, involves marketing products or services through digital technologies such as the Internet, mobile phones, billboards, and other digital media (Desai, 2019). The process involves using digital channels to reach customers or promote a brand (American Marketing Association, 2024). The American Marketing Association (2024) further notes that digital marketing can be executed on the internet, social media, search engines, mobile devices, and other channels. Deshpande (2021), see digital marketing is an approach that primarily relies on the internet to connect with the target audience through various digital media channels and platforms. Adobe Experience Cloud Team (2023) states that digital marketing, also known as “online marketing” or “internet marketing”, is a form of selling that uses the internet and technology to connect with potential customers. Coursera (2024) similarly, explicate digital marketing as a strategy that employs the internet and digital technologies, such as computers and mobile devices, to connect with consumers.

Some key characteristics are identical across these various definitions, despite some subtle differences in them. The first characteristic entails the utilization of digital technologies to engage and communicate with customers; another common characteristic is the focus on targeting and personalization, for the process allows for precise targeting based on demographic data, interests, and behaviors. Measurement and analytics are also crucial components of digital marketing. Unlike traditional marketing channels, digital marketing facilitates tracking and measures distinct metrics such as website traffic, engagement, and conversions. Digital marketing is commonly referred to as - e-marketing, online marketing, and internet marketing - although these terms are used interchangeably (Etate and Uranta, 2021; Veleva and Tsvetanova, 2020). Shaltoni (2016), however, notes that the “e” part of “E-marketing” has caused more confusion in understanding the concept of digital marketing among researchers and instructors because of the lack of agreement on what is electronic and what is not, which can be described as the “e-dilemma”. It is

© University of Venda

paramount to note that digital marketing, e-marketing, and online marketing are different marketing sectors.

The Indeed Editorial Team (2023) defines e-marketing as an advertising discipline that includes all marketing activities conducted by a business online using an electronic device or the internet. The definition indicates that e-marketing is a subset of digital marketing that focuses on using the internet to advertise products and services rather than all digital platforms, hence, Despite the resemblances in goals and the use of electronic devices, there are significant differences between digital marketing and e-marketing. Firstly, e-marketing mainly focuses on using the internet and other electronic tools to convey marketing messages (Jaas, 2022). On the other hand, digital marketing encompasses a wider scope, using the internet and other various digital channels, such as social media, search engines, websites, and mobile applications (Desai, 2019).

Ali (2021) points out that it is easy to confuse online marketing and digital marketing concepts, especially with the boom in internet traffic over the past decade, however, Chaffey (2022) argues that digital marketing covers a broader scope than online marketing. According to Market Business News (2024), online marketing refers to techniques and strategies that use the internet to target potential customers. Digital marketing is an umbrella term encompassing all types of marketing involving electronic media (Desai, 2019), for instance, digital marketing uses radio, phone applications, televisions, and electronic billboards to convey information to potential customers (Pecanha, 2022). therefore, it is incomplete to conclude that digital marketing is analogous to online marketing since it goes beyond; it includes using other digital platforms instead of only the Internet (Monnappa, 2022).

For this study, a definition developed by Coursera Staff (2024) will be adapted throughout the study. Coursera (2024) defines digital marketing as a selling strategy that employs the internet and digital technologies, such as computers and mobile devices, to connect with consumers. This definition is considered the most accurate because it includes various strategies and channels and emphasizes the goal of reaching and engaging a target audience. This definition is in line with the one provided by Philip Kotler, widely known as the ‘Father of Modern Marketing’. Digital marketing, as defined by Kotler, involves utilizing digital technologies to achieve marketing objectives and deliver value to customers (Kotler, Kartajaya, and Setiawan, 2021). The definition developed by Kotler highlights the utilization of digital tools and platforms to achieve marketing goals, efficiently and effectively. In addition, the study does not equate concepts such as online marketing and e-marketing to digital marketing, for the researcher considers digital marketing to be broader than e-marketing and online marketing. According to the IMM Institute (2023), digital

© University of Venda

marketing has a great impact on the marketing field. The major advantages of digital marketing include its ability to target specific audiences with precision and allow for immediate feedback and measurement of campaign effectiveness (Abiola, 2023). Digital marketing can benefit a company by increasing its reach, generating more sales, and increasing brand awareness (Indeed Editorial Team, 2024).

3.2.2 The history and development of digital marketing

A significant change has occurred in digital marketing, surpassing previous expectations and transforming how enterprises promote goods and services. Singh (2021) agrees that digital marketing has become the most popular means of business. Bold Online (2023) points out that digital marketing has become a ubiquitous buzzword in South Africa and most countries. Approximately 5,000 people use Google to search for the phrase “digital marketing trends” monthly (Spiryn, 2023). The author further notes that most marketers try to predict the future and what will be the top priority in digital marketing, in the upcoming year. The School of Digital Marketing (2021) conducted a survey in South Africa, which revealed that digital marketing was being used by 65% of the small and medium-sized businesses surveyed. This clearly shows that digital marketing is gaining popularity in South Africa. Kemp (2021) points out that the worldwide population that uses the Internet daily is 4.66 billion or 59% of the total population. Suruso and Rafinda (2021) advocate that people spend more time on digital platforms as this will enable people to access information, products, services, and communications. Figure 3.1 shows an annual overview of the adoption and use of connected devices and services.

© University of Venda

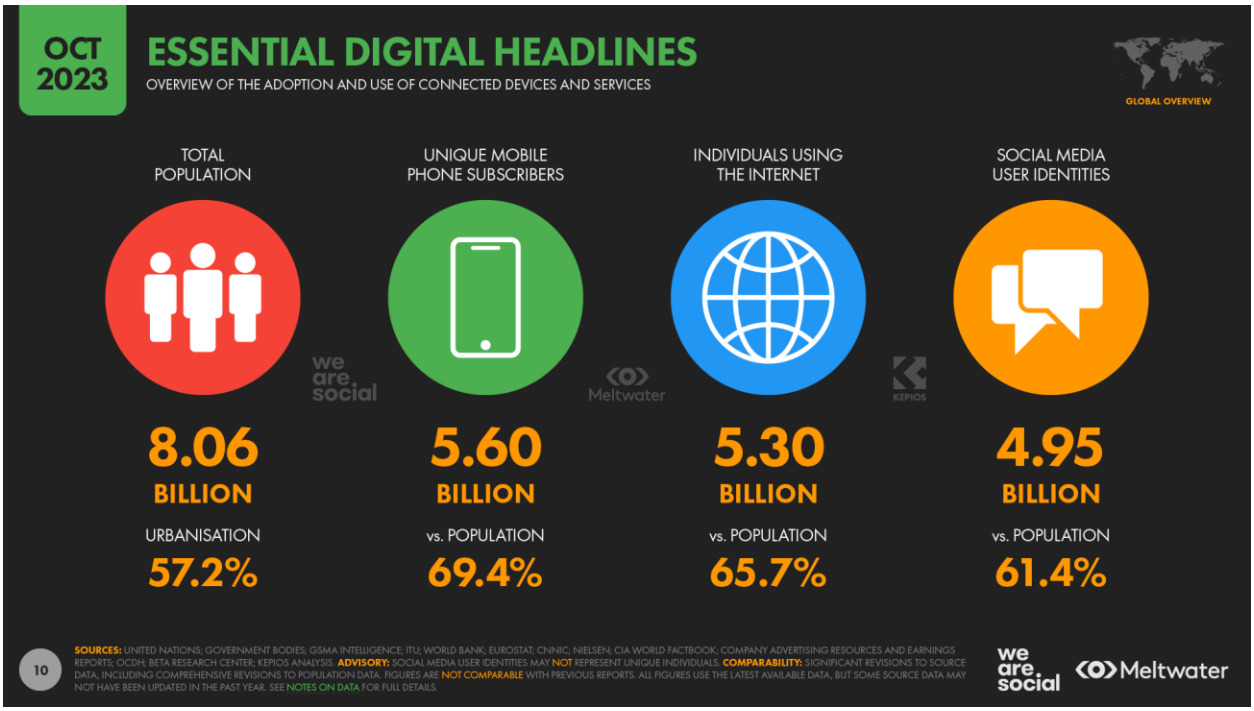


FIGURE 2.1 ANNUAL OVERVIEW OF THE ADOPTION AND USE OF CONNECTED DEVICES AND SERVICES
Source: Kemp (2023)

Figure 3.1 shows that 69.4%, or 5.60 billion people worldwide, use mobile phones; 5.30 billion people use the internet and 4.95 billion people use social media. Kemp (2023) points out that the statistics of social media users, worldwide, grew by 215 million from October 2022 to October 2023. Social media users increased by 4.5 percent per year, with the average social media user visiting or using 6.7 different social platforms every month (Kemp, 2023). De Vaal (2023) suggests that the right content on social media is important in digital marketing. Table 3.1 shows the total mobile internet traffic worldwide from 2015 to 2023.

© University of Venda

Table 3.1 Global Total Mobile Internet Traffic from 2015 to 2023

Year	Mobile Internet Traffic
2015	35.20%
2016	43.66%
2017	51.88%
2018	50.81%
2019	50.43%
2020	51.61%
2021	55.01%
2022	58.37%
2023	60.67%

Source: Ruby (2024)

Table 3.1 depicts that the percentage of people accessing the internet using mobile devices has increased significantly from 2015 to 2023, as shown by mobile internet traffic; in 2015, Mobile Internet Traffic was 35.20% and rose to 60.67% in 2023. An increase in the number of mobile phone users has a substantial impact on digital marketing (Jokubaitis, 2023). Raju (2023) states that the influx of people using smartphones as their primary means of accessing the Internet has made marketers shift their focus to digital marketing. Taylor (2023) estimates that about 26.3 million people use smartphones in South Africa. According to Cowling (2024), 92.36% of internet users in South Africa are accessing the internet via their mobile phones. It is acknowledged that South Africa has the highest internet usage in the world, and an average internet user spends over 9 hours per day (Mclnnes, 2024). It is estimated that 81% use laptops and desktop computers to connect to the internet (Cowling, 2024). Furthermore, 21% access the internet using smart home devices (Cowling, 2024). Table 3.2 provides a summary of the evolution of digital marketing.

© University of Venda

Table 3.2 Summary of the digital marketing landscape

1980s	1990s	2000s	2010s
TECHNOLOGY RESPONSE			
1981-1st personal computer Launched by IBM 1986- 1st marketing database software 1986- The Adoption of SQL as a standard 1989- Computer storage capacity increased to 100 megabytes (MB)	1990- Digital marketing term 1st used 1990- Launch of Archie: 1st search engine 1993- 1st clickable web-ad banner 1994- 1st e-commerce transaction over Netmarket 1994- Launch of Yahoo 1996- Launch of Smaller search engines like HotBot, LookSmart, and Alexa 1997- Launch of 1st social media site, SixDegrees.com 1998- The Birth of Google 1998- Microsoft launches MSN 1998- Yahoo! Launches Yahoo! Web search	2000- Internet bubble burst 2001- First mobile marketing campaign: (Universal Music) 2002: Launch of LinkedIn 2003- WordPress released 2003- Launch of MySpace 2004- Gmail launches 2004- Google goes public 2004- Facebook goes live 2005- Launch of YouTube 2006- Microsoft launches MS Live Search 2006- Twitter launches 2006- Split testing in marketing 2007- Launch of Tumblr 2007- Web-streaming service Hulu founded 2007- iPhone launches 2008- China overtakes the US in the number of Internet users 2008- Spotify launches 2008- Groupon goes live 2009- Google launches Instant for real-time engine results	2010- Google Buzz launches 2010- WhatsApp launches 2011- Google Buzz shutdown 2011- Launch of Google+ and Google Panda 2011- Web use overtakes figures for TV viewership among youths 2012- Social Media budgets up 64% 2012- Google Knowledge Graph launched 2013- Yahoo! Acquires Tumblr 2014- Mobile exceeds PC internet usage 2014- Facebook acquires WhatsApp 2015- Snapchat launches 'Discover' feature 2015- The rise of predictive analytics, wearable tech, and Content Marketing: Facebook launches 'instant articles'

Source: Tiwari (2019)

© University of Venda

The launch of IBM's first personal computer in 1981 revolutionized the digital marketing landscape (McGill, 2023) and it was very advanced in collecting customer information (Tiwari, 2019). A contact and customer management company, ACT, launched the first marketing database software in 1986, marking a substantial milestone in marketing (Informatics, 2017). Informatics (2017) states that software could store large volumes of customer-contact information, making customer relations' management easier than previous models. Chanpreet (2023) points out that successful direct marketing begins with a good customer database. In addition, the database can be used to locate good potential customers, tailor products and services to the special needs of targeted consumers, thereby maintaining long-term customer relationships (Mandal, 2022). The protection of customer information has also increased because of technological advancements (McDermott, 2023). In 1986, the American National Standards Institute (ANSI) took a significant step in this regard by adopting SQL (Structured Query Language) as a standard for managing databases and ensuring the security of customer information (Tiwari, 2019). In 1989, IBM increased the computer storage capacity to 100 megabytes (100MB) (Tiwari, 2019). Conti, Camillo, and Pencarelli (2023) point out that after the increase in storage capacity, marketers realized that the relationship with the customer is important, contrary to traditional marketing methods.

In the late 1980s and early 1990s, as technology began its rapid advancement, a paradigm shifts in marketing practices took place (Mittal, 2023). Traditional marketing used medial channels such as print ads, TV spots, and direct mail, which were gradually replaced by new digital channels (Zlatanov and Duricanin, 2023). It was during this period that the term "digital marketing" was initially coined by Philip Kotler (Kanwal, 2022). In 1990, a significant milestone in the history of the internet was marked by the launch of Archie, the world's first search engine (Nguyen, 2020) and 1993 saw the advent of the first clickable banner (Monappa, 2023). The launch of the first clickable banner marked the beginning of the transition to the digital era of marketing (Monappa, 2023). A gradual shift in the marketing landscape resulted in new technologies being introduced in the digital marketplace in 1994; Yahoo was also launched in the same year (Monappa, 2023). The author states that Yahoo received close to 1 million hits within the first year. This prompted wholesale changes in the digital marketing landscape as companies optimized their websites to rank higher in search engines. In 1996, many search engines and tools, such as HotBot, LookSmart, and Alexa, were launched (Monappa, 2023).

In September 1998, two doctoral students at Stanford University, Larry Page and Sergey Brin launched the world's largest search engine and named it "Google" (Tomassi, 2023). In the same

© University of Venda

year, Microsoft launched the MSN search engine, and Yahoo brought to the market Yahoo web search. Two years later, the internet bubble burst, and all the smaller search engines were wiped out, leaving more space for the giants in the business. Monappa (2023) notes that the digital marketing world saw its first steep surge in 2006 when search engine traffic was reported to have grown to about 6.4 billion in a single month. The late 2000 saw a prominent increase in social media platforms that became popular platforms for digital marketing (Tarar, 2023). In 2014, internet usage on mobile devices exceeded PC internet usage (Murtagh, 2014). The author argues that the landscape in which businesses operate changed forever when internet usage on mobile devices exceeded PC usage. According to Prestia (2023), the impact of mobile technology on digital marketing and public interaction has been substantial, thus, the impact of digital marketing in the business environment is undisputed. The increasing prevalence of digital marketing has compelled businesses to scrutinize various digital platforms for opportunities and predict the effectiveness of their campaigns (O'Brien, 2023). Section 3.2.3 discusses digital marketing media.

3.2.3 Digital marketing media

The Adobe Communication (2022) team identifies three crucial channels for executing a digital marketing plan - paid, owned, and earned – these should be considered before implementing a digital marketing strategy. Furthermore, the Adobe Communication Team (2022) notes that all three types of media channels are essential to a successful digital marketing strategy. Business strategists should not ignore any of the three media channels mentioned.

3.2.3.1 Paid media

Paid media is the most common channel for digital marketing among all the identified channels. (Pereira, 2020). Paid media is the purchase of ad inventory on a media channel or publisher site to broadcast your brand message and reach your target audiences. Chaffey (2024) defines it as media where there is an investment to pay for visitors, reach, or conversions through search, display ad networks, or affiliate marketing. Paid media can be traced back to 1994 when the first banner ad appeared on the digital publication "HotWired" as part of Wired Magazine (Hesterberg, 2021). Paid media can include social media ads, search ads, banner ads, display ads, and native ads, but these are just a few. Paid media has several advantages, including driving more traffic, instantly reaching the target audience, and easing the tracking of paid marketing efforts (SendPulse, 2023). According to Marino (2024), worldwide digital advertising spending reached $485 billion in 2023 and was projected to increase to $526 billion by the end of 2024. Adobe

© University of Venda

Communications Team (2022) indicates that paid media utilizes traditional and digital methods to reach a wide range of potential customers or target markets and the figures show that it is realizing significant revenue. Figure 3.2 shows some of the common paid media channels, including traditional and digital channels.



FIGURE 3.2 PAID MEDIA CHANNELS
Source: Adobe Communications Team (2022)

3.2 Owned media

According to BigCommerce Essentials (2024), owned media is a digital marketing channel over which a company has full control, such as a branded websites and social media. BigCommerce Essentials (2024) also highlights that improving upon and leveraging owned media efforts often increases the effectiveness of paid media strategy and earned usage for online businesses. SendPulse (2023) also supports that the media is an essential part of an effective media strategy because it helps companies build brands, find new customers, and increase engagement and profits.

3.2.3.3 Earned media

SendPulse (2023) defines earned media as online word-of-mouth promotion. It appears as ‘viral’ content on social media platforms. The audience of earned media strategy includes brand fans, subscribers, and leads in the consideration stage. These people create user-generated content (UGC) and promote your business using word of mouth; examples of such media include recommendations, mentions, discussions on sites, likes and comments, online reviews, and content sharing (SendPulse, 2023), however, it is recommended that paid, and earned media be integrated into the businesses’ marketing strategy to be more effective.

© University of Venda

Digital marketing is an important part of any business strategy in today's digital world. As technology evolves, businesses must establish a strong online presence to survive. To achieve this goal, businesses must fully understand the 7 Ps of digital marketing (Srivastava, 2024). Section 3.2.4 describes the 7 Ps of digital marketing.

3.2.4 7Ps of digital marketing

Srivastava (2024) identifies the 7 Ps of digital marketing as - Product, Price, Place, Promotion, People, Process, and Physical evidence. The author suggests that the 7 Ps are the building blocks of any digital marketing strategy and should be considered when planning and executing any digital marketing campaign.

3.2.4.1 Product

The first P of digital marketing is the product which refers to a business's goods or services (Corporate Finance Institute Team, 2024). Srivastava (2024) argues that when developing your digital marketing strategy, it is necessary to consider the product and its unique selling points as understanding the product and its target audience will help develop an effective marketing campaign. The effect a product has on the perceived usefulness of digital marketing plays a significant role in shaping consumer behavior (Mundra, 2024). When consumers perceive a product as relevant, innovative, and valuable, their perception of the digital marketing surrounding it also becomes positive (Gironda and Korgaonkar, 2018). On the contrary, if a product fails to meet consumer expectations, it can negatively impact the perceived usefulness of digital marketing.

3.2.4.2 Price

The price element of the 7 Ps of digital marketing considers the price of goods and services provided by a firm (Ajmal, 2024), hence, refers to the cost of a business’s product or service (Corporate Finance Institute Team, 2024). Srivastava (2024) points out that when determining the price of a product, it is essential to consider the competition, the target audience, and the product's perceived value. The main goal of pricing products and services is to allow businesses to survive and make profits, thus, it is vital to set competitive and profitable prices (Ajmal, 2024). Ajmal (2024) also notes that businesses that set prices based on value are more likely to be successful. Srivastava (2024) states that understanding your target audience and the relationship between perceived benefits, price, and value can help simplify the process. If the 'perceived benefits’ increase or the price decreases, the ‘perceived value’ should generally increase, however, if the

© University of Venda

'perceived benefits' decrease or the price increases, the 'perceived value' decreases. Figure 3.3 depicts the perceived value pricing strategy.

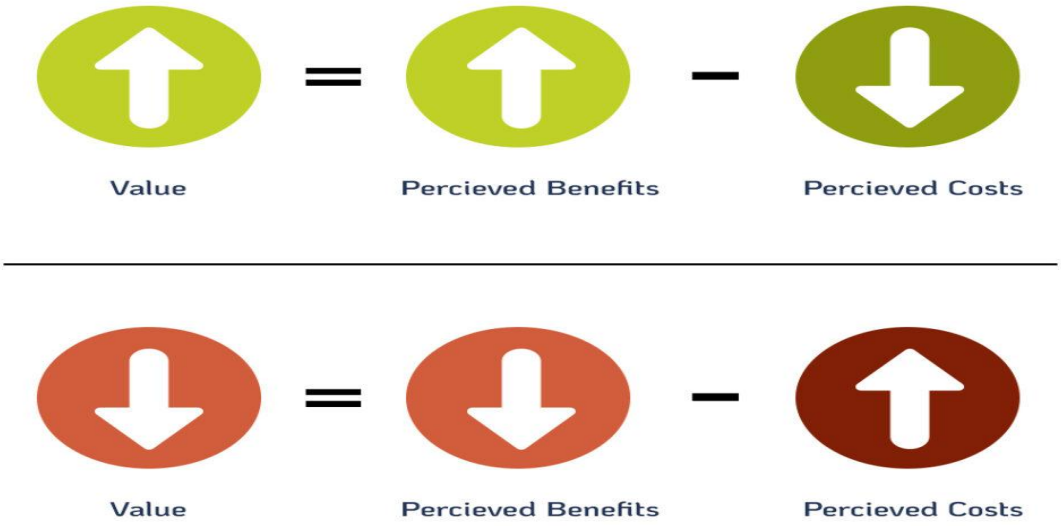


FIGURE 3.3 PERCEIVED VALUE PRICING
Source: Srivastava (2024)

Figure 3.3 shows that the value of a product or service is reduced if customers do not benefit from the company's product or service or if they feel that the benefits do not complement the cost; this will also significantly impact the firm's sales and profitability (Srivastava, 2024). Ajmal (2024) suggests that pricing strategies, such as discounts, bundling, and dynamic pricing, can significantly impact consumer behavior and shape purchase decisions.

3.2.4.3 Place

The place element of the 7 Ps of digital marketing refers to the distribution channels or the physical locations businesses use to reach the target audience or potential customers (Ridge, 2023). The place element can come in a physical store, an online store, or a combination of both (Srivastava, 2024); however, this digital era includes online platforms such as social media, search engines, and e-commerce websites. Fryman (2017) found that consumers sometimes participate in online and offline shopping at equal rates.

© University of Venda

3.2.4.4 Promotion

The promotion component of the 7 Ps of digital marketing outlines how businesses promote their products or services. This includes tactics such as social media advertising, email marketing, and search engine optimization (Srivastava, 2024). Ajmal (2024) argues that a successful promotion strategy must align with the target audience and ensure the message is simple and the content is visually appealing. A study by Warden (2023) found that 97% of businesses generated positive results from content marketing. According to Needle (2020), companies that engage in social media marketing are more likely to achieve their marketing objectives. Needle (2020) further found that 74% of global marketers continue to invest in social media marketing.

3.2.4.5 People

The human element of the 7 Ps refers to the people or employees involved in marketing, such as salespeople and customer service agents (Srivastava, 2024) and the key to a successful digital marketing strategy is to comprehend the human element of marketing. A Qualtrics (2024) study shows that 80% of customers said they switched brands because of poor customer service experience.

3.2.4.6 Process

The process is the sixth P of digital marketing processes and these refer to businesses' systems, logistics, and processes to deliver their products or services (Srivastava, 2024). In the digital age, this includes website usability, e-commerce functionality, and customer service processes (Srivastava, 2024). According to Jenkins (2022), if customers perceive the company's operations as too difficult – for example, the order fulfillment time (that is, the time from order to receipt is too long) the business may lose out on future sales. Devin (2024) argues that digital technology should be designed with clear and intuitive affordances to enhance ease of use. "Ease of use" is important in technology adoption (Holden and Rada, 2011), hence, if technology is perceived as difficult to use, users may resist its implementation and prefer to stick to more familiar methods (FasterCapital, 2024). On the other hand, if technology is perceived as easy to use, it can lead to increased adoption and efficiency (Qiu, Wang, Hou and Xu, 2023). A study conducted by the Aberdeen Group found that businesses that simplify their digital marketing processes experience better customer satisfaction (Ajmal, 2024).

© University of Venda

3.2.4.7 Physical evidence

The final P of digital marketing is physical evidence. According to Srivastava (2024), physical evidence refers to the tangible elements that customers can see, touch, or experience when interacting with a business. This includes website design, branding, and packaging in the digital age. Ajmal (2024) points out that ensuring the tangible aspect of a product aligns with the customer's perception of the brand being essential in setting the business apart from competitors. A study by Lin and Yiang (2011) indicated that the physical environment influenced customer emotion and satisfaction more than the social environment. The National Retail Federation's data reveals that 72% of consumers are more inclined to shop in stores with a good physical environment (Ajmal, 2024).

3.3 TYPES AND STRATEGIES OF DIGITAL MARKETING

Novak (2024) states that creating a solid digital marketing strategy for a business begins with a better understanding of the types of digital marketing methods that yield the best returns. Digital marketing can be classified into eight main categories - affiliate marketing, content marketing, email marketing, marketing analytics, mobile marketing, pay-per-click, search engine optimization, and social media marketing (Gustavsen, 2023). Digital marketing is an umbrella term that includes all these eight categories of digital marketing (Gillis and Yansar, 2023). The eight principles or components of digital marketing (Singh, 2023) are often confused with the concept of digital marketing, especially for small businesses (Singh, 2023), therefore, the following sections briefly discuss the types and strategies of digital marketing.

3.3.1 Affiliate marketing

Affiliate marketing is a growing field in digital marketing (Aronson, 2020) and is a performance-based marketing strategy in which businesses reward affiliates for each customer or visitor brought by their marketing efforts (Times Internet Marketing, 2023). It involves the collaboration of two parties: the affiliate, who promotes products or services, and the merchant, who offers them and provides the affiliate with a commission (Cotter, 2024). The advantages of affiliating marketing to marketers are manifold, making it an enticing strategy for businesses of all sizes, including SMEs (Enfroy, 2024). Some of the key advantages are listed below:

- **Increased Reach and Targeted Audience:** Affiliate marketers can reach their target audience through links. By working with existing affiliates, companies can reach new markets and increase brand recognition (Steven, 2024).

© University of Venda

- **Cost-Effective:** Unlike traditional marketing methods, affiliate marketing is performance-based. Marketers only pay commissions to affiliates when they successfully generate a sale or lead. This pay-for-performance model makes it a cost-effective marketing channel as businesses pay for tangible results rather than ad placements with uncertain returns (Sprague, 2023).
- **Relationship Building:** Affiliate marketing allows marketers to partner with influential people or websites in their industry. This collaboration will generate income, help create long-term relationships, and benefit future marketing endeavors (Savani, 2024).
- **Increased Credibility:** When affiliates promote a product or service, it adds credibility to the marketer's brand. Positive reviews or endorsements from reliable sources can significantly impact consumer trust and drive sales (Dougherty, 2023).

3.3.2 Content marketing

Content marketing is continuously gaining momentum as an important aspect of marketing in the fast-moving digital era (Koob, 2021). According to the Content Marketing Institute (2024), content marketing is a strategic approach which is focused on creating and distributing valuable, relevant, and consistent content to attract and retain a clearly defined audience and, ultimately, to drive profitable customer action. From the definition, it can be deduced that content marketing focuses on providing valuable information to potential and existing customers rather than pitching products or services. Loktionova (2023) suggests that content marketing is one of the best ways for small business owners to compete against others with larger budgets for online advertising and public relations. Valuable and informative content that targets an interested audience helps to draw them to a site and engage with them (Abimbola, 2024). The more high-quality content one creates and shares, the more opportunities there are to attract, customers, to lead and build relationships with them. Content should meet the customers' needs and add value to their experience (Adobe Communications Team, 2022); examples of content marketing include media such as newsletters, podcasts, social media posts, and videos.

McCoy (2023) identifies a content marketing strategy as a backbone of effective marketing. According to the Content Marketing Institute (2024), content marketing must be integrated into all marketing processes and good content is the foundation of any digital marketing strategy (Diggity, 2024). This reflects that an applicable content marketing strategy should be implemented in all digital marketing techniques. It is paramount to note that content marketing that aligns with business goals can increase visibility, attract the right audience, and drive conversions

© University of Venda

(AIContentfy Team, 2023). The process ensures that the content serves a purpose and contributes to the overall growth and success of the business. Riserbato (2024) points out that the more quality content customers see, the more likely they will positively associate with your company. A report published by the State of Inbound indicates that content creation is a top priority for 80% of marketers (Riserbato, 2024). Content marketing offers several key advantages to marketers, making it a vital tool in today's competitive digital landscape, such as:

- By consistently providing valuable content to their audience, marketers can showcase their knowledge and position themselves as thought leaders in their respective fields. It enhances brand awareness, trust, and loyalty, leading to greater customer retention (FasterCapital, 2023).
- Content marketing facilitates targeted communication with the audience. Through various channels like blogs, social media, and email newsletters, marketers can tailor their content to specific customer segments, addressing their unique interests. Understanding the customer's needs and preferences allows marketers to create highly relevant and personalized content, thus attracting and retaining the right customers (Burtan, 2023).
- Content marketing helps drive organic traffic to a company's website. Marketers can consistently publish high-quality content optimized for search engines to improve their website's visibility in search results. This will increase organic traffic and the likelihood of conversion because visitors will engage in interesting events and trust the brand (Cappelli, 2023).
- Content marketing is a cost-effective strategy compared to traditional forms of marketing. Traditional marketing methods such as television and print advertising are often expensive, but content marketing can be implemented on a smaller budget. Marketers can create and distribute content without incurring substantial costs by leveraging owned media, such as websites, blogs, and social media platforms. This affordability makes content marketing accessible to businesses of all sizes, empowering smaller companies to compete with industry giants on a leveled playing field (McCoy, 2023).

3.3.3 Email marketing

E-mail marketing is a highly impactful and widely-used marketing strategy that has evolved significantly over the past few decades (Benchmark Team, 2023). According to Coursera Staff (2024), e-mail marketing is a form of digital marketing that uses email to connect with potential customers, raise brand awareness, build customer loyalty, and promote marketing efforts. E-mail

© University of Venda

marketing is a form of selling that can make the customers on your email list aware of new products, discounts, and other services (Indeed Editorial Team, 2023). Companies can send emails to individuals who are not on the contact list or request their entry into the contact list (Lyons, 2024). Through email marketing, businesses can establish enduring and strong customer relationships (Harrison, 2024). There are many benefits to using email marketing, including increased brand awareness, personalized communication, improved customer loyalty and retention, and cost-effectiveness (Mehta, 2023). It is estimated by Kirsch (2023) that there are 4 billion email users daily. A study conducted by Campaign Monitor (2021) indicates that 64.1% of small businesses use email marketing to reach customers.

3.3.4 Marketing Analytics

Marketing analytics refers to the tracking and analyzing of data from marketing efforts, often to reach a quantitative goal (Cote, 2021). Cote (2021) further notes that insights gathered from marketing analytics can enable organizations to improve their customer experiences, increase the return on investment (ROI) of marketing efforts, and craft future marketing strategies. A study conducted by PwC Global Data and Analytical Survey in 2016 indicated that highly data-driven companies are three times more likely than their less data-driven counterparts to see significant improvements in decision-making (Stobierski, 2019). The main benefit of marketing analytics is that using data to bolster marketing decisions allows businesses to eliminate the guesswork or over-reliance on subjective evidence; helps marketing teams make informed business decisions, and improves customer-relationship management (Coursera, 2024).

3.3.5 Mobile Marketing

A study conducted by DataRepotal in 2021 revealed that the number of smartphone users reached 5.22 billion by the end of 2020, which equates to 66% of the world's population (Kemp, 2021). It is estimated that smartphone users will reach 7.33 billion people worldwide by 2025 (James, 2024). James (2024) maintains that as the penetration of mobile devices increases worldwide, mobile marketing has materialized as a crucial strategy for businesses of all sizes. With the increasing number of people using mobile devices, marketers can reach their target audience on a more personal level, through their smartphones and mobile devices. According to Finch (2021), mobile marketing is a strategy that specifically takes advantage of mobile channels like SMS and MMS messaging, mobile apps, messaging apps, and mobile-optimized browser sites to reach customers. Aznar (2022), maintains that the rise in mobile marketing is due to the availability of low-cost phones and more accessible payment methods.

© University of Venda

Mobile technology has evolved significantly from a simple phone call and messaging device into a multi-tasking device for various purposes such as GPS navigation, internet browsing, gaming, mobile TV, and instant messaging tools (MacWan, 2017). Many market researchers agree that mobile technology advancements that have evolved in the last decade have significantly influenced the development of mobile marketing (Donga and Kadyamatimba, 2020; Adobe Experience Cloud Team, 2023). The United States experienced massive sales in 2022 from mobile marketing, generating up to $431.04 billion (Beckman, 2024).

Eze, Chinedu-Eze, Bello, and Inegbedion (2019) attest that the popularity and use of mobile marketing technologies or devices have led to significant interest from researchers and practitioners, particularly in small- and medium-sized enterprises (SMEs). It is widely accepted that mobile marketing is critical for SMEs due to their limited human capital and financial constraints. Eze, Chinedu-Eze, Bello, Inegbedion, Nwanji, and Asamu (2019) also discovered that mobile marketing can help SMEs strengthen their promotional strategies. FasterCapital (2023) reiterates that mobile marketing is beneficial for small businesses that may not have the resources to reach a larger audience, through traditional marketing channels.

3.3.6 Pay-per-click

Pay-per-click (PPC) is a digital marketing model that allows advertisers to display their ads on search engine results pages or websites and pay a fee each time their advertisement (ad) is clicked (Panther, 2024). Simply put, the advertiser only pays when the ad is clicked on, hence the name “pay-per-click”. It is a popular form of online advertising that businesses use to drive traffic to their websites and increase visibility (Panther, 2024). PPC campaigns are typically managed through advertising platforms like Google Ads, where advertisers can create and optimize their ads, set a budget, and target specific keywords or audiences (Farley, 2024).

Pay-per-click (PPC) plays a crucial role in digital marketing strategies by providing businesses with a highly-targeted and measurable advertising channel (Rezaid Global, 2024). Through PPC, advertisers can reach their desired audience based on keywords, demographics, or specific criteria, ensuring their ads are displayed to relevant users. Not only does this approach increase brand visibility and customer engagement, but it also allows for quick results and control of advertising budgets. PPC also helps companies to optimize their marketing efforts and meet their goals (Khare, 2023).

© University of Venda

Ng'ang'a (2023) argues that PPC advertising is an innovative approach that, when implemented properly, leads to a steady stream of high-quality leads. The author asserts that these ad clicks are essentially financial signals and demonstrate the effectiveness of direct engagement.

Google Ads is the largest PPC advertising platform, allowing businesses to create and run advertisements on Google search engine results pages and other websites in the Google network (Acuto, 2023). According to Khraim and Alkarablieh (2015), Google makes 99% of its profit through the PPC model of internet advertising. Google reported a record-breaking PPC advertising revenue of $65.52 billion in the fourth quarter of 2023. Over the years, this PPC digital marketing model has gained significant popularity as it generates leads and drives website traffic, making it one of the most effective forms of marketing. Chugh (2023) concurs that pay-per-click (PPC) advertising has become a key tool in the digital marketing landscape. The advantages of pay-per-click advertising have profoundly impacted the digital marketing landscape (Chugh, 2023). Below are the benefits of pay-per-click:

- Cost-effective - Since you only pay when a user lands on a business' site, it can be great value for money, hence, businesses can choose to spend as much or as little as they like.
- Targeted - Businesses can choose their audience according to demographics, like location, language, and device.
- Measurable - PPC campaigns can be set up to measure effectiveness carefully. Businesses can determine exactly how much their return on investment will be.
- Customizable - As businesses run their campaigns, they can make many small adjustments to improve based on what works best.
- Fast - Businesses will immediately see the impact of their PPC efforts, while organic Search Engine Optimization (SEO) tactics can take months to make a difference (Elchanan, 2024).

3.3.7 Search Engine Optimization (SEO)

Search Engine Optimization (SEO) marketing has become a critical component of digital marketing strategies in today's internet-driven world. Farley (2024) states that SEO means the process of improving your website to increase its visibility in Google, Microsoft Bing, and other search engines whenever people search for aspects, such as products you sell, services you provide, and information on topics in which you have deep expertise or experience. SEO

© University of Venda

marketing has revolutionized the way businesses approach online visibility and brand awareness. One of the key benefits of SEO is increased website traffic (ValueHits, 2023). It is accepted that effective SEO techniques attract more organic traffic to organizations' websites and traffic from search engines (ValueHits, 2023). The higher businesses' websites rank in search engines, the more likely people will visit them. This increased traffic can result in more leads and conversions for the businesses, helping them grow their customer base and achieve business goals (Farley, 2024).

3.3.8 Social Media Marketing

WordStream (2024) states that social media marketing is a powerful way for businesses of all sizes to reach prospective customers as it helps people discover, learn about, follow, and shop for brands on social media. According to WordStream (2024), social media marketing is a form of digital marketing that leverages the power of popular social media networks to achieve marketing and branding goals. WordStream (2024) however, suggests that businesses should not just create social media accounts and post anything because it can affect the organization's reputation. Social media marketing entails an evolving strategy with measurable goals and includes:

- Maintaining and optimizing your profiles;
- Posting pictures, videos, stories, and live videos that represent your brand, thereby, attract a relevant audience;
- Respond to comments, shares, likes and monitor businesses' reputation, and
- Follow and interact with customers and fans to build a community around a brand (WordStream, 2024).

There are various platforms for social media marketing, however, WordStream (2024) identifies seven (7) of the best social media platforms that organizations may use to reach out to customers. Figure 3.4 shows the 7 best and most popular social media platforms and their uses.

© University of Venda



FIGURE 3.4 SOCIAL MEDIA MARKETING PLATFORMS
Source: WordStream (2024)

A study conducted by Statista shows that in January 2023, Facebook was the most popular social media platform used by marketers in the world (Dixon, 2024). The study also showed that 89 percent of responding social media marketers used the network to promote their business. By mid-2023, the average value of global online shopping orders derived from social media platforms

© University of Venda

reached $87.5 billion (Dixon, 2024). Social media platforms such as Facebook, Instagram, Snapchat, TikTok, X (formerly Twitter), and YouTube collectively derived nearly $11 billion in advertising revenue. The increase in revenues highlights the vast potential of social media as a commercial playing field. Anastasiei, Dospinescu, and Dospinescu (2022) found a strong relationship between consumers' use of social media and their brand loyalty. Moreover, a higher level of loyalty leads to better sales performance. Social media marketing has a vast number of benefits that include:

- Humanize your business: social media can turn any business into a powerful player in the market. Profile, posts, and user interactions form an approachable persona that audiences can familiarize, and connect with, as well as come to trust.
- Drive traffic: Between the links in businesses' profile, blog post links, and ads, social media is a top channel for increasing traffic to businesses' websites, to convert visitors into customers. In addition, social signals are an indirect SEO factor.
- Generate leads and customers: Businesses can generate leads and conversions directly on these platforms through features like Instagram/Facebook shops, direct messaging, call-to-action buttons on profiles, and appointment booking capabilities.
- Increase brand awareness: The visual nature of social media platforms allows businesses to build their visual identity across vast audiences and improve brand awareness.
- Build relationships: These platforms open direct and indirect lines of communication with businesses' followers through which they can network, gather feedback, hold discussions, and connect directly with individuals (WordStream, 2024).

3.4 WHY SHOULD BUSINESSES ADOPT DIGITAL MARKETING?

The previous section discussed different types of digital marketing techniques. It has been established that various digital marketing techniques provide profound benefits for the overall digital marketing process. Digital marketing techniques play a vital role in the entire digital marketing process and allow businesses to reach their target audience effectively and efficiently. In 2021, global digital ad spending reached $389 billion, while traditional ad spending amounted to $192 billion (Solomons, 2023). This value indicates the better potential of digital marketing and shows that it is set to exceed traditional marketing in terms of global spending. The developments in digital marketing transform every year as more businesses enter the market and new technology is invented (Mittal and Anushree, 2023). Jung and Shegai (2023) highlight that digital marketing is a relatively new concept in some sectors of the economy. Diez-Martin, Blanco-

© University of Venda

Gonzalez, and Prado-Roman (2019) argue that while traditional marketing methods can still be effective, digital marketing has become increasingly popular and essential today due to the improvements in technology and the internet. The evolution of technology has significantly transformed the marketing landscape, leading to a shift in consumer needs and wants (Suherlan and Okombo, 2023). As more and more individuals embrace the digital era, their preferences and expectations have changed, consequently altering the strategic value for digital marketing. State of the Connected Customer (2023) points out that 65% of customers expect companies to adapt to their changing needs and preferences. Patoli (2021) affirms that digital marketing is important because it connects a business with its customers when they are online and is effective in all industries. The following sections present the benefits of digital marketing.

3.4.1 Better brand awareness

Digital marketing has emerged as a powerful tool in the digital-first world to enhance brand awareness (Senadeera, 2023). According to Chugh (2023), brand awareness is the most significant of all the benefits of digital marketing, especially for startups. Businesses can use social media marketing to promote their products on various digital platforms, such as Facebook, Instagram, and LinkedIn, and collaborate with other brands to increase their visibility and brand awareness. Digital marketing helps with building trust, which in turn improves customer loyalty. This can increase customer retention and positively impact the business's market share (Senadeera, 2023). A study by Karen and Zai (2022) reveals a positive relationship between digital marketing and brand recognition.

3.4.2 Wide Customer Reach

Traditional marketing channels, such as print advertising and tele-calling, have geographically restricted customer reach (Solomons, 2023), however, digital marketing strategies like displaying ads on LinkedIn, YouTube, Google, Facebook, or Instagram help businesses promote their products and services globally, thus expanding customer reach (Singh, 2023). The author believes that digital marketing enables businesses to reach a global audience by reducing geographic boundaries. Monnappa (2023) is in agreement that with an estimated 3.1 billion online users, social networking has led the digital marketing revolution. A study by Belle Wong (2023) shows that 77% of small businesses use social media to communicate with their customers.

© University of Venda

3.4.3 Increased Customer Engagement

According to Mackeviciute (2024), customer engagement is quickly becoming a key metric in the digital world. One of the key benefits of digital marketing is increased customer engagement (Simplilearn, 2024) which is quickly becoming a key metric in the digital world. In a study conducted by Kashyap (2023), the results showed that most successful companies use digital customer engagement to drive business growth and improve availability in a constantly-changing environment. Simplilearn (2024) points out that digital marketing is designed to be highly engaging by default. Companies and individuals can encourage consumers to participate in digital channels such as social media and provide a forum for sharing their experiences with others. Their customer satisfaction and experience lead to more visible recommendations and reviews that will help boost sales (Qualtrics, 2024). Gallup research revealed that highly-engaged customers are more profitable to businesses (Asista Software Solutions Pvt. Ltd, 2023). The study also showed that, on average, companies that engage with customers increase revenue and profitability by 23%.

3.4.4 Real-Time Customer Feedback

Digital marketing enables businesses to communicate with customers in real time through interactive platforms (Singh, 2023). Companies can use various digital marketing media channels, including social media live streams, giveaways, polls, and other strategies to engage with customers, instantaneously (Chugh, 2023). Digital marketing is a constant understanding of customer behavior and trends that help businesses provide better customer experiences and improve the quality of their products (Chugh, 2023). User Pilot (2023) alludes that real-time feedback is more accurate and reliable because customers' experiences are still fresh in their minds. In addition, they can indicate to businesses exactly what went wrong or right during their interaction with a company.

3.4.5 Data-Driven Decision-Making

Data-driven decision-making is continuously gaining recognition in the realm of digital marketing. Traditional marketing methods encounter several challenges in precisely computing return on investment (ROI) due to limitations in tracing response rates from print or broadcast ads (Binzari, 2023). Digital marketing, however, surpasses traditional marketing by utilizing tools such as HubSpot, Hootsuite, MailChimp, and Google Analytics that assist businesses in tracking website visits, time spent by visitors on each page, email, ad clicking, opening rates, and other relevant metrics (Chugh, 2023). Digital marketing, thus plays a critical role in measuring the effect of

© University of Venda

marketing campaigns that result in informed marketing decisions. Coffee Biz Basix (2023) suggests that data-driven decision-making permits small business owners to ascertain patterns and trends that might go unnoticed. Parm AG (2022) agrees that small businesses need to make data-based decisions that will improve business results and help them compete, as there is a significant impact of data-driven decision-making, although, research shows that only 53% of marketing decisions are based on data (Gartner, 2022). This calls for more marketers to utilize data-driven decision-making tools to make decisions based on facts, rather than intuition.

3.4.6 Greater Market Share

A digital marketing strategy enables businesses to increase visibility, reach audiences, generate more conversions, and ultimately increase market share (Jung and Shegai, 2023). Bruce, Shurong, Ying, Yaqi, Amoah, and Egala (2023) argue that digital marketing benefits businesses of all sizes by giving access to the mass market at an affordable price.

3.4.7 Cost-Effectiveness

Cost-effectiveness is one of the most prominent benefits of digital marketing (Chugh, 2023) as the customer acquisition cost through digital marketing is lower than traditional marketing strategies. This mainly happens because companies can generate and nurture leads through free or low-cost social media or email (Chugh, 2023).

3.4.8 High Return on Investment (ROI)

Levesque (2023) points out that selecting and executing accurate digital marketing strategies is essential to attaining a good return on investment (ROI). The author further notes that it is paramount to research and understand your target audience, their preferences, and the channels they engage with the most. In addition, tailoring marketing activities that match the needs and interests of the target audience will improve results and ROI. Uni Square Concepts (2022) states that a digital marketing strategy significantly impacts ROI. Typically, digital advertisers aim for a 5:1 ROI, which means they make essentially $5 off each dollar they spend on securing the most favorable marketing campaigns (Uni Square Concepts, 2022).

3.4.9 Competitive Advantage

Digital marketing technology can help gain a competitive advantage; however, Saunders, Kane, and Davis (2024) believe that companies can achieve a competitive advantage if they have the skills and methods to take advantage of opportunities. Digital marketing permits businesses to

© University of Venda

collect customer data through websites and social media engagement. This helps them analyze customer behavior and feedback. Moreover, it helps generate business insights that can be used to improve product or service quality and gain a competitive advantage (Hugh, 2023). Denga, Vajjala, and Rakshit (2022) conducted a study and concluded that by investing and implementing a long-term digital marketing strategy, a company can maintain a leadership role that may last for years. The State of Marketing Report 2023 published by HubSpot indicates that blogs, influencer marketing, and social media shopping are the top ways businesses can generate ROI through digital marketing (Chugh, 2023).

3.4.10 Boosting Sales

The critical goal of digital marketing is to increase business sales and growth. Valades (2022) states that well-studied and applied digital marketing will increase sales because it is the strategy that currently has the strength and ability to make businesses visible. Some people, however, hesitate to shop online because of a lack of trust, insufficient product descriptions, and poor brand reputation (Chugh, 2023). According to Marino (2024), between 2023 and 2024, there was a 10% growth rate in digital marketing budget spending across businesses. Venkat, Pathivada, Chinni, Prasad, Rao, and Palla (2023) highlight that digital marketing has significantly impacted sales for both small and large businesses. It is estimated that digital marketing accounts for over 30% of all sales globally (Digital Zest, 2023). Makhitha (2020) found that SMEs with higher turnover use digital marketing to promote their goods and services, although, Owen (2023) argues that SMEs face numerous digital marketing challenges.

3.5 DIGITAL MARKETING ADOPTION AND CHALLENGES FACED BY SMEs

Digital marketing platforms offer an effective medium for assisting SMEs to achieve business growth through effective customer communication, back-end operations, building a customer base, and increasing sales turnover (Bruce, Shurong, Ying, Yaki, Amoah, and Egala, 2023). Many studies, however, show that there are discrepancies in the adoption and benefits of digital marketing by SMEs (Jadhav, Gaikwad, and Bapat, 2023; van Scheers, Botha, and van Scheers, 2015; Setkute and Dibb, 2022). Several scholars note that many small business owners are unaware or unfamiliar with digital marketing tools, tactics, and best practices (Reuter, 2022; Thaha, Maulina, Muftiadi, and Alexandri, 2021). Taiminen and Karjaluoto (2015) observe that SMEs seem not to be keeping pace with digital developments, mostly due to the lack of knowledge of digital marketing. These authors revealed that 46% of the respondents used digital marketing poorly or extremely poorly. Danzen (2022) found that SMEs still lag in digital marketing adoption and are ineffective in developing and implementing online marketing strategies. A study by Eze,

© University of Venda

Chinedu-Eze, Awa, and Alharthi (2021) reveals that most SME business managers in Nigeria do not consider digital marketing technology (DMT) important. Arobo (2022) alludes that research into the effects of digital marketing on the growth of SMEs is still limited and challenges for them to implement a complete digital marketing strategy still remain, as stated by Khumar, Dhivakar, and Vashanavi (2022). According to Mark and Vecchia (2020), SMEs do not use digital marketing tools, channels, and platforms, hence, are behind large companies. This means that SMEs are underutilizing digital marketing platforms in realizing the benefits. According to a study by Chapman, Chapman, and Katrodia (2019), South Africa has a comparatively low adoption rate in digital marketing strategies among small and medium-sized enterprises.

Jones (2023) contends that most small businesses often neglect to plan and execute a digital marketing strategy, which leads to haphazard efforts that fail to produce results. The World Bank (2022) states that the depth and breadth of SME digitalization have remained limited, suggesting a growing risk of a digital divide. Another study conducted by Bermeo-Giraldo, Valencia-Arias, Ramos de Rosas, Benjumea-Aria, and Calderon (2022) found that digital marketing continues to be little adopted and used among SMEs because they perceive some barriers in its implementation. Pradhan, Nigam, and Tiwari (2020) identified - the lack of specific knowledge about information and communication technology (ICT); insufficient information about its use, and resistance to change - as barriers to the reception of digital marketing. Additionally, compared with large companies that nurture the implementation of digital marketing, SMEs encounter other major challenges, such as, limited time, financial, technical, and managerial resources (Lazaveric-Moravcevic, 2019). Gracia, Lizcano, Ramos, and Matos (2019) describe digital marketing (DM) as a new approach to online marketing. Bermo-Giraldo, Valencia-Arias, Ramos de Rosas, Benjumea-Arias, and Calderon (2022) state that digital marketing is not yet widely employed by SMEs, which makes them less competitive than large firms. Digital marketing encompasses activities such as creating relevant content on SME websites, publishing articles online, and writing blogs, which require vast knowledge; van Scheers (2018) noted some issues that might constrain SMEs, as:

- Lack of website advertising knowledge;
- Most small and medium-sized businesses do not have the skills and knowledge to use keyword searches and search engine optimization (SEO);
- Most websites set up by SMEs do not provide adequate customer or consumer experience to ensure high conversion;

© University of Venda

- Most SME owners do not understand how to approach internet web marketing and Internet Customer interaction technologies, and
- Despite having the resources to build a website, small and medium-sized businesses often lack the necessary services and technology to serve the desktop, tablet, and mobile market.

SMEs' poor use of digital marketing compared to large companies is significant (Kegroach, 2021). SMEs struggle to reach their target audience effectively and without a strong online presence and digital marketing strategy, they may go unnoticed in an increasingly crowded marketplace (Sales Ninja, 2023). As a result, SMEs lose potential customers to larger competitors who have successfully harnessed the power of digital marketing. A survey conducted by Jordan (2021) revealed that 71% of small businesses do not have websites, despite the fact that a website is one of the most important digital marketing platforms. A study conducted by GoDaddy in 2019 indicated that only 28% of South African SMEs had websites (Udoh, 2019). According to New Perspective Studio (2023), many small businesses that do not have a website still rely on Yellow Page ads or traditional advertising, such as brochures, billboards, radio, or television ads, to get their name out there although, these traditional marketing methods are often costly and overlooked. These low statistics on SMEs' use of digital marketing methods are worrying, considering the essential nature of and benefits that can be obtained from digital marketing. Farmiloe (2024), contends that a website is crucial for any small business in today's competitive environment. Chaffey (2016) provides reasons for digital marketing sloppiness, as depicted in Figure 3.5.

© University of Venda

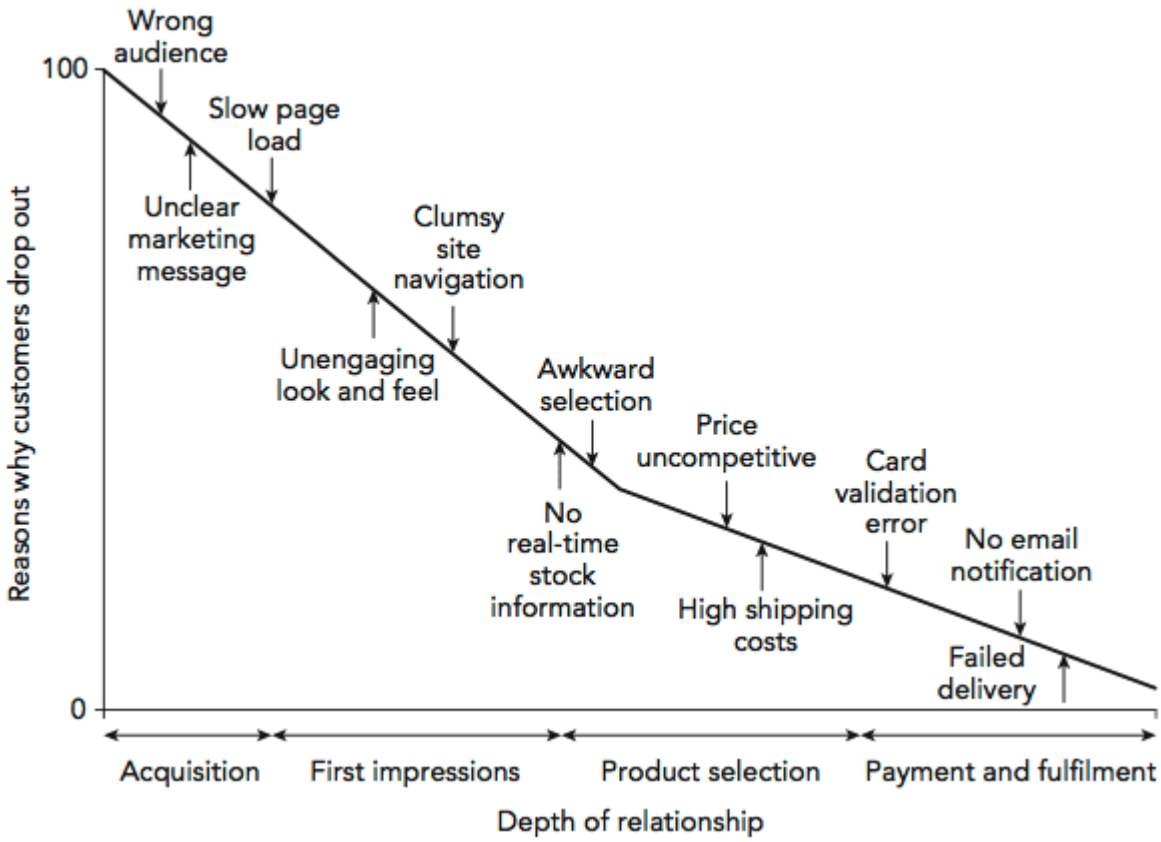


FIGURE 3.5 DIGITAL MARKETING SLOPPINESS CAUSES HIGH ATTRITION RATES

Source: Chaffey (2016)

Chaffey (2016) contends that digital marketing sloppiness occurs at different levels, such as - at acquisition, first impressions, product selection, and payment and fulfillment. The sloppiness of digital marketing may result from targeting the wrong audience, unclear marketing messaging, no real-time information, and failed delivery. The list of illustrations of poor delivery of digital marketing is infinite and often, reasons stem from unclear goals, a lack of strategy, or simplistic execution (Chaffey, 2016). It is encouraged that marketers should assess and minimize their risks before embarking on digital marketing. Five challenges to digital marketing maturity are identified by Kingsnorth (2016) as - being related to technology, skills (for example, if an SME is not already doing so), budget and resources, priorities and regulations. SMEs, however may overcome these challenges by employing appropriate strategies and providing amicable solutions to digital marketing errors. Digital marketing became more prevalent during COVID-19, with many small and medium-sized businesses beginning to use the internet to market their products and services (Kergroach, 2021), however, Le-Dain, Benhaun, Matthews, and Liard (2023) posit that it is still

© University of Venda

very difficult for SMEs to adopt digital marketing strategies. SMEs have to use new technologies to remain competitive in the business. The emergence of new technologies demands new roles and is an incentive to foster the development of fresh skills (Li, 2022). Adocera (2022) contends that during the pandemic, countless employees and leaders had to embrace new skills, develop new behaviors, and adjust business practices to help their organizations remain competitive. The following sections present the challenges experienced by SMEs in adopting digital marketing as articulated by Kingsnorth (2016).

3.5.1 Technology

Technology plays a critical role in restructuring the digital marketing landscape. Digital marketing's technological advancements have transformed the communication approach of companies and paved the way for novel campaigns and techniques (Vajra Global, 2023). Digital marketers must be aware of new trends and technologies to be effective in their positions in the ever-changing digital landscape (Mittal and Singh, 2023). Coursera Staff (2024) stresses that digital marketers should be familiar with digital technologies. Royse (2020) comments on the role played by technology and states that, thanks to technology, digital marketers can construct an e-commerce site that also predicts their customers' needs. In concurrence, Veleva and Tsvetanova (2020) maintain that digital marketing is highly dependent on techniques and technology, clearly demonstrating that technology is the core of digital marketing, although, there are some instances where businesses do not need to heavily rely on advanced technology to promote their goods and services (Ryan and Jones, 2009). Infoprotect (2020) identifies four main technology challenges for South African businesses: managing data security, merging the old with the new, ensuring reliable IT systems and connectivity, and facing the skills and talent gap. Kumar and Ayedee (2021) point out that many employees in the SME sector are not conversant with technology adoption because business owners are not interested. One of the reasons is that not all SMEs owners are technologically shrewd. In addition, adopting new technologies exposes businesses to new security threats (Scalzo, 2019). Van Scheers (2018) highlights that most websites set up by SMEs do not provide adequate customer experience to ensure high usage.

A study conducted by Gontur, Seyi, Bakshak, and Awoena (2023) indicates that components of digital marketing, such as social media marketing, email marketing, internet marketing, and mobile marketing, have a positive relationship with the performance of SMEs in Nigeria. On the contrary, Tolstoy, Nordman, and Vu (2022) found that online marketing capabilities are necessary but not sufficient to increase performance among SMEs in Sweden. These differences in

© University of Venda

conclusions on the impact of digital marketing pose challenges to SMEs. It is a daunting task for SMEs to introduce new technology with limited access to external knowledge, unclear innovation strategies, and scarce time and resources (Muller, Buliga, and Voigt, 2021). Research also shows that most SMEs struggle to exploit and benefit from new technologies (de Mattos, Pelligrini, Hagelaar, and Dolfsma, 2023; Kallmuenzer, Mikhaylov, Chelaru, and Czakon, 2024).

Research shows that there is a need for technology assimilation and business model innovation (BDI) for SMEs to fully comprehend the benefits of technology (Baird, Davidson, and Mathiassen, 2017; Alojairi, Akhtar, and Basiouni, 2019). According to the University of Twente (2017), technology assimilation refers to the process within organizations stretching from initial awareness of innovation to potential, formal adoption, and full-scale deployment. Technological integration is essential for the efficient use of technology, as emphasized by Baird et al. (2017), who also recognize the necessity of business model innovation in unlocking technological opportunities because technology is not enough to deliver value.

3.5.2 Skills

One of the biggest obstacles affecting SMEs in South Africa is the lack of necessary business skills (Vuba, 2019; Enaifoghe Ramsuraj, 2023) and digital marketing exacerbates these challenges. Yvanovich (2023) suggests that the economic situation of SMEs can exacerbate the difficulties experienced by them in undertaking digital transformations. Several studies worldwide show a substantial skills gap in digital marketing (Tuhin, 2023; OECD, 2022; Mizrachi, 2024). The Indeed Editorial Team (2024) defines digital marketing skills as the talents and competencies needed to successfully promote a brand, product, or service online and through digital communication. Technology and consumer behavior trends continuously transform, demanding that businesses respond quickly. Zahara, Santi, and Farid (2023) point out that as technology and consumer behavior evolve rapidly, SMEs must continue to develop their digital marketing capabilities to remain effective and relevant in their marketing efforts, therefore, certain human skills are essential for SMEs to reap the benefits of digital marketing. A shortage of digital technologies and skills is a significant barrier for SMEs (OECD, 2021; The World Bank, 2022) as most technologies necessitate distinct skills, and the reorganization of workers based on newly-acquired competencies (Nylen and Holmstron, 2015). According to Peillon and Dubruc (2019), it is not easy for SME employees to integrate new digital skills with their existing skills. Technology change also poses a significant challenge to SME management, in ensuring that their staff develop the right learning skills and routines around digital technologies and establishing a digital

© University of Venda

culture conducive to structure change (Horvath and Szabo, 2019). The rapid technological changes create new skills gaps, while the demand for new skills is also accelerating (Swiss South African Cooperation Initiative (SSACI) (2024). Entrepreneurship ecosystems, such as the Khula enterprise finance, SEDA, education and training institutions, and other government institutions should assist in bridging the skills gap. Pratama, Harti, and Hariyatati (2021) concluded that human capital and the ever-changing digital marketing technology affect the performance of small- and medium-sized enterprises in Indonesia.

3.5.3 Lack of finance

Several studies conducted in South Africa indicate that lack of finance is one of the major constraints for SME development and sustainability (Ogujiba, Eggink, and Olamide, 2023; Changwesha and Mutezo, 2023). According to this view, financially-constrained firms show a higher investment cashflow sensitivity and this contributes to the slow and ineffective adoption of digital marketing by SMEs (Nicholas, 2022). In addition, implementing and maintaining a technology infrastructure is costly as it requires a significant investment in hardware, software, and other resources. Kumar, Dhivakar, and Vaishnav (2022) found that small businesses' most significant digital marketing challenge is a lack of funds, since, small businesses are not fully equipped to handle extensive digital marketing campaigns due to their limited budgets. Budget limitations are a key factor in many aspects in the non-implementation of digital marketing (Sanchez, 2023).

3.5.4 Reacting to market changes

In the digital age, marketers are constantly presented with new ideas, platforms, and technologies to promote their products and services (Brown, 2023). The author also notes that innovations are often exciting and beneficial, but keeping up with the changes can quickly become overwhelming for marketers. The constant need to keep up with the changing digital landscape is a significant hurdle that marketers must overcome (Shah, 2023). Marketing is constantly being challenged by the influx of new technologies, platforms, and channels, necessitating marketers to understand new ways to engage with customers (Van Dijk-Hildebrand, 2023). Failure to do so can result in losing market share and competitive advantage.

Another significant challenge is the saturation of digital marketing channels (Singh, 2023). As more businesses adopt digital marketing strategies, the competition for consumer attention increases. Marketers must find innovative ways to stand out from the clutter and capture the

© University of Venda

interest of their target audience. This challenge is exacerbated by the short attention spans of today's consumers, who are constantly bombarded with advertisements and content (Kirk, 2022), however, WebFindYou (2017) argues that SMEs that use digital marketing to promote their services or products still have a clear advantage over their competitors.

3.6 KEY RESOURCES FOR DIGITAL MARKETING SUCCESS

Many studies show that small and medium-sized companies are slow to adopt digital marketing due to a lack of resources (Eze et al., 2023; Madurapperuma and Wijayanayake, 2021). Lack of resources also profoundly impacts market performance (Chinakidzwa and Phiri, 2020) but Morgan (2012) posits that marketing resources are crucial in determining a company's marketing performance. The subsequent sections therefore, focus on marketing resources, and their impact on marketing performance.

3.6.1 Resources

Effective marketing relies heavily on resources to empower organizations to achieve their goals and objectives (Townsend, 2024), however, resources have different definitions and pose various challenges to marketers (Safeopedia Staff, 2024). Philip Kotler identified resources as a key element in his marketing mix framework (Kotler and Keller, 2016). He emphasized that marketing requires efficient allocation and utilization of resources to achieve organizational goals. Resources ensure competitive advantages; however, they are valuable, scarce, and difficult to access (Cascade Team, 2023). Koehler (2019) describes resources in business and economics as everything necessary to achieve a goal or perform a task, therefore, a firm cannot achieve its goals and objectives without resources. Koehler (2019) identified resources as including employees, working space, equipment, and capital. Bhasin (2020) classifies resources into four (4) categories - physical, human, intellectual and financial. Physical resources are considered tangible assets that the organization uses to create value offerings and value propositions to its customers and human resources refer to the employees of the organization. In contrast, intellectual resources include non-physical and intangible assets, such as product patents, trademarks, copyrights, and partnerships. Finally, financial resources include loans, credit and lines of credit, and the ability to have stock plan options for the organization's employees (Bhasin, 2020).

Safeopedia Staff (2024), explains that resources can be used for some benefit or to make a profit and gave examples of resources, such as - natural materials (such as gold or water), wealth (money, property, financial assets), or support (workers, informal networks). Wahl and Prause

© University of Venda

(2013) defined what a resource is and clarified some concepts that are confused with the concept of a resource. According to these authors, resources are a business's assets, capabilities are the ability to use resources, and competency is a cross-functional integration and coordination of capabilities. This study adopted the views of Wahl and Prause (2013), thereby considering capabilities as a separate form of intangible resource. Ying, Hassan, and Ahmad (2019) argue that top management's intangible skills and capabilities are better than physical resources because most SMEs do not have adequate resources. Organizational resources and capabilities are vital for gaining competitive advantage and performance (Gupta, 2023), however, Mugera (2012) argues that a firm can attain a sustainable competitive advantage if the resources it controls are valuable, rare, inimitable, and non-substitutable. The benefit of having adequate resources can be drawn from the contributions of the field of Resource Based View (RBV) (Barney, 1991).

- **Competitive Advantage**

A firm's resources can provide a significant competitive advantage when they are unique, difficult to replicate, and value-creating (Gupta, 2023). In contrast to traditional theories, the RBV views firms as a bundle of resources rather than a collection of market transactions. Resources like technological expertise, brand reputation, intellectual property, and efficient supply chain management can enable a firm to differentiate itself from competitors (FasterCapital, 2023).

- **Profitability**

The RBV also strongly correlates with a firm's resources and profitability (Piao and Choi, 2022). By leveraging unique resources and capabilities, companies can create value for their customers, increasing profits and profit margins. For example, Apple's strong R&D capabilities and brand reputation have allowed it to charge premium prices for its products, contributing to its unrivaled levels of profitability (Yang, 2020).

Monopoly

Firms possessing unique resources and capabilities that are difficult for competitors to replicate may be able to establish monopolistic positions in their respective industries, hence, firms with unique resources can create barriers to entry for some industrial sectors. The implications of monopolies are complex and have both positive and negative aspects, such as potentially reducing consumer welfare but driving innovation due to the absence of strong competition (Blees, Kemp, Maas, and Mosseln, 2003). The contributions of the RBV indicate that resources

© University of Venda

are at the core of business operations, however, despite the notable contributions made by resources in business operations, the classification of resources remains an obstacle. For this study, the definition developed by Grant (1991) will be adapted since it covers the components of the hypotheses. Grant (1991) classified resources into six categories: financial, physical, human, technological, reputation, and organizational. The categories and types of resources are displayed in Table 3.3.

Table 3.3 Categories and types of resources

Categories of resources	Identified Types of Resources
Financial, physical, human, technological, reputation, and organizational resources	Firm size, employee capabilities, top management support, financial resources, and technology capabilities

Source: Researcher's construct

3.6.2 Firm size

Firm size can be an inhibiting factor in adopting digital marketing innovations (Kijkasiwat and Phuensane, 2020). Extant literature reveals that larger companies have more resources than SMEs, to enable them implement and embrace digital marketing (Jung and Shegai, 2023), although, Freeman, Edwards, and Schroder (2006) argue that while small companies have few resources, while large companies have many resources but still the latter may have problems adapting to new technologies. A firm's ability to execute digital marketing activities is significantly influenced by the appropriate use of marketing capabilities, including human and financial resources, technology, and strategy, as stated by Krasnikov and Jayachandran (2008).

3.6.3 Employee capabilities

The existence of proficient employees in an organization to control the sophistication of the technology-related adoption process, is vital. Employees' digital upskilling and competency can enrich and benefit the process of technology adoption in any firm. According to Mpinganjira and Duh (2016), IT-focused firms in the SME sector incur additional costs due to a lack of innovation and employee training.

© University of Venda

3.6.4 Top management support

The success of digital marketing initiatives relies heavily on top management's involvement and support. Top management plays a pivotal role in digital marketing adoption by setting the strategic direction and providing the necessary resources. They are responsible for aligning business goals with digital marketing initiatives and ensuring the latter are integrated into the organization's overall strategy. Moreover, top management's support and commitment to digital marketing demonstrate to the employees the value and importance of these efforts, thereby motivating them (Guerrez, Boukrami, and Lumseden, 2015).

3.6.5 Financial resources

Adopting digital marketing techniques requires substantial financial resources to invest in infrastructure, technology, and skilled professionals. Financial support allows businesses to invest in digital marketing channels such as search engine optimization (SEO), pay-per-click (PPC) advertising, and social media marketing. These channels enable them to reach a broader audience, regardless of geographical boundaries, resulting in increased brand visibility and potential customer acquisition. The accessibility of financial resources is the pillar of the adoption process (To and Ngai, 2006).

3.6.6 Technology Capabilities

Over the years, technology capabilities have evolved rapidly, enabling businesses to overcome many of the limitations of traditional marketing channels and embrace digital marketing strategies (IMM Institute, 2023). The internet has become the backbone of digital marketing, providing a platform for businesses to connect with potential customers globally and target specific demographics with greater precision (Khanom, 2023). Data analytics is one of the most significant technological capabilities that has aided the adoption of digital marketing (Kraus, Jones, Kailer, Weinmann, Chaparro-Banegas, and Roig-Tierno, 2021). With the vast amount of data generated by online platforms and tools, businesses can gain valuable insights into consumer behavior, preferences, and purchasing patterns. This information allows marketers to create more targeted and personalized campaigns that resonate with their target audience, resulting in higher engagement and conversion rates. Another crucial technological capability is social media platforms. Social media has transformed how businesses interact with customers, allowing for direct communication and real-time feedback (Doullah, 2023). Businesses can now leverage marketing tools including Facebook, Twitter, Instagram, and LinkedIn to build brand awareness

© University of Venda

through social media and community building, hence, increase customer loyalty. Additionally, social media advertising provides precise targeting options, making it a cost-effective and efficient way to reach a specific audience (Baloch, 2023).

3.7 MARKETING RESOURCES

The availability and utilization of marketing resources are crucial in digital marketing, however, there is no universal definition of marketing resources (Davcick and Sharma, 2016). According to Ellering (2022), marketing resources include the budget, people, supplies, and technology required to research, distribute, measure, and maximize marketing activities. Davcick and Sharma (2016) refer to marketing resources as crucial drivers of a firm's business strategy; they help the firms gain a competitive advantage over the competition (direct or latent) and lead to better performance. Marketing resources represent broad value propositions that affect the stakeholders in any business, and firms generally deploy these resources to gain a competitive advantage in the market (Hooley, Greenely, Cadogan, and Fahy, 2005). Resources might comprise tangible or intangible value propositions, physical or human processes, and intellectual or relational properties (Hooley et al., 2005). These authors add that marketing resources create value in the marketplace; in their study the results revealed that marketing resources impact financial performance indirectly by creating customer satisfaction and loyalty and building superior market performance. Barney (1991) explains marketing resources as any attribute, tangible or intangible, physical or human, intellectual or relational, that can be deployed by the firm to achieve a competitive advantage in its markets. Hooley et al. (2005) deduced two types of resources from the definition proposed by Barney (1991), hence, classified resources into “market-based” and “marketing-support resources”. Market-based resources denote a subset of a firms’ resources (assets and capabilities) related to marketing activities, such as building brands, relationships, innovations, or knowledge (Kozlenkova, Samaha, and Palmatier, 2013). Market-based resources are crucial in attaining market knowledge, developing brands, and creating marketing relationships that improve firms’ performance. Srivastava et al. (1998) however, argue that the difficulty in identifying these resources in financial statements and the lack of their direct effects in improving the firm’s performance poses a challenge. Moorman and Slotergraaf (1999) suggest that the greatest benefits accrue when externally-focused, and market-based resources are complemented by internal resources.

Hooley et al. (2005) identify marketing-support resources as resources that serve as support activities and indirectly affect competitive advantage. One of the significant impacts of marketing-

© University of Venda

support resources is their ability to drive customer engagement (AlContentfy Team, 2023). By leveraging social media platforms, email marketing, and personalized content, businesses can establish connections with their target audience on a more personal level. This leads to increased brand loyalty, higher conversion rates, and long-term customer advocacy. Furthermore, marketing-support resources also aid in gathering and analyzing customer data. Advanced analytics tools enable businesses to track and measure the effectiveness of marketing campaigns, obtain valuable insights, and make data-driven decisions. These factors mitigate risks, optimizes marketing budgets, and improves efficiency (AlContentfy Team, 2023).

3.7.1 Marketing Performance

The extant literature shows that marketing resources positively correlate with marketing performance (Hooley et al., 2005; Jung and Shegai, 2023). Hooley et al. (2005) found that marketing resources indirectly impact financial performance by creating customer satisfaction and loyalty as well as building superior market performance. Marketing resources are crucial for determining profitability in any business strategy (Hooley et al., 2005), however, the impact of marketing resources on profitability can be viewed from different perspectives. Some experts argue that marketing resources are essential for businesses to thrive in a competitive marketplace (Handoyo, Suharman, Ghani, and Soedarsono, 2023; Siu, 2024). They believe organizations should allocate sufficient resources to marketing activities to build brand awareness, create customer value, and achieve higher profitability. From this perspective, marketing resources are investments that yield long-term financial benefits. On the other hand, critics argue that excessive spending on marketing resources may not necessarily guarantee profitability (Kozlenkova, Samaha, and Palmatier, 2013). They stress the importance of allocating resources judiciously, considering factors such as the target market, industry dynamics, and competitive landscape. From this perspective, businesses must carefully assess the potential return on investment before committing significant resources to marketing activities. Many studies have assessed how resources directly affect firm performance, frequently measured by profitability, market share, and Return on Investments (ROI) (Vorhies and Morgan, 2005; Hooley et al., 2005; Menguc and Auh, 2006).

3.8 DIGITAL MARKETING ADOPTION BY SMEs IN SOUTH AFRICA

Digital marketing continuously transforms how businesses promote their products and services in the modern digital era. Digital marketing techniques, such as social media, content marketing, and affiliate marketing have become viable digital marketing tools that South African SMEs can use as they stimulate two-way communication, visibility, efficient communication with customers,

© University of Venda

and sustainable business growth (Mathabatha, 2024). SMEs in South Africa face several marketing challenges that impede their growth and sustainability (Scheers, 2018), however, adopting digital marketing can offer solutions to help SMEs doing business in South Africa overcome these marketing challenges so that they can compete with larger companies and achieve their stated goals (Cognite, 2023). Additionally, digital marketing by SMEs results in better customer service, customer satisfaction, and growth (van Tonder, Bossink, Schachtebeck, and Nieuwenhuizen, 2023). Cognite (2023) identified six main benefits of digital marketing to South African SMEs - increased reach, reduced costs, assisting in determining target audience, increased customer engagement, reviewing data, and optimizing campaigns. Yunis, Tarhini, and Kassar (2018) state that firms that engage in digital marketing innovation have higher performance levels, including increased sales growth and profitability; despite this significance of digital marketing tools and techniques in recent digital business transformations, there is still a lack of digital marketing use among SMEs, in all sectors of South Africa (Chapman, Chapman & Katrodia, 2019; Dudley, 2019). A study by Bizcommunity (2023) revealed that digital adoption trends show that small businesses are mostly unprepared for change and are only reactively introducing digital tools. Dudley (2019) found that factors impeding the implementation of digital marketing encompass attitude, skill, finance, and time.

3.9 CHAPTER SUMMARY

This chapter presented the concept of digital marketing, techniques, benefits, and challenges SMEs encounter in digital marketing adoption. The chapter further unpacked the ‘concept’ of marketing resources, marketing performance, and digital marketing adoption by South African SMEs. The chapter noted that market resources are essential for business firms' digital marketing adoption, profitability, and performance. It has also been established that digital marketing increases customer engagement at a low cost, yet, despite these significant benefits of adopting digital marketing, there are many challenges facing SMEs in South Africa, arising from determinants, such as, attitude, skills, finances, and time to embrace digital marketing. The next chapter describes the development of the conceptual framework.

© University of Venda

CHAPTER FOUR

THEORETICAL AND CONCEPTUAL FRAMEWORK DEVELOPMENT

4.1 INTRODUCTION

The preceding chapter presented the notion of digital marketing, the benefits of digital marketing adoption, challenges SMEs face in adopting digital marketing, marketing resources, and marketing performance; these issues contribute immensely to understanding the study scope. The intention of this chapter is to delve into the development of theoretical and conceptual frameworks in response to the articulated objectives. Luft, Jeong, Idsardi, and Gardner (2022) emphasize the importance of theoretical and conceptual frameworks in constructing new knowledge. These authors maintain that theoretical frameworks offer a way to explain and interpret a studied phenomenon, while conceptual frameworks clarify assumptions about the studied phenomenon. Hecker and Kalpokas (2024) assert that theoretical and conceptual frameworks are closely related but have distinct purposes and characteristics, therefore, this chapter is divided into two broad parts: the theoretical framework and the development of the conceptual framework. The theoretical framework section deals with the study theories, while the conceptual framework development explores the research variables, constructs, and their relationships. The theories dissected are - the theory of reasoned action (TRA), technology acceptance model (TAM), theory of planned behavior (TBP), innovation diffusion theory, unified theory of acceptance and use of technology, and technology-organization-environment (TOE). Section 4.2 presents the theoretical background.

4.2 THEORETICAL BACKGROUND

Digital marketing development influences how SMEs and large companies market goods and services (Surandase, 2023). Bruce, Shurong, Ying, Yaqi, Amoah, and Egala (2023) believe that digital technologies are new strategic tools for the sustainable growth of SMEs. Pecanha (2024) maintains that traditional marketing methods have lost their place to digital marketing. The theories presented in this chapter have been the definitive frameworks used in traditional marketing to understand consumer behavior and predict technology acceptance, however, as digital marketing has changed how businesses operate, these models have also evolved to fit the changing marketing landscape, hence, there is a prerequisite to review the existing theories and frameworks. In addition, digital marketing affects the marketing mix in new ways, but the literature on digital marketing adoption is very scarce (Su, Zhang, and Xu, 2023), although, Dey (2022) points out that existing theories can be modified or used to build new ones. Patil, Navalgund, and Mahantshetti (2022) argue that one of the leading causes of business failure is the lack of a

© University of Venda

comprehensive digital marketing strategy. Similarly, Alrousan, Al-Dwan, Al-Madadha, and Khasawneh (2020) state that there is no comprehensive conceptual framework to explain e-marketing adoption in SMEs. In this study, therefore - the theory of reasoned action (TRA), technology acceptance model (TAM), theory of planned behavior (TBP), innovation diffusion theory, unified theory of acceptance and use of technology, and technology-organization-environment (TOE) - will provide the lens for understanding digital marketing adoption, among SMEs in South Africa.

4.2.1 The theory of reasoned action (TRA)

The theory of reasoned action (TRA) is one of the most used theories of technology adoption (Granic, 2023; Bothma and Mostert, 2023). TRA was developed by Martin Fishbein and Icek Azjen in 1975. Several scholars have compared the TRA theory with other theories and models for technological innovation and found it to be a strong explanation for innovation adoption (Odoyo, Liyala, Odongo, and Abeka, 2016). TRA is a model for predicting behavioral intentions that involves predicting attitudes and normative beliefs (Southey, 2011). According to Sadeghi and Farokhian (2011), the TRA refers to attitudes toward the behavior and subjective norms that influence an individual's intent to adopt an innovation. The theory suggests that an individual's behavior is determined by his/her intentions, attitudes, and subjective norms towards a certain behavior.

Figure 4.1 summarizes the theory of reasoned action



FIGURE 4.1 THEORY OF REASONED ACTION
Source: Fishbein and Ajzen (1975)

According to Fishbein and Ajzen (1975), attitude toward behavior is an individual's evaluative effect on performing the target behavior. These theorists further point out that an individual's attitude towards a behavior is determined by perceived outcomes, such as the perceived

© University of Venda

consequences, the effort required, and the assessment of such consequences to perform a particular behavior. Fishbein and Azjen (1975), argue that behavior is determined by both the attitude towards behavior and subjective norms. A subjective norm is the person's perception that most people who are important to him think whether, he should or should not perform the behavior in question (Fishbein and Ajzen, 1975). Sansom (2021) defines subjective norms as social pressures and includes both the perceived expectations of others and how much individual values those expectations, thus, influential people in society form subjective norms about the intention of an individual to perform a certain behavior. Fishbein and Ajzen (1975) assert that subjective norms determine the expectations of certain referents or groups and a person's motivation to meet those expectations. These two constructs influence behavioral intentions and are called the subjective probability of the individual to behave, hence, if the attitude towards the behavior is more positive and the social norms to perform the behavior are strong, the person will develop a stronger self (Fishbein and Azjen, 1975). Finally, a flexible behavioral intention leads to a higher probability of performing a certain behavior when using the product, in this case, digital marketing technique.

For digital marketing adoption, the Theory of Reasoned Action suggests that the phenomenon is determined by a person's behavior when using a particular technology, collectively determined by an individual's attitude towards technology and the norms associated with that technology in a person's environment, such as an SME owner and colleagues. A study conducted in Ghana by Bruce, Shuron, Ying, Yaqi, Amoah, and Egala (2023) found that attitude toward digital marketing does not significantly affect the intention to use digital marketing; perceived behavioral control and subjective norms were found to influence people's intentions to use digital marketing. In addition, the results show a significant positive relationship between subjective norms and the actual behavioral use of digital marketing, however, the applicability of the TRA to the adoption of digital marketing in South African SMEs has been criticized. One of the main criticisms is the failure to consider external factors influencing decision-making, such as cultural, socio-economic, and technological factors specific to the South African context (TheoryHub, 2024). TRA focuses on internal factors and overlooks complexities faced by SMEs in a rapidly changing digital environment (Ogwu, 2021).

Additionally, critics argue that attitudes and subjective norms alone cannot fully explain the complexities of digital marketing adoption by SMEs in South Africa. The theory does not consider other affecting factors, such as perceived behavioral control, a concept later introduced by Ajzen in the Theory of Planned Behavior (TPB) (Masimba and Zuva, 2021). These authors also point

© University of Venda

out that the theory of reasoned action (TRA) is very general because it does not specify the operational beliefs for specific behaviors, meaning that researchers using TRA must first identify the central beliefs related to the conduct of the subject. The limitations of the TRA highlight the need for a more comprehensive framework that addresses the unique challenges of South African SMEs.

4.2.2 Technology Acceptance Model (TAM)

In 1986, Fred Davis developed the Technology Acceptance Model (TAM) in his doctoral dissertation. Davis used TAM to study the computer-use behavior of individuals. Lai (2017) notes that TAM attempts to explain the general factors in computer acceptance that lead to explaining user behavior across a range of end-user computing technologies and user groups. The TAM model consists of two constructs representing behaviors whose outcome is predicted by perceived ease of use and perceived usefulness (Marikyan, Papagiannidis, & Stewart, 2023). Davis (1986) defines perceived usefulness as a subjective probability of a potential user that the utilization of a certain system (digital marketing technology) will improve his/her performance, and perceived ease of use refers to the extent to which the potential user expects the target system to work effortlessly. Davis (1986), however, admits that a person's belief in a system is influenced not only by perceived ease of use and perceived usefulness but also by some other existing factors, which he called external variables, as shown in Figure 4.2.

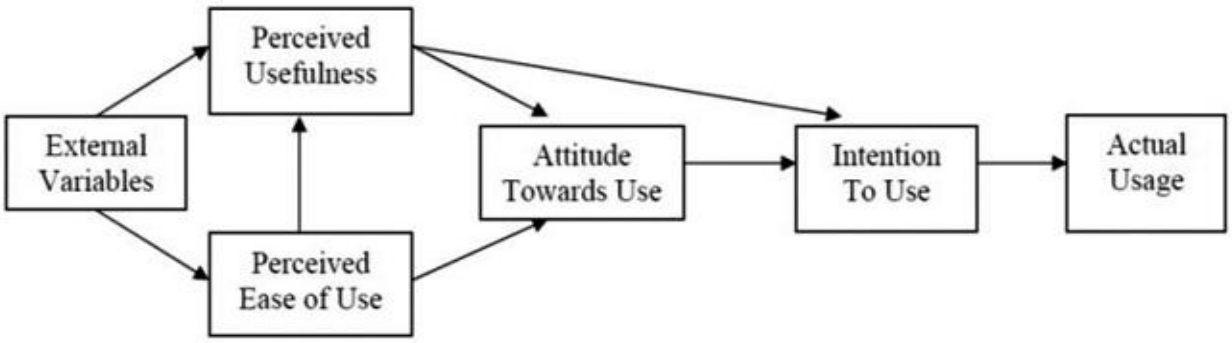


FIGURE 4.2 TECHNOLOGY ACCEPTANCE MODEL (DAVIS, 1985)

In South Africa, several studies have been conducted investigating the relationship between perceived ease of use, perceived usefulness, and technology adoption (Khoza, Mabitsela, and

© University of Venda

Nel, 2024; Matikiti, Mpinganjira, and Roberts-Lombard, 2018; Ramphele and Mososa, 2022). All these studies found a positive relationship between perceived ease of use, perceived usefulness, and technology adoption among South African SMEs. A study conducted in China by Geng, Hui, and Xue (2023) showed that the perceived ease of use of entrepreneurs without previous experience significantly affects attitudes toward ICT adoption. The Technology Acceptance Model (TAM) has been widely used as a theoretical framework to understand and predict individuals' acceptance and use of technology (Kelly and Palaniappan, 2023). This model is particularly relevant in South African small and medium-sized enterprises (SMEs), where technology adoption in promoting business growth and competitiveness is of the essence. This has been proven by many researchers who have included and used it in their research (Matikiti, Mpinganjira, and Roberts-Lombard, 2018; Ramphele and Mososa, 2022), however, criticism of TAM comes from various perspectives. One of the criticisms raised is that the model focuses mainly on individual beliefs and attitudes, neglecting the influence of external factors such as social influence and system's compatibility with technology adoption (Boluwatife, 2023). South African SMEs face a unique socio-economic environment due to limited resources and infrastructure (Enaifoghe and Ramusuraj, 2023), thus, the applicability of TAM in this context is questionable. Dickson, Oby, Samuel, and Udoka (2021) suggest that TAM must be integrated with other variables or frameworks to obtain reliable results.

4.2.3 Theory of Planned Behavior (TBP)

In 1991, Icek Ajzen evolved the Theory of Planned Behavior (TPB) to predict human behavior (Azjen, 1991) and is a widely used and validated model in technology acceptance (Rejali, Aghabayk, Esmaeli, and Shiwakoti, 2023). In the theory of planned behavior, behavior is influenced by intentions, which are determined by three factors - attitudes, subjective norms, and perceived behavioral control (Ajzen, 1991). Sansom (2023) argues that external factors can directly compel or inhibit behavior regardless of intention, depending on the degree to which the individual controls the behavior and the degree to which perceived behavioral control is an accurate measure of actual behavioral control. It is important to note that TBP is a full-fledged social psychological theory but is also widely used in other fields, including, health communication, marketing, management, and clinical medicine (Zhang, 2018). Baker, Al-Gahtani, and Hubona (2007) modified the TBP model to fit technology adoption. The relationships between the TBP model constructs specifically designed for technology implementation are shown in Figure 4.3.

© University of Venda

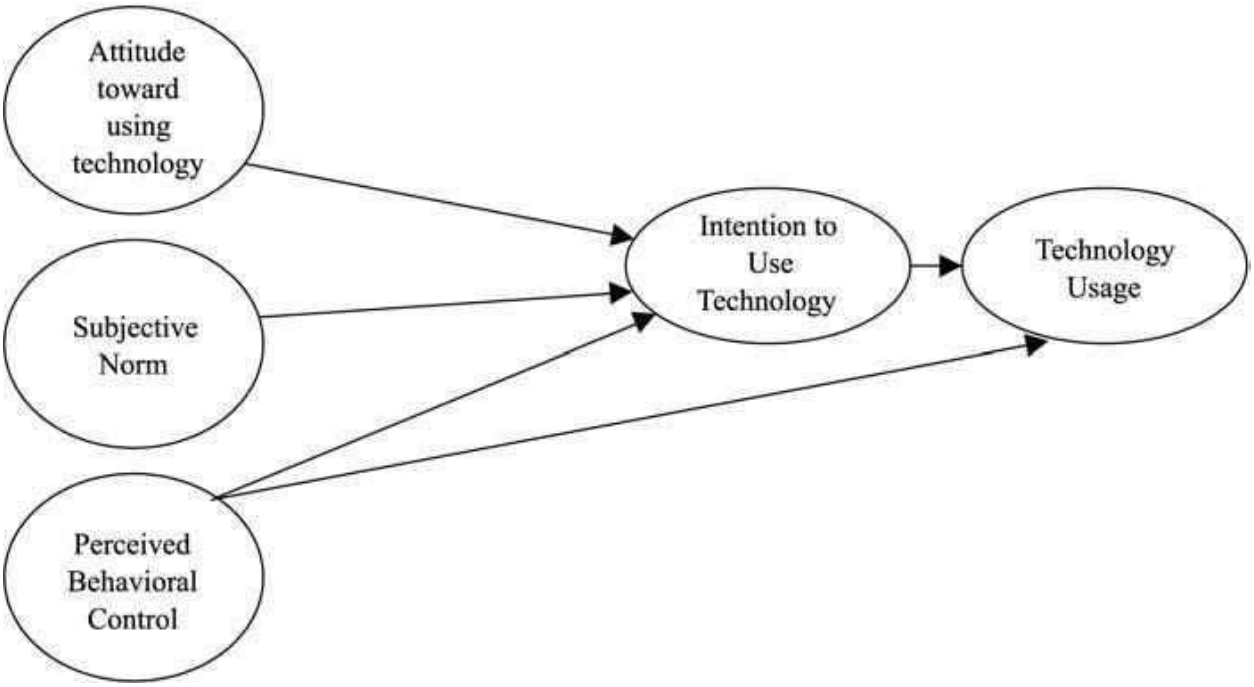


FIGURE 4.3 THEORY OF PLANNED BEHAVIOR (TECHNOLOGY SPECIFIC)
Source: Baker, Al-Gahtani, and Hubona (2007)

Figure 4.3 shows that when applying the TPB in the context of information technology (IT) adoption, it is assumed that the intention to use IT influences an individual's further IT use while fully mediating the influence of attitudes and subjective norms on subsequent IT use. In addition, perceived control of behavior directly affects both the intention to use IT and the eventual use of IT (Baker, Al-Gahtami, & Hubona, 2007). Several studies around the world have used the TPB to predict individuals' intentions and behavior toward technology adoption in the SME sector (Loo, Ramachandram, & Yusof, 2023; Bruce, Shurong, Ying, Yaqi, Amoah, & Egala, 2023; Hossain, Dewan, Senin, 2023 and Illes, 2023). TPB variables, such as attitudes, subjective norms, and perceived actions significantly impact technology adoption in SMEs. Bruce et al (2023), for example, found that attitude towards digital marketing does not influence intention to use digital marketing, while perceived behavioral control and subjective norms significantly influence people's intention to use digital marketing. The Theory of Planned Behavior (TPB) has been widely used to understand and predict human behavior, including digital marketing adoption by small and medium-sized enterprises (SMEs); although this theory is widely accepted, it has been criticized on several fronts. A major criticism is that the TPB ignores cultural and contextual factors that can significantly influence the decisions of small businesses to adopt digital marketing strategies (Mfazi and Elliott, 2022). In their study, these authors examined the theory of planned behavior (TPB), followed by the role of culture as a factor that can moderate the effect of

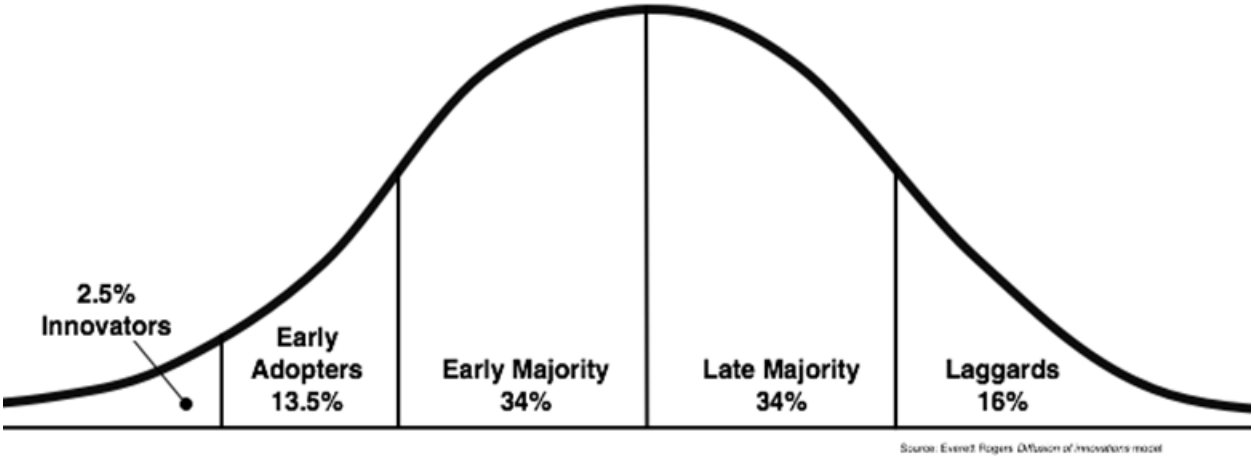
© University of Venda

independent variables (personal attitude, subjective norms, and perceived behavioral control) included in the model. In addition, South African SMEs face unique challenges, such as limited access to technology, lack of skills and knowledge, and socio-economic inequalities (Mhlongo and Daya, 2023). These factors must be considered when analyzing the adoption of digital marketing, however, the TPB focuses primarily on individual attitudes and perceptions without considering these contextual factors. Nguyen, Truong, and Le-Anh (2023) suggest that TPB should be integrated with other theories so that researchers can gain deeper insight into behavior and the use of technology-based platforms.

4.2.4 Innovation Diffusion Theory

The innovation diffusion theory is one of the primitive theories used in social sciences (Garcia-Aviles, 2020). The Innovation Diffusion theory was developed by E.M. Rogers in 1962, who attempted to explain how an idea or product gains momentum over time and diffuses (or spreads) through a given population or social system. Diffusion is when people adopt a new idea, behavior, or product as part of a social system (Wayne and LaMorte, 2022). They further state that adoption means that a person does something differently than what they previously did, for instance, purchase or use a new product or acquire and perform a new behavior. A key feature of adoption is that an individual must perceive an idea, behavior, or product as new or innovative (Wayne and LaMorte, 2022); it is against this background that diffusion is possible.

According to Wayne and LaMorte (2022), the adoption of a new idea, behavior, or product ("innovation") in a social system does not occur concurrently; rather, it is a process by which some people tend to adopt innovations more than others. Researchers have found that people who adopt an innovation early have different characteristics than people who adopt an innovation later (Wayne and LaMorte, 2022). There are five established user categories, as shown in Figure 4.4.



© University of Venda

FIGURE 4.4 INNOVATION DIFFUSION THEORY
Source: Rodgers (1962)

As shown in Figure 4.4, there are five established adopter categories, and while most of the general population tends to fall into the middle categories, it is still necessary to understand the characteristics of the target population. In encouraging innovation, different strategies are used to attract different categories of users and Wayne and LaMorte (2022) explained these various categories below:

1. **Innovators** – Refers to people who want to be the first to try an innovation and are bold and interested in new ideas. These people are very willing to take risks and often develop the first new ideas. Very little, if anything, needs to be done to reach this population.

2. **Early Adopters** – These are people represent opinion leaders; they enjoy leadership positions and embrace opportunities for change. They are conscious of the need for change and are, therefore, very comfortable accepting new ideas. Strategies that appeal to this population include guidance and information on implementation as they do not need the information to change them.
3. **Early Majority** – These people are rarely leaders but adopt new ideas before the average person, however, they usually need evidence that an innovation works before they are willing to accept it. Strategies that appeal to this crowd include success stories and evidence of the innovation's effectiveness.
4. **Late Majority** – These people are skeptical of change and adopt an innovation only after most have tried it. Strategies that appeal to this population include, detailed information about how many others have tried and successfully adopted the innovation.
5. **Laggards** – These people are bound by tradition and are very conservative. They are very skeptical of change and are the hardest to engage. Strategies to reach this population include statistics, fear appeals, and pressure from people in other adoptive groups.

Rogers (1962) identified five (5) factors that influence the embracing of an innovation. The factors are as follows.

1. **Relative Advantage** - The extent to which an innovation is perceived as better than the idea, program, or product it replaces.

2. **Compatibility** - How compatible is innovation with the values, experiences, and needs of potential users?

© University of Venda

3. **Complexity** - How difficult is innovation to understand and/or use?
4. **Tri-ability** - The extent to which the innovation can be tested before committing to implementation.
5. **Observability** - The extent to which the innovation provides tangible results (Wayne and LaMorte, 2022)

Several studies have investigated the impact of the innovation diffusion theory on technology adoption among SMEs, across the globe (Loo, Ramachandram, and Yusof, 2023; Shanmugan and Shanmugan, 2021; Lose and Kapondolo, 2020). All studies show that diffusion of innovation plays a crucial role when adopting digital technologies in SMEs. Shanmugam and Shanmugam (2021), for example, found that the five characteristics of innovation diffusion theory - comparative advantage, compatibility, complexity, testability, and observability - positively affect technology adoption. The diffusion of innovation theory considers other aspects such as environmental, organizational, and system characteristics influencing SMEs while adopting technology, however, Loo, Ramachandram, and Yusof (2023) argue that this theory may have less explanatory power and be less practical in predicting outcomes, than other adoption theories.

4.2.5 Unified Theory of Acceptance and Use of Technology (UTAUT)

The UTAUT model was developed by Venkatesh, Morris, Davis, and Davis in 2003. The framework was originally designed to identify factors influencing the adoption and use of electronic records management systems (EDMS) by academics and administrative staff (Ayaz and Yanartas, 2020). The theoretical model of UTAUT assets that the actual use of technology is determined by behavioral intention. Venkatesh et al. (2003) state that the perceived likelihood of adopting a technology depends on the direct effect of four key constructs - performance expectancy, effort expectancy, social influence, and facilitating conditions. The effect of these predictors is moderated by age, gender, experience, and voluntariness of use (Venkatesh et al., 2003). The definitions of the UTAUT constructs are presented in Table 4.1.

Table 4.1 Definitions of constructs of the UTAUT model

Constructs	Definitions
Performance Expectancy	The capability of the technology to provide benefits and enhance the performance of the user according to his/her expectations
Effort Expectancy	User expectations about the ease of use of technology

© University of Venda

Social Influence	The expected influence of others on the user to start and continue using the technology
Facilitating Conditions	The expected level of organizational and technical infrastructure that can support the use of technology

Source: Venkatesh et al., (2003)

Table 4.1 presents the definitions of the four moderating variables expected to moderate the effects of the four main constructs on behavioral intentions and usage behavior. The relationships between structures in the UTAUT model are summarized in Figure 4.5. These relationships are summarized in a study conducted by Venkatesh et al. (2003) as follows:

- Performance expectancy influences behavioral intentions and is moderated by gender and age, with stronger effects for younger men.
- The expectation of effort needed affects behavioral intentions and is moderated by gender, age, and experience, with stronger effects for young women and older workers with early experience.
- Social influence affects behavioral intentions and is moderated by all moderating variables, with stronger effects for older women, especially early in the compulsive use experience.
- Contingent structure facilitation does not affect behavioral intention, but it does affect age- and experience-dependent usage behavior, which affects older workers, especially more experienced ones.

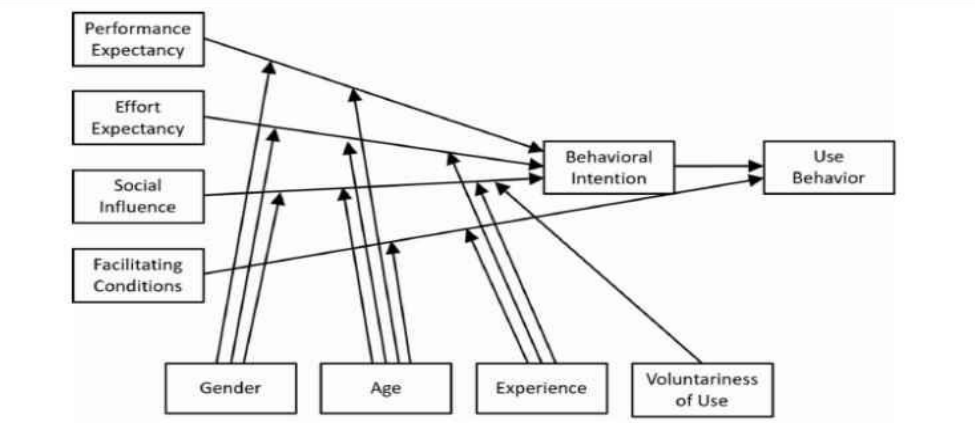


FIGURE 4. 5 THE UTAUT MODEL
Source: Venkatesh et al. (2003)

Several studies have investigated the impact of the UTAUT model on digital technology adoption in different countries (Kwarteng, Ntsiful, Diego, & Novak, 2023; Rozmi, Bakar, Hadi, & Nordin,

© University of Venda

2019; Nyamubarwa & Chipunza, 2021). All studies confirmed that performance expectancy, effort expectancy, social influence, and facilitating conditions have significant positive relationships with adopting digital technology. Kwarteng et al. (2023), for example, found that, performance expectations, enabling conditions, and expectations of labor contribution, significantly influence owner-manager intentions to digitize in SMEs, however, the application of the model to South African SMEs has been criticized. First, the UTAUT model lacks context-specific factors that are essential for SMEs. South Africa and its specific socio-economic and cultural aspects require a deeper study of the factors influencing the adoption of digital technologies. Second, the model ignores the influence of external stakeholders, such as government policies, industry associations, and infrastructure constraints, which significantly affect SMEs' digital technology adoption decisions. These criticisms highlight the limitations of UTAUT on South African SMEs.

4.2.6 Technology-Organization-Environment (TOE) Framework

The Technology-Organization-Environment (TOE) theoretical framework was developed by Louis G. Tornatzky and Mitchell Fleischer in 1990. The TOE framework is a classic one used to predict a company's intention to adopt an information system (Jere and Ngindi, 2011). Martins (2011) argues that the TOE framework can be used to understand the determinants that influence the adoption of a new technological innovation. The TOE framework in a company involves the technological, organizational, and environmental contexts that drive the adoption and implementation of technological innovation. In South Africa, several studies have used the TOE theoretical framework as a lens to examine technology adoption (Jere and Ngindi, 2020; Sithole and Ruhode, 2021; Sichoongwe, 2023). Figure 4.6 shows TOE’s technology, organization, and environmental framework.

© University of Venda

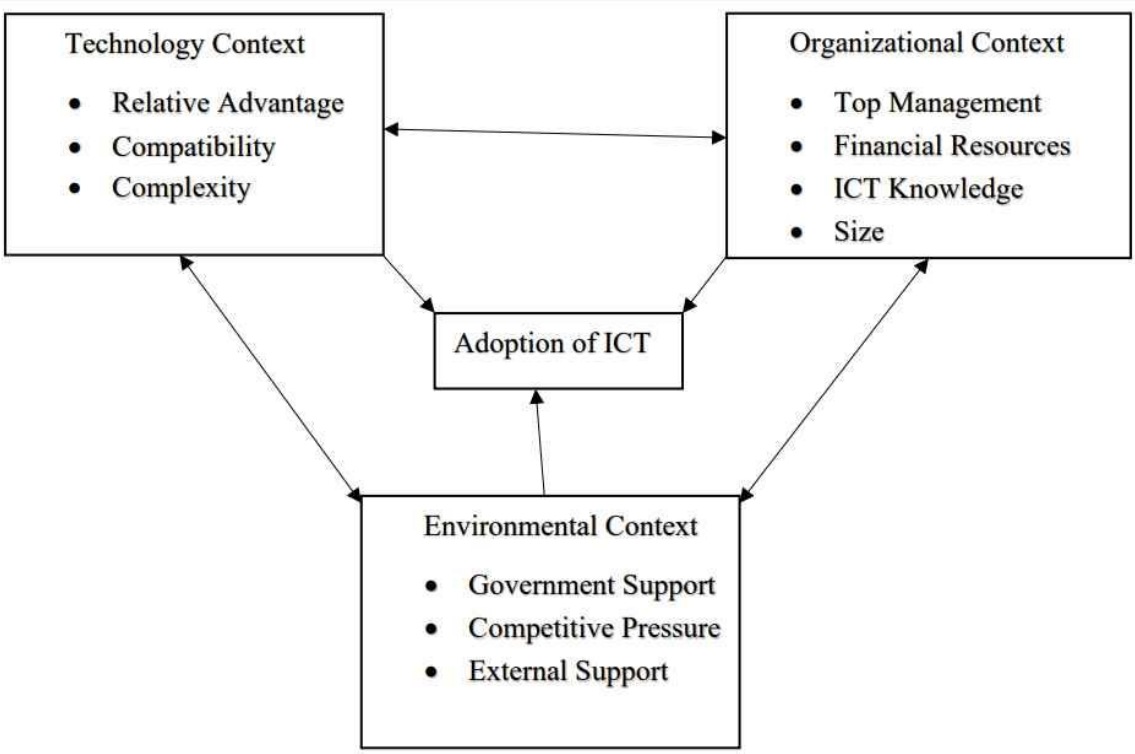


FIGURE 4.6 TECHNOLOGY, ORGANIZATION, AND ENVIRONMENT FRAMEWORK
Source: Tornatzky, Fleischer, and Chakrabarti (1990)

The technology-organization-environment (TOE) is a widely recognized theoretical framework that examines the interactions and relationships between technology, organizations, and their external environment (Thomas and Yao, 2023). Al-Khatib (2023) emphasized that the TOE framework is one of the most used theories by researchers to study the internal and external factors that influence organizations when adopting new technology. According to Theory Hub (2024), the Technology-Organization-Environment (TOE) is a theoretical framework developed in information systems to explain how various factors, including technological characteristics, influence the adoption and use of new technologies. The technology itself, the organizational environment in which it is used, and the external environment in which an organization operates, all impact adoption. The following sections present the key elements of the TOE framework.

4.2.7 Technology Context

VAJRA Global (2023) believes that technology is the lifeblood of modern marketing and that it is fundamental to building the digital marketing landscape. Mishrif and Khan (2023) emphasize that SMEs are more likely to adopt technology if they understand its benefits and impact on performance. Bozkus (2023) suggests that communication with employees and ensuring their

© University of Venda

involvement from an early stage of the implementation process are essential for new technology adoption. Abbas (2022) emphasizes the urgency of employee involvement in designing, testing, and implementing new technologies for successful integration. Mishrif and Khan (2023) consider employee technical skills as an important factor for organizational technology adoption, although, support from top management is critical for adopting new technology (Zamani, 2022). The impact of current technology in implementing new digital technology in organizations cannot be underestimated (Zuma, 2022). The compatibility and integration of new technologies with existing infrastructure strongly influence the speed and scale of adoption (Zuma, 2022). Organizations with legacy systems can face significant challenges when adopting new digital technologies, while organizations with modern infrastructure can make leaps and bounds.

Plutora (2020), however, argues that without strong processes, individuals in an organization struggle to be effective, and the potential value of technology is wasted. The author also states that insufficient knowledge of technology can hinder a firm's ability to derive value from its technological investments. In addition, if the new technology does not integrate seamlessly with the existing processes, expected outcomes may not be achieved. Thoumrungroje and Racela found that embracing new technology is driven by high levels of expertise. The technological context presented in this study includes three dimensions: comparative advantage, compatibility, and complexity.

4.2.7.1 Relative advantage

According to Wayne and LaMorte (2022), relative advantage refers to the degree to which an innovation is perceived as better than the idea, program, or product it replaces. A study by Shahadat, Nekmahmudi, Ebrahim, and Fekete-Farkas (2023) shows that comparative advantages affect SME digital adoption, thus, digital technology should benefit SMEs by providing comparative advantages. Ta and Lin (2023) maintain that higher market penetration, lower operating costs, and easier adoption of new business models are some of the comparative advantages that SMEs embrace in digital transformation. Moghavvemni, Hakimian, and Tengk Feissal (2012) however, argue that SME owners or managers are likely to adopt new digital technology if they perceive it will help them perform their tasks better.

4.2.7.2 Compatibility

Compatibility has always been a crucial factor when it comes to the adoption of digital technology among Small and Medium Enterprises (SMEs) (Al-Sharafi, Iranmanesh, AlEmran, Alzahrani, Herzallar, and Jamil, 2023; Zamani, 2023. Rogers (2003) posits that compatibility refers to

© University of Venda

the extent to which a new technology aligns with existing beliefs, values, and needs of likely adopters. Deng, Li, and Cheng (2023) add that compatibility influences initial adoption intention and continued use of innovation in organizations. Several studies have shown that compatibility plays a significant role in SMEs' adoption of digital technology (Ta and Lin, 2023; Zamani, 2022; Shanmugam and Shanmugam, 2021), however, Shahadat, Nekmahmud, Ebrahimi, and Fekete-Farkas (2023) found no significant relationship between compatibility and digital technology adoption by SMEs.

4.2.7.3 Complexity

Digital technology is now an integral part of our lives, revolutionizing different sectors of the economy and businesses, including small and medium-sized enterprises, however, the complexity of digital tools can pose a significant barrier to their adoption (Rehmani, 2024). According to Rogers (2003), complexity is the degree to which an innovation is perceived as difficult to understand and use. A study conducted by de Mattos, Pellegrini, Hagelaar, and Dolfsma (2023) found that the SMEs' transformation to exploit new technologies is challenged, given their lack of resources and the complexity of technological transformation, which encompasses technology assimilation and business model innovation (BMI). SMEs in South Africa face challenges such as limited access to affordable high-speed internet, lack of digital literacy, and inadequate financial resources (Gqoboka, Anakpo, and Mishi, 2022). The cost of acquiring and maintaining digital infrastructure, software, and skilled personnel can be prohibitive for many SMEs, especially those operating in rural and underdeveloped areas (Bvuma, 2024). This complexity creates a digital divide, leaving certain SMEs behind in the rapidly-evolving digital landscape.

4.2.8 Organizational context

Organizational context refers to the characteristics of the business in terms of the organization's scope, size, and resources (Nguyen, Le, & Vu, 2023). The organizational context was conceptualized by Tornatzky, Fleischer, and Chakrabarti (1990) as consisting of four (4) aspects - top management, financial resources, IT knowledge, and company size. Putra and Santoso (2020) indicate that organizational context significantly influences e-commerce’s adoption. This infers the significance of the contextual factors underlying the organizational context of SMEs. The following sub-sections delve into the contextual components of the organizational context.

© University of Venda

4.2.8.1 Top management

Digital marketing and technology adoption have become a critical determinant of success for Small and Medium-sized Enterprises (SMEs) across the globe (Teng, Wu, and Yang, 2022). It helps SMEs – to compete with larger businesses, gather market intelligence, reduce marketing costs, improve new product development, and achieve competitive advantage and sustainable growth (Teng et al., 2022). The decision to adopt digital marketing and digital technology, however, is made by top management (Abbasi, Rahim, Wu, Iranmanesh, and Keong, 2022). Top management, which comprises executives and leaders within SMEs, holds a crucial role in driving and facilitating technology adoption within their organizations (Yu, Wang, Li, and Lin, 2022). Their strategic decision-making abilities and vision are critical in determining the speed and extent of technology implementation. Effective top management recognizes the potential benefits, identifies suitable technologies, develops implementation strategies, and obtains necessary resources to ensure successful adoption (Bhayani, 2023). Several studies have investigated the influence of top management on the adoption of digital technology (Sugandini, Margahana, and Rahatmawati, 2019; Abbasi et al., 2022; Pradhan et al., 2020). Pradhan et al. (2020), for instance, found that the factors driving the adoption of digital marketing are associated with top management persuasion. In concurrence, Wrede, Velamuri, and Dauth (2020) noted that support from the top management team is essential in the digital transformation process.

4.2.8.2 Financial Resources

Financial resources play an essential role in technology adoption in small and medium enterprises (SMEs) (Zamani, 2022). In today's fast-paced business landscape, technology adoption is an essential factor for the success and survival of SMEs (Pu, Qamruzzaman, Mehta, Naqvi, and Karim, 2021). Small and medium-sized businesses need financial resources to acquire the right equipment, services, and supplies to adopt and implement digital marketing, hence, the ability to embrace and integrate new technology into operations depends heavily on available financial resources. Access to sufficient financial resources enables SMEs to invest in the necessary technology infrastructure, train employees, and implement new systems effectively, however, SMEs in South Africa and most countries encounter financial resource challenges (Runde, Savoy, and Staguhn, 2021). Msomi and Olarewaju (2021) argue that the low growth rate of SMEs and high failure rates in South Africa result from a lack of financial resources. Historically, SMEs have faced numerous challenges in adopting new technologies due to limited financial resources (Kergoach, 2021). The cost of acquiring and implementing new technologies, such as hardware, software, and specialized IT infrastructure, can be prohibitive for small businesses (Al Sharafi et

© University of Venda

al., 2023). As a result, SMEs often lag behind large companies in adopting innovative technology (Kergroach, 2021). The World Economic Forum (2021) notes that lack of financial resources is the major obstacle impeding the accelerated adoption of digital technologies among SMEs. Several studies have examined the impact of financial resources and digital technology adoption (Taiminen & Karjaluoto, 2015; Telukdarie, Dube, Majota, & Phibin, 2023). Benitez, Ayala, and Frank (2020) however, argue that even if financial constraints are addressed, digital technology adoption in SMEs is still hindered by a lack of clarity about the return on investment or their partial ability to grasp and implement digital transformation prospects.

4.2.8.3 ICT Knowledge

With the rapid advancements in technology and the emergence of the internet, digital marketing has become a crucial component for businesses, today. Small and Medium Enterprises (SMEs) are no exception to this trend. To effectively apply digital marketing strategies, SMEs must have a solid understanding of information and communication technologies (ICT) and their applications in the marketing field, however, SMEs often struggle to acquire and develop ICT knowledge due to limited resources and expertise, hindering their digital marketing adoption (Hossain, Dewan, Senin, and Illes, 2023). Makiwa (2018) states that in most cases, SMEs do not have employees with sufficient ICT knowledge. In concurring, Legg, Susmano, and Paunov (2023) reveal that less than 10% of SMEs offer ICT training to their employees. Similarly, a study conducted by Bvuma and Marnewick (2020) revealed that ICT skills are one of the hindrances that affect ICT adoption. According to the Indeed editorial team (2024), IT knowledge and skills are the ability of an individual to understand and use a variety of technology software. Several studies have shown a positive relationship between IT knowledge and the adoption of digital technology (Jere and Ngidi, 2020; Azevedo and Almeida, 2021).

4.2.8.4 Size of the firm

Digital marketing has become an essential tool for businesses of all sizes, including Small and Medium-sized Enterprises (SMEs), in today's fast-paced digital era (Adobe Experience Cloud Team, 2018). Teng, Wu, and Yang (2022) point out that effective digital marketing enables SMEs to compete with large companies, gather market intelligence, reduce marketing costs, improve new product development, and achieve competitive advantage and sustainable growth. Ali (2023) supports that a well-executed digital marketing plan can level the playing field and help small businesses compete with larger companies, however, Jung and Shegai (2023) highlight that a firm's size can affect a company’s ability to invest in and implement digital marketing innovations.

© University of Venda

Historically, SMEs in South Africa have faced several challenges, including scarcity of resources (Mhlongo and Day, 2023). According to Bruce et al. (2022), SMEs are confronted with limited resources, impeding their adoption of digital technologies as a new strategic tool for sustainable growth. Sichoongwe (2023) found that company size significantly influences current and expected technology adoption, although, Shree, Singh, Paul, Hao, and Xu (2021) assert that firm size is a significant factor in digital technology but not a decisive factor in technology adoption.

4.2.9 Environmental Context

The environmental context of the TOE framework plays a pivotal role in influencing technology adoption among SMEs. Environmental factors such as competition, market dynamics, government policies, and industry standards significantly impact SMEs' decisions to adopt new technologies (Amesho, Edoun, Naidoo, and Pooe, 2022). The environmental context developed by Tornatzky et al. (1990) consists of three components: government support, competitive pressure, and external support. The following sections discuss the above dimensions.

4.2.9.1 Government Support

Government support has long been recognized as an important factor in promoting innovation and technology adoption by small and medium enterprises (SMEs) (Loo, Ramachandran, and Yusof, 2023). Providing resources, finance, and supportive policies promotes technology adoption, improves competitiveness, and creates an enabling environment for SMEs to thrive (Loo et al., 2023). The South African government has introduced several programs to ensure the growth and sustainability of SMEs (Ramasimu, Majadibodu, and Ladzani, 2023) with the Small Enterprise Development Agency (SEDA), the Rural Economic Development Initiative, and Khula Enterprise Finance being among the key government support programs for SMEs in South Africa; despite these significant contributions of the government in creating a conducive environment for SMEs in South Africa and in most countries in the world, several studies have been conducted that show that the high failure rate of SMEs is due to a lack of government support (Oguijiuba et al., 2021; McCann, McGeever, and Yao, 2023). Several studies have examined the relationship between government support and digital technology adoption/digital marketing (Killowe and Jenefa, 2023; Distanont and Khongmalai, 2022; Chen et al., 2021). Shahadat et al. (2023) for instance, found that government support is a crucial determinant of ICT adoption by SMEs. In another study by Killowe and Jenefa (2023), the researchers suggested that the government should create guidelines to support SMEs in adopting digital marketing.

© University of Venda

4.2.9.2 Competitive Pressure

Laforet (2011) defines competitive pressure as the strength of competitors operating in the same industry as a driving force for a firm's adoption. According to Kurnia, Choudrie, Mahbubur, and Alzougool (2015), competitive pressure is the pressure exerted by business environment factors that can force SMEs to adopt digital innovation. SMEs in South Africa face intense competition from large and established firms (News24, 2022), although, Kwarteng et al. (2023) assert that competition impacts SMEs and large firms differently. According to Alrousan et al. (2021), the pressure created by marketing dynamics related to new technologies has pushed some SMEs to adopt digital technologies, hence, Papadopoulos et al. (2020) argue that large companies and SMEs have increased their adoption of digital technologies for innovation. SMEs that do not embrace digital transformation risk losing their competitive advantage and market share (Halvadzija, 2023). Several studies have examined the relationship between competitive pressures and digital technology adoption (Zamani, 2022; Abbasi et al., 2022; Naushad and Sulphey, 2020) and all these studies demonstrate that competitive pressure significantly influences the adoption of digital technologies. Naushad and Sulphey (2020) found that competitive pressure is key for ICT adoption by SMEs.

4.2.9.3 External Support

External support provides the advice, resources, and expertise needed to improve the digital capabilities of SMEs, helping them compete effectively in the digital age (Cenamor, Parida, & Wincent, 2019). Freitas and Corrocher (2019), explain that external support for adoption can be classified as direct or indirect. Direct support is the provision of financial assistance for the purchase and implementation of specific technologies and activities; on the other hand, indirect support is the provision of advice and consultancy to facilitate the adoption of effective resources and activities. There is a significant gap in the literature on the relationship between external support and acceptance of digital technology (Yong et al., 2022). Qui, Wang, Hou, and Xu (2023) found that external support for digital adoption can directly promote the intention to adopt digital technology. Similarly, Bvuma and Marnewick (2020) found that perceptions of IT acceptance are influenced by external factors such as IT support and IT training. Awa et al. (2015) argue that external support is the main determinant of IT adoption, although, other researchers argue that over-reliance on external support can hinder SMEs' autonomy and ability to adapt independently to changing digital requirements.

© University of Venda

The Technology-Operational-Environment (TOE) framework is a widely recognized and utilized model that provides a structured approach to understanding the technology adoption process within organizations. This framework includes technical, organizational, and environmental aspects, enabling a thorough understanding of how technology is adopted and integrated within an organization. The TOE framework has been useful in understanding technology adoption, although, the rapid pace of technological development raises concerns about its static constructs (Julies and Zuva, 2021). As technology continues to evolve, the constructs of the TOE framework may not be able to capture the intricacies and complexities of new technology and may lead to incomplete analysis (Julies and Zuva, 2021). Combining different models and constructs, therefore, contributes to a better understanding of technology adoption in SMEs (Julies and Zuva, 2021).

4.3 CONCEPTUAL AND HYPOTHESES DEVELOPMENT

The previous sections discussed the theories used to understand the adoption of digital technology among organizations. Theories discussed included - the theory of reasoned action (TRA), technology acceptance model (TAM), theory of planned behavior (TBP), innovation diffusion theory, unified theory of acceptance and use of technology, and technology-organization-environment (TOE). The extant literature revealed that the technology acceptance model, the theory of planned behavior, and technology-organization-environment frameworks are the frameworks most frequently used in understanding technology adoption worldwide (Subedi, Nyamasvisva, and Pokharel, 2022; Hutterer and Krumay, 2023). In addition, the researcher validated the limitations of each framework and proposed a framework that integrated - the technology acceptance model (TAM), the theory of planned behavior (TPB), and the technology-organization-environment framework. These frameworks provide a more holistic view of the factors influencing technology adoption behavior (Nguyeni, Le, and Vu, 2022; Julies and Zuva, 2021). Factors from these three frameworks form the pillar of the study; these are - the perceived usefulness of digital marketing, ease of use of digital marketing, perceived behavioral control on digital marketing, compatibility, cost, firm size, employee capability, top management support, availability of financial resources, and competitive pressure.

According to the Indeed Editorial Team (2022), researchers may use different models and tools to show their theories, experiments, and conclusions. The Team (2022) further points out that a conceptual framework allows researchers to show the connection between different research points. The conceptual framework involves the creation of a visual diagram that shows the

© University of Venda

connection and interrelation of distinct variables (Indeed Editorial Team, 2022). Figure 4.7 shows the relationship between the variables included in this study.

© University of Venda

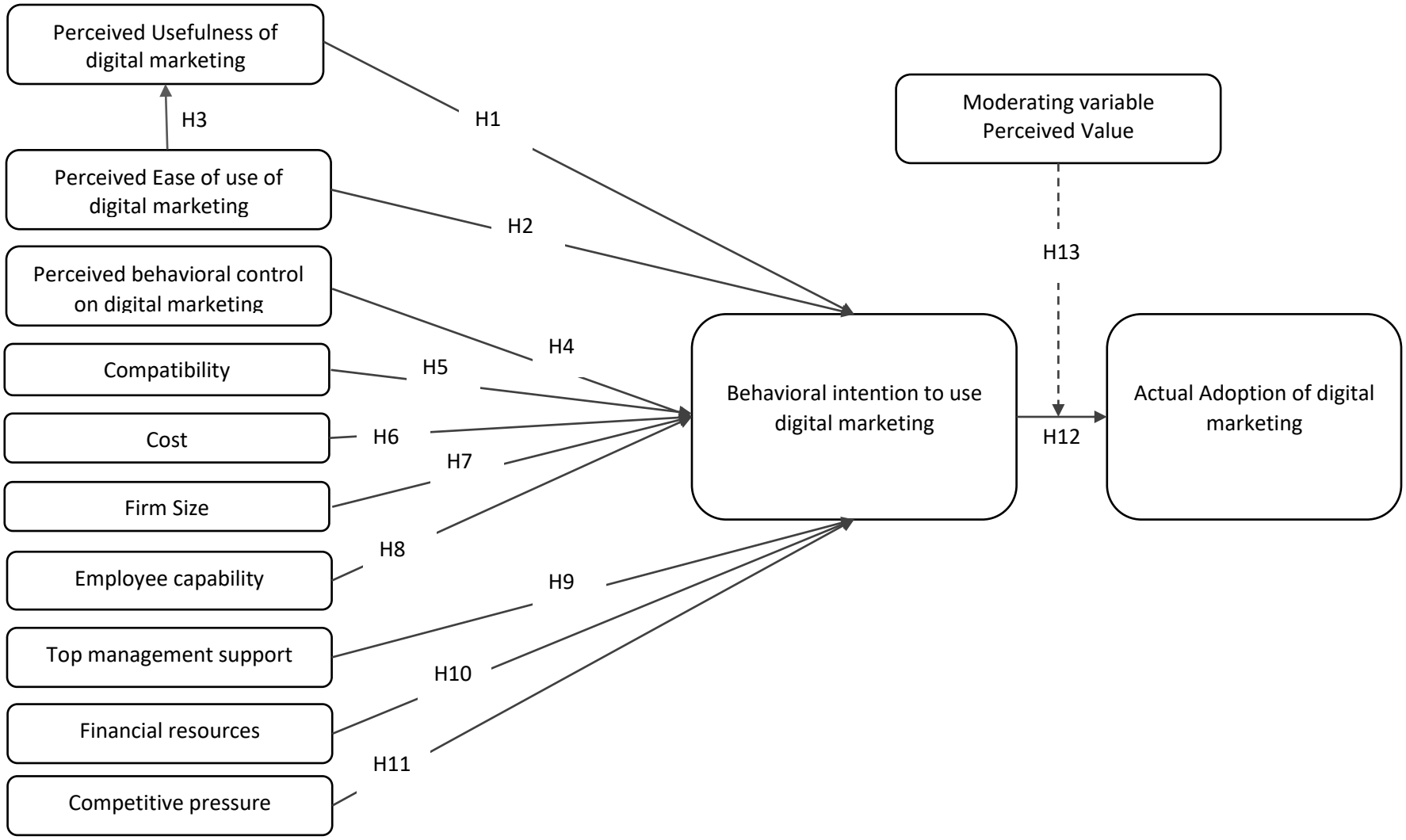


FIGURE 4.7 INTEGRATED HYPOTHESIZED CONCEPTUAL MODEL

© University of Venda

4.3.1 Perceived usefulness of digital marketing

Digital marketing has changed how businesses operate and interact with customers in the new digital age (Teamhandson, 2023). Small and medium-sized enterprises (SMEs) are becoming more aware of the potential benefits of digital marketing to increase their online presence, reach a wider audience, and improve customer engagement (Bruce et al., 2023; Veseli-Kurtish, 2024). The perceived usefulness of digital marketing plays a crucial role in the adoption of these strategies by SMEs (Buvar and Gati, 2023). According to Worthington (2021), perceived usefulness is the extent to which people believe technology acceptance will yield a competitive advantage in the marketplace. The perceived usefulness of digital marketing, both directly and indirectly, influences its adoption among SMEs (Taylor and Strutton, 2010). The research conducted by Suroso and Rafinda (2021) indicates that SME owners who view digital marketing as a useful tool for business purposes are more inclined to invest time, effort, and resources in implementing those strategies. The perceived usefulness positively affects digital marketing adoption among SMEs (Buva and Gati, 2023). Buva and Gati (2023) also found that perceived usefulness plays an important role in the adoption of digital marketing among SMEs, thus, the discussion above prompted the formulation of the following hypothesis:

H1: Perceived usefulness has a significant positive relationship with behavioral intention to use digital marketing.

4.3.2 Perceived ease of use of digital marketing

Perceived ease of use of digital marketing tools plays a significant role in influencing SMEs' decision-making processes. According to Davis (1989), perceived ease of use is the degree to which a person believes that using a particular system would be free from effort. If the technology is easy to use, then the barrier is conquered. If it is not easy to use and the interface is complicated, no one will have a positive attitude towards it. SMEs often face resource constraints and limited expertise, so making user-friendly digital marketing platforms is crucial for their adoption. If digital marketing tools are perceived as complicated or require significant prior knowledge, SMEs may hesitate to invest time and resources into implementation (Dickmann, 2023). Buvar and Gati (2023) found that perceived ease of use plays a major role in the adoption of digital marketing among SMEs. Ritz, Wolf, and Mcquity (2019) indicate that perceived ease of using digital marketing has a significant positive effect on small business owners'/managers' intentions to use digital marketing. Similarly, Qiu, Wang, Hou, and Xu (2023) point out that perceived ease of use has a strong and significant influence on the perceived usefulness of digital technology adoption because advancements in technology and ease of use contribute to positive performance.

© University of Venda

Drawing from the above discussion, it is hypothesized that:

H2: Perceived ease of use of digital marketing has a significant positive relationship with behavioral intention to use digital marketing adoption.

H3: Perceived ease of use of digital marketing has a significant positive relationship with the perceived usefulness of using digital marketing.

4.3.3 Perceived Behavior Control

Ajzen (1988) introduced the construct of perceived behavioral control into his theory of planned behavior as a determinant of both behavioral intention and the behavior itself. According to the author, perceived behavior control is the perception of the difficulty of enacting a behavior. A study conducted by Emini and Merovci in 2022 shed light on the significance of control in the digital marketing process for SMEs. According to their research, the degree of control plays a pivotal role in determining the success or failure of digital marketing strategies implemented by SMEs. SMEs often perceive digital marketing as complex and challenging due to limited resources, lack of expertise, and fear of losing control over their marketing efforts (Reuter, 2022); however, understanding and addressing these concerns can lead to positive outcomes and effective digital marketing implementation. Bruce et al. (2023) on the other hand, found that perceived behavior control has no significant impact on individuals' intentions to use digital marketing. Santoso, Handayani, and Azzaho (2022) found that perceived risk and behavioral control affect resistance to adopting online marketplaces, with Miller (2020) stating that perceived behavioral control can either influence intentions or potentially influence behavior directly; thus, the above discussions led to the formulation of the following hypothesis:

H4: Perceived behavior control has a significant positive impact on the behavioral intention to use digital marketing.

4.3.4 Perceived Compatibility

Rogers (1983) defines perceived compatibility as the degree to which a new technology meets the habits, values, and needs of the potential adopter. The impact of perceived compatibility on digital marketing adoption among SMEs is substantial (Hirzallah and Alshurideh, 2023). Research has shown that SMEs tend to prioritize compatibility when making strategic decisions (Ming, 2016; Nordin et al., 2023). When SMEs believe that digital marketing practices are compatible with their existing operations, they are more likely to invest and allocate resources toward their implementation. This adoption, in turn, allows SMEs to enhance their competitiveness, expand their customer base, and improve their overall performance. Ullah et al. (2023) found that compatibility significantly affects the adoption of digital marketing by SMEs in Pakistan. A study conducted by Nordin et al. (2023) concluded that compatibility was the most significant factor that

© University of Venda

influenced SMEs in adopting internet marketing. According to Sechabe and Fatoki (2021), compatibility has a significant impact on SMEs' behavioral intention to adopt E-marketing, therefore, based on the above discussion, it is proposed that:

H5: Perceived compatibility has a significant negative effect on behavioral intention to digital marketing adoption by decision-makers of SMEs

4.3.5 Perceived Cost

According to Wang, Brookshire, and Bonifay (2020), perceived cost refers to the loss, suffering, and efforts due to the new technology's adoption. There are costs incurred in purchasing digital marketing technologies and servicing them. Chatterjee and Kar (2020) state that the element of cost is considered a pivotal technological factor that can significantly influence SMEs' intention to adopt social media marketing practices (which is a sub-set of digital marketing), however, Arora (2024) argues that digital marketing is cost-effective as it directly targets people who are actively searching for a business' products. Olasanmi et al. (2023) support that, given the low cost of adoption, digital marketing has been reported to promote SMEs' business activities. Iacurci (2021) found that perceived cost has a significant effect on SME owners' or marketers' attitudes toward adopting social media in the United States, however, Abbasi et al. (2022) found that perceived cost has a negative influence on SMEs' social media marketing adoption. Ballards (2023) maintains that digital transformation can lead to cost savings for Small and Medium-sized Enterprises (SMEs); in other words, SMEs will adopt digital marketing as it is associated with cost savings. Several studies indicate conflicting results when ascertaining whether cost negatively or positively impacts someone's behavioral intention and actual use of technology (Ainin et al., 2015). The above discussion led to the formulation of the following hypothesis:

H6: Perceived cost of accessing digital marketing tools has a significant negative relationship with behavioral intention to use digital marketing.

4.3.6 Firm Size

According to Na, Heo, Choi, Han, and Kim (2023), firm size is very crucial in adopting new technology. Several studies have stressed the significance of firm size concerning technology acceptance and adoption (Na et al., 2023; Prisco, Abdallah, Morande, and Geith, 2022; Duc and Nguyen, 2022). Radicic and Petkovic (2023) contend that, unlike large companies, SMEs often lack the competencies and resources to invest in technology development, thus, most scholars concluded that SMEs are more resistant than large firms to adopting new technologies, whilst others have argued that this finding is not always accurate (Shree et al., 2021). These authors further point out that resources, ownership structure, and technological readiness are significant factors influencing the adoption of new technologies, but there is no conclusive relationship

© University of Venda

between the degree of innovation and firm size. Kijkasiwat and Phuensane (2020) support the idea that firm size can affect a company's ability to invest in and implement digital marketing innovations. Conversely, Abouzeedan, Klofsten, and Hedner (2013) argue that the firm's size is not a significant determinant of technology adoption, highlighting that SMEs may have limited resources, while larger firms may have more resources but face challenges in adapting to new technologies. Na, Heo, Choi, Han, and Kim (2023) found that firm size is a significant factor in technology adoption and can affect a company's ability to invest in and implement new technology. This study, therefore, hypothesized that:

H7: Firm size has a significant positive relationship with behavioral intention to use digital marketing.

4.3.7 Employee Capability

In today's digital era, the adoption of digital marketing has become crucial for small and medium enterprises (SMEs) to stay competitive in the market (Achieng and Malatji, 2022), although, the capability of employees to leverage digital marketing tools and techniques is pivotal in driving the success of SMEs. Furthermore, employee capability in digital marketing empowers SMEs to adapt and respond rapidly to changing market dynamics (Zahoor, Zopiatis, Adomako, and Lamprinakos, 2023). According to Lu et al. (2015), organizations must pay attention to various training programs that strengthen employees' capabilities, which are important for creating organizational innovations. Mazurchenko and Zelenka (2022) identified employee capabilities, for example, as digital competencies that encompass knowledge, skills, and attitudes toward the use of digital tools and solutions by employees. Maduku et al. (2016) observed that businesses that are driven by IT predominantly in the SME sector would face an additional cost of procuring an IT advisor at an exorbitant cost due to the dearth of employee innovation and learning capabilities. In addition, South Africa has a notable shortage of IT professionals (Mogale, 2023). A study conducted by Mazengo and Sangati (2021) among SMEs in Tanzania revealed that about 34% of respondents said that they have no employee(s) in their team with the IT knowledge needed to use digital marketing tools. This means that for a company to adopt digital marketing technology, it must have an employee or employees with IT knowledge on its team. Engler (2020) points out that a lack of digital skills could jeopardize a company's digital transformation journey. Dasmarinas (2023) found that digital marketing knowledge and skills have a significant positive impact on the performance of SME online businesses. The study, therefore, hypothesized that:

H8: Perceived employee capability has a significant positive relationship with behavioral intention to use digital marketing.

© University of Venda

4.3.8 Top Management Support

Top management support and the adoption of digital marketing among SMEs have become essential for business growth and success in the digital era. According to Abu Akel and Ibrahim (2023), top management support entails the extent to which the management can provide support to the entire team and aid in problem-solving within the given timeframe. Abu Akel and Ibrahim (2023) identify top management support as the degree of management support given in the aspect of new technology adoption. Several studies indicate that top management is an important factor in ensuring the successful approval of new technology in most organizations (Abu Akel and Ibrahim, 2023; Hsu, Liu, Tsou, and Chen, 2018; Lopez-Munoz and Escriba-Esteve, 2022). Li (2020) contends that when top management support is strong, the intensity of the direct effect of technology adoption grows because that support can make up for the absence of having a firm oriented towards embracing technology. This led to the formulation of the following hypothesis:

H9: Top management support has a significant positive relationship with behavioral intention to use digital marketing.

4.3.9 Availability of Financial Resources

The availability of financial resources and digital technology plays a critical role in the growth and success of small and medium-sized enterprises (SMEs) (Eton, Mwosi, Okello-Obura, Turyebwa, and Uwonda, 2021). Historically, SMEs are generally known for having limited financial and non-financial resources (Shahadat et al., 2023; Amadasum and Mutezo, 2023). Achieng and Malatji (2022) however, argue that adequate financial and human capital, infrastructure, and resources are required for successful digital transformation. Kurniasari, Lestari, and Tannady (2023) support the claim that barriers to financial access are significant in limiting the availability of digital adoption. A study conducted by Mishrif and Khan (2023) found that technology adoption by SMEs is low due to high costs and a shortage of adequate funds, although, McCann and Barlow (2015) suggest that SMEs can adopt digital marketing platforms such as social media, emails, and the very latest social technologies that are relatively cost-effective and ensure easy access to potential customers in creating product awareness. Based on the above discussion, the following hypothesis is formulated:

H10: Perceived availability of financial resources has a significant positive relationship with behavioral intention toward digital marketing use.

© University of Venda

4.3.10 Competitive Pressure

Competitive pressure has always played a significant role in shaping the behavior of small and medium-sized enterprises (SMEs) across various industries. Over the past few decades, digital technology has brought about a significant shift in business dynamics. Small and medium-sized enterprises (SMEs) have particularly felt the impact of this revolution, with numerous opportunities and challenges arising as a result. Competitive pressure has and will continue to play a crucial role in digital technology adoption among SMEs. Lertwongsatien and Wongpinunwatana (2003) define competitive pressure as the degree of force presented by competitors operating within the same industry, as an adoption driver for a firm. Several studies have investigated the relationship between competitive pressure and digital technology adoption (Zamani, 2022; Abbasi et al., 2022; Naushad and Sulphey, 2020). All the studies agree that competitive pressure significantly influences digital technology adoption with Naushad and Sulphey (2020) describing competitive pressures to be one of the top five dynamics driving ICT adoption among SMEs. The study, therefore, hypothesizes that:

H11: Competitive pressure has a significant positive impact on SMEs' behavior and intention to use digital marketing.

4.3.11 Relationship between behavioral intentions and digital marketing adoption

According to Mahardika, Thomas, Ewing, and Japutra (2019), behavioral intentions are the key to understanding and predicting the trial/adoption of new technology. Mahardika et al. (2019) emphasize the difficulties that arise with the surge in new technology choices as consumer behavior becomes less predictable. Venkatesh, Brown, Maruping, and Bala (2008) contend that behavioral intention is a reliable predictor of actual adoption, predominantly in the context of studies on current and/or emerging technologies that are not yet commercially available. Davis and Venkatesh (2004) state that the expectations about a system captured using reliable and valid measures of key expectations, even before hands-on use of the system, are predictive of strategies that would have been obtained after a brief use of a test prototype, as well as after several weeks of the actual system use. Rizun and Strzelecki (2020) accept that behavioral intention to use technology influences the decision on whether to use it. In line with this observation, the study proposes that:

H12: Behavioral intentions to use digital marketing have a significant positive relationship with the adoption of digital marketing.

4.3.12 Mediating Role of Perceived Value

According to Patterson and Spreng (1997), perceived value is “a ratio or trade-off of total benefits received to total sacrifices. De Souza and Baldanza (2018) point out that perceived benefits, such

© University of Venda

as usefulness and enjoyment, have a positive impact on the perceived value, whilst perceived risks, such as complexity and riskiness, do not significantly affect the perceived value. One key factor that influences the intention to use digital marketing is the perceived value that it provides to businesses. Oloveze, Okonkwo, Nwachukwu, Chinweike, and Chukwuoyims (2022) used perceived value as a mediating factor between performance expectancy and user satisfaction as major determinants of continuance intention to use e-commerce and found that perceived value partially mediates the relationship between the variables. Therefore, the study proposes that:

H13: The perceived value of digital marketing plays a mediating role between behavioral intentions and the adoption of digital marketing.

4.4 CHAPTER SUMMARY

This chapter presented the theoretical and conceptual development directing the study at hand. The theoretical framework comprised theories such as - the theory of reasoned action (TRA), technology acceptance model (TAM), theory of planned behavior (TBP), innovation diffusion theory, unified theory of acceptance and use of technology, and technology-organization-environment (TOE). Theories play a vital role in researchers' understanding of the different resources, capabilities, and methods necessary to use new technologies and digital marketing among SMEs. After assessing the limitations and consistencies associated with each theory, the study adopted and integrated the TAM, TPB, and TOE frameworks into the conceptual framework. These theories assisted in constructing a conceptual framework for delving into resources and capabilities among SMEs from a digital marketing approach. The next chapter explores the research methodology and design followed in conducting the empirical component of the study.

© University of Venda

CHAPTER FIVE

RESEARCH METHODOLOGY AND DESIGN

5.1 INTRODUCTION

The preceding chapter delved into the theoretical and conceptual framework underpinning the study. The purpose of this chapter is to present the research methodology executed to attain the research objectives and test the hypotheses. Research methodology is a crucial aspect of any field of research study, as it provides a systematic and structured approach to collecting, analyzing, and interpreting qualitative and quantitative data to answer research questions and test hypotheses (Sreekumar, 2023). Murthy and Bhojana (2009) explicate that research methodology is a blueprint of research or study; it is essential because it determines the validity of the study by outlining the methods used to collect and analyze data and the principles guiding these methods (Bouchrika, 2024). According to Melnikovas (2018), research methodology has its starting point with the delineation of the main philosophy, choosing approaches, methods, and strategies as well as defining time horizons, which altogether make-up the research logic underpinning the main techniques and procedures of data collection and analysis. Alturki (2021) suggests that for a researcher to create a firm basis for developing coherent and justifiable research methodology, a researcher must address six main steps: 1) research philosophy; 2) approaches to theory development; 3) research strategy; 4) methodological choices; 5) time horizons; 6) techniques and procedures. This chapter on the research methodology employed in this study, hence, addresses the following components - the research reasoning, the research philosophy, research design, sampling techniques, data collection tools, data collection procedures, data analysis, and ethical considerations; the chapter concludes by providing a chapter summary. Section 5.2 presents the research philosophy and paradigm.

5.2 RESEARCH PHILOSOPHY AND PARADIGM

Research philosophy is an essential component to the success of the execution of any form of academic research study since it provides the foundation of any research study (Jansen, 2023). The author argues that research philosophy plays a significant role in determining research methodology, research design, data collection, and analysis techniques to be employed in a study. Okesina (2020) points out that it is critical for any research inquiry to be guided by a research philosophy. Creswell (2007) highlights that the research design process begins with philosophical assumptions that the enquirers make when deciding to undertake a study. In addition, Creswell (2007) suggests that it is essential for researchers to articulate research philosophy influencing the researcher's approach. Research philosophy forms an important

© University of Venda

component of any research study, as it provides the basis for knowledge creation and interpretation. According to Hillary (2024), the research philosophy refers to the beliefs, values, and assumptions that guide researchers in conducting research. Jansen (2023) argues that the terms ‘research philosophy’ and ‘research paradigm’ are often used interchangeably, since both terms refer to beliefs, assumptions, and principles that determine how a researcher approaches a study. The term "paradigm" is used in social research to describe the philosophical assumptions or fundamental beliefs that guide the researcher's actions and shape the researcher's worldview (Lincoln et al., 2011). Kankam (2019) notes that four main trends of research philosophy are distinguished and discussed in the works by many authors - positivism, interpretivism, pragmatism and realism.

5.2.1 The Positivist Research Philosophy

The positivist philosophy research approach is widely used in accounting, business, and marketing research (Kirana, 2021). According to Park, Konge, and Artino (2020), studies aligned with positivism generally focus on identifying explanatory associations or causal relationships through quantitative approaches, where empirically-based findings from large sample sizes are favored. In this regard, generalizable inferences, replication of findings, and controlled experimentation have been principles guiding positivist science. As a philosophy, positivism adheres to the view that only ‘factual’ knowledge gained through observation (the senses), including measurement, is trustworthy (Kuwornu-Adjaottor, 2020). In the field of research, positivists begin their research process by formulating hypotheses, which are tentative assumptions derived from previous theories (Maksimovic and Evtinov, 2023). The formulated hypotheses are tested through systematic observation and experimentation to determine their validity. Park et al. (2020) claim that positivist research makes use of the hypothetico-deductive method which is a circular process that commences with analyzing theory from the literature to - (1) build testable hypotheses; (2) design an experiment through operationalizing variables (that is, identifying variables to manipulate and measure through group assignments), and (3) conduct an empirical study based on experimentation. The key advantages of the positivist philosophy include quantifying and analyzing variables to get results that are objective, scientific, and experimental (Mohajan, 2020). Several studies followed the positivist philosophical stand in identifying factors influencing the adoption of digital marketing among SMEs, and the results were considered valid and reliable (Patil, Navalgund, and Mahantshetti, 2022; Hela, Amel, and Bhechelaghem, 2023).

5.2.2 The Interpretivist Research Philosophy

The interpretivist paradigm is a research approach that focuses on understanding individuals' subjective meanings and experiences within their social context (Nickerson, 2024). Interpretivist

© University of Venda

approaches to research differ from positivist ones in their emphasis on qualitative data and focus on context (Nickerson, 2024). Similarly, Pervin and Mokhtar (2022) argue that the interpretivist approach is commonly associated with qualitative data analysis. The interpretive philosophy is a cornerstone of qualitative research methodologies, providing a framework through which researchers can explore human behavior, social contexts, and the meanings individuals ascribe to their experiences. Interpretivism primarily employs qualitative research methods, such as interviews, focus groups, participant observation, and content analysis. These methods allow researchers to gather in-depth insights and explore the complexities of human behavior (Pervin and Mokhtar, 2022). As a research paradigm, interpretive research is based on the premise that social reality is shaped by human experience and a social backdrop, thereby making it well-suited to research human behaviors related to the context of its socio-cultural issues (Pervin and Mokhtar, 2022). The main disadvantages associated with interpretivism relate to the subjective nature of this approach and the great room for bias from the researcher (Dudovskiy, 2024). The author raises a crucial point regarding the generalizability of primary data generated in interpretive studies, emphasizing that personal viewpoints and values heavily influence the data, therefore, the reliability and representativeness of data is undermined to a certain extent, with this paradigm.

5.2.3 Pragmatist Research Philosophy

Zukauskas et al. (2018) argue that the pragmatist research philosophy deals with facts and is underpinned by the principle that the choice of research philosophy is mostly determined by the research problem (Zukauskas et al., 2018). Practical results are considered crucial when conducting pragmatic research, however, Kauhik and Walsh (2019) point out that pragmatism does not belong to any philosophical system or reality. Researchers, using this research philosophy are free to choose the methods, techniques, and procedures that best meet their needs and scientific research aims. Pragmatists do not see the world as an absolute unity.

5.2.4 Realism Research Philosophy

According to Žukauskas (2018), realism research is based on the principles of positivist and interpretivist research philosophies. Realism is based on assumptions that are necessary for the perception of the subjective nature of humans. Cole (2023) points out that the realism research philosophy emphasizes reality and beliefs existing in a certain environment. Zukauskas (2018) identifies two main branches of this realism philosophical approach, direct and critical realism. Direct realism is what an individual feel, sees, and hears, to mention but a few. On the other hand, in critical realism, individuals discuss their experiences in specific situations (University of Warwick, 2020).

© University of Venda

5.3 RESEARCH APPROACH

Creswell and Creswell (2018) define a research approach as a plan and procedure for research that spans steps from broad assumptions to detailed data collection methods, analysis, and interpretation. The research approach is crucial in shaping the outcome of a research project, as it determines the method and strategies employed to conduct the resaerch. A well-thought-out research approach ensures that the research is conducted effectively, efficiently, and ethically, leading to valid and reliable results (Creswell and Creswell, 2018). Panya and Nyarwath (2022) suggest that the selection of research approaches should be based on the nature of the research problem or issue being addressed, the researchers' personal experiences, and the audiences for the study. These authors (2022) further note that the decision should be based on the philosophical assumptions the researcher brings to the study; procedures of inquiry (such as research designs); and specific research methods of data collection, analysis, and interpretation. Xiong (2022) points out that there are two frequently utilized research approaches, namely qualitative and quantitative approaches. Mumba and Alici (2021) however, note that there is confusion in understanding the concepts of ‘quantitative’ and ‘qualitative’ approaches, therefore, the following subsections discuss the qualitative and quantitative approaches in detail.

5.3.1 Qualitative Research Approach

Qualitative research involves collecting and analyzing non-numerical data, such as text, video, or audio, to understand concepts, opinions, or experiences (Bhandari, 2020). It allows researchers to gain in-depth insights into a problem, generate new ideas for research, and explore complex phenomena that cannot be easily quantified (Bhandari, 2020). According to Busetto, Wick, and Gumbinger (2020), qualitative research is the study focusing on the nature of phenomena and is appropriate for answering questions of “why” something is (or is not) and assessing complex multi-component subjects. Common methods for qualitative data collection include document study, observations, semi-structured interviews, and focus groups (Busetto et al., 2020). Qualitative research often relies on inductive reasoning, and results from qualitative research are used to generate rather than test hypotheses (Bazen, Barg, and Takeshita, 2021). The researcher's presence during data collection is often unavoidable in qualitative research and can affect the subjects' responses (George, 2023). Qualitative research is commonly viewed with suspicion and considered lightweight because it involves small samples that may not be representative of the broader population, it is seen as not objective, and the results are assessed as being influenced or biased by the researchers' own experiences or opinions (Hammarberg, Kirkman, and De Lacey, 2016).

5.3.2 Quantitative Research Approach

© University of Venda

According to Ghanad (2023), quantitative research is a systematic empirical study of phenomena that can be observed through numerical data collection, statistical analysis, and mathematical models. Quantitative research produces objective data that can be communicated through statistics and numbers (Williams, 2021). Barroga and Matanguihan (2022) point out that quantitative research uses deductive reasoning which involves formulating hypotheses, collecting data related to the research problem, analyzing and using data from the investigation, and drawing conclusions to confirm or refute hypotheses (Barroga and Matanguihan, 2022). Data collected through quantitative methods is often believed to yield more objective and accurate information because it is collected using standardized methods and can be replicated (Mohajan, 2020). Researchers usually, gather quantitative data through surveys, interviews, and observations (Houston, 2024). Jovancic (2023) suggests that surveys and questionnaires are the primary means of collecting quantitative data. Quantitative research implies a positivist paradigm, the basis of which is cause-and-effect relationships, questioning and verifying existing theories (Maksimovic and Evtimov, 2023). The speed and efficiency of the quantitative method are attractive to many researchers (Williams, 2021). The author also points out that data computing techniques make it feasible to process and analyze data quickly, even with large sample sizes. Quantitative research results are often generalizable to a larger population.

Numerous advantages are inherent in the application of quantitative techniques in market research studies. One of the main advantages of quantitative research is the reliability and validity of the research outcomes (Team Zorgle, 2023). Quantitative approaches can also attempt replication through “robustness” tests, re-analyzing the data with slightly different variable or model construction choices. Bhandari (2020) suggests that employing a quantitative research approach offers several advantages, including the ability to generalize findings to a larger population, establish cause-and-effect relationships, and provide reliable and valid results. A quantitative research approach was used to determine factors that impact digital marketing adoption among SMEs in the Tshwane Metropolitan Municipality in the Gauteng Province. Replicability is another important benefit derivable from the use of this research approach. The quantitative research approach relies on hypotheses testing; hence, a researcher need not do guesswork, rather he/she would follow clear guidelines and objectives (Nwogueze, Ofili, and Egbule, 2024). In quantitative research, hypotheses predict the expected relationships among variables (Barroga and Matanguin, 2022). The research study using a quantitative research approach follows objectives and guidelines and can, therefore, be repeated at any other time or place and still get the same results. Based on the arguments and suggestions presented above, this study adopted the quantitative research approach.

© University of Venda

5.4 RESEARCH DESIGN

A research design is an important part of any study because it organizes the research systematically (Bhat, 2024). The research design refers to the overall strategies that a researcher chooses to integrate the different components of the study coherently and logically, thereby ensuring that the results will effectively address the research problem; the design constitutes the blueprint for the collection, measurement, and analysis of data (Thakur, 2021). It is important to note that the research problem determines the research design a researcher uses, not vice versa (Thakur, 2021). A research design intends to provide a detailed plan of study that allows an accurate assessment of cause-and-effect relationships between independent and dependent variables (Pederson, 2024). McCombes (2021) highlights that a carefully planned research design warrants that the methods correspond with research objectives, quality data is collected, and analysis is done appropriately. Pederson (2024) suggests that well-designed research enhances the validity and reliability of the findings and allows for the replication of studies by other researchers. According to Jain (2022), a research design is the glue that holds the research project together. Pederson (2024) similarly claims that a research design provides a clear roadmap for researchers to follow. According to Trochim (2006), before starting the research process, it is necessary to prepare an effective and applicable research design. McCombes (2021) argues that, however, the quantitative research designs tend to be more fixed and deductive, with variables and hypotheses clearly defined before data collection.

5.4.1 Quantitative Research Design

Research design plays a significant role in marketing research since it establishes a crucial connection between philosophical perspectives, theoretical assumptions, and empirical data collection (Jansen, 2023). According to Sumalatha and Seethi (2023), the research design is an overall framework that guides the research process. This includes choosing an appropriate research method, determining the sample size, creating a data collection plan, and analyzing and interpreting the findings. Similarly, Pedersen (2024) considers a research design to be a framework that provides a structured framework for researchers to answer their research questions and obtain reliable and valid results. The research design allows researchers to test hypotheses in businesses and scientific fields (Romanchuk, 2023). Pedersen (2024) also notes that by understanding the different types of research design and following the necessary steps in developing a research design, researchers can enhance the rigor and impact of their studies (Romanchuk, 2023). Researchers use five main categories of quantitative research design: descriptive, experimental, correlational, survey, and observations (Romanchuk, 2023). Various definitions of the different categories of quantitative research designs are presented in Table 5.1.

Table 5.1 Quantitative Research Design Outline

© University of Venda

APPROACH	DEFINITIONS	SOURCES
Descriptive	Descriptive research is designed to describe the distribution of one or more variables without regard to any causal or other hypothesis. The findings from descriptive research provide valuable insights and inform future research but do not establish cause-and-effect relationships.	Aggrawal and Ranganathan (2019); McCombes (2023)
Experimental	Experimental design aids in conducting research in an objective and controlled fashion so that precision is maximized and specific conclusions can be drawn regarding a hypothesis statement. Generally, the purpose is to establish the effect that a factor or independent variable has on a dependent variable.	Zubair (2023); Wilson, Austria and Casucci (2021)
Correlational	It involves investigating relationships between variables without the researcher controlling or manipulating them.	Bhandari (2021); Eckel (2024)
Survey	Survey research involves gathering information from a sample of individuals through their responses to questions. Survey research uses quantitative strategies such as questionnaires with numerically rated items to collect data. Quantitative research using a survey is deductive. Formulating hypotheses is a part of the process.	Ponto (2015); Check and Schutt (2012)
Observations	An observational study is a non-experimental method to examine how research participants behave. It is mainly associated with the qualitative research approach.	Williams (2007); Tegan (2022)

Source: Researcher's compilation

This study will follow the descriptive, survey, and correlational approaches since the relationships proposed in the hypotheses must be tested (McCombes, 2021). A survey was chosen for this study because it can clearly describe the characteristics of a large population (DeFranzo, 2024). According to the author, no research method can provide this comprehensive ability and a more accurate sample to gather results that are considered important for decision-making, like the survey method. In addition, a survey method is used by many researchers to collect data in a short period due to its lower costs, ability to reach the masses, and easy application (McCombes, 2019). Descriptive design was also considered the best approach in this study because it allows the researcher to study and describe the distribution of one or more variables without regard to any causal or other hypotheses (Aggarwal and Ranganathan, 2019). Descriptive design involves

© University of Venda

statistical information, and the analysis of such information is used to deduce the desired outcome (Bhasin, 2023). In addition, descriptive research is quick and cheap to conduct (Bhasin, 2023) and creates room for further research (Aggarwal and Ranganathan, 2019). This study also chose a correlational design because the study intended to examine the relationships between variables without the researcher controlling or manipulating them (Bhandari, 2021). Additionally, a correlation approach allows researchers to establish the presence and strength of a relationship between two (or more) variables and allows a researcher to test hypotheses. The other merit of correlational design is that it can trigger further investigations to determine causal relationships through experiments (Jaime, 2011).

5.5 RESEARCH STRATEGIES

Research strategies are essential components of a research methodology as they consist of methods and processes through which research is conducted (Magusiak, 2023). These strategies play a crucial role in shaping the outcomes of research studies, guiding researchers in their quest for new knowledge, understanding, and insights. Magusiak (2023) explains that a research strategy sets the general direction of research. Walia and Chetty (2020) define a research strategy as a step-by-step action plan that guides the researcher's thought processes. By following a step-by-step action plan, a research strategy enables the researcher to conduct the study systematically and timeously (Walia and Chetty, 2020). Additionally, a research strategy helps a researcher choose the right data collection and analysis procedures (Walia and Chetty, 2020). A research strategy, hence, is a general plan for conducting research that guides the researcher in planning, executing, and monitoring the research process (Johannesson and Perjons, 2014)., Alturki (2021) suggests that it is important for a researcher to consider several aspects, such as the type of data, available tools and equipment, and resources required before determining a research strategy. Tengli (2020) acknowledges that many research strategies can be used to collect and analyze data, such as surveys, archival research, experiments, case studies, ethnography, action research, grounded theory, and narrative inquiry. The definitions and implementation of various strategies are displayed in Table 5.2.

Table 5.2 Types of Research Strategies

Research Strategy	Definitions and applicability	Source
Survey	A survey is a research method where you collect and analyze data from a group of people. A questionnaire is a specific tool or instrument for collecting data. Survey research is a quantitative method used for collecting data from a set of respondents. A survey research strategy is usually associated with a deductive approach	Bhandari (2021); Salomao (2023)

© University of Venda

	and is conducted in business and management research to prove or disprove certain assumed propositions and hypotheses. In addition, it enables the collection of large amounts of data from a large population.	
Experiments	The experimental method involves manipulating one variable to determine if this causes changes in another variable. This method relies on controlled research methods and the random assignment of study subjects to test a hypothesis. It is usually conducted in natural sciences and social psychology.	Cherry (2023)
Ethnography	Ethnographic research is a qualitative research method involving a systematic study of people in their natural environment to understand their way of life, including how they see and interact with the world around them. An ethnography study aims to produce a rich, comprehensive account of a social setting from the participant's point of view. Researchers conducting an ethnographic study spend time with the participants, have a up-close experience with them to gain insights into their social interactions, and collect data through methods such as participant observation and face-to-face interviews.	Delve and Limpaecher (2022)
Case Study	A case study is a qualitative design in which the researcher examines a program, project, activity, process, or one or more people. It is mostly used where the purpose is to gain a rich and in-depth understanding of the context of the research and the processes being enacted.	Priya (2020)

Source: Researcher's Compilation

Table 5.2 outlines various definitions and research strategies. After carefully analyzing the benefits and requirements of each research strategy, the researcher adopted the survey as the most appropriate strategy for this study. A survey strategy involves using a questionnaire to collect data from many research participants in a short time and it is cost-effective. In addition, the survey research strategy was used for this study as it is associated with a deductive approach and quantitative research.

© University of Venda

5.6 TIME HORIZON

Time horizons play a crucial role in conducting academic research. Zolfagharian, Walrave, Raven, and Romme (2019) suggest that it is important to understand how time and timing affect transition processes in research, hence, this is where the time horizon comes into play. Zolfagharian, Walrave, Raven, and Romme (2019) explains that a time horizon is a key attribute of research that significantly limits the choices in terms of time and timing made in the research process. According to Phair and Warren (2021), the time horizon describes how many points in time a researcher plans to collect data. Similarly, Saunders et al. (2007) define the time horizon as the time framework within which the project is intended for completion. Thomas (2020) points out that there are two types of time horizons in research: cross-sectional and longitudinal time horizons. A cross-sectional study investigates the data of a population at a specific time (Wang and Cheng 2020) and according to Thomas (2020), a cross-sectional study is a type of research design in which a researcher collects data from many individuals at a single time. Additionally, in cross-sectional research, a researcher observes variables without influencing them (Thomas, 2020). The participants in cross-sectional research are selected based on variables; for instance, in this study, the participants are SME owners and managers conducting business in the Tshwane Metropolitan Municipality. These participants have some common characteristics. Longe (2024) claims that most cross-sectional studies utilize quantitative methods to gather data through questionnaires over a certain period and then analyze the results. On the other hand, longitudinal research involves researchers repeatedly examining the same individuals to detect any changes that might occur over a period. The main difference between the two types of time horizons is that longitudinal research involves collecting data over an extended time, while cross-sectional research involves collecting data at a single point. According to Longe (2024), longitudinal studies are considered qualitative methods because they involve observing and recording changes in observed variables over an extended period. This study adopted the cross-sectional time horizon, given the merits and its implementation factors explained in this section. From the positivist view, cross-sectional research includes once-off experimental methods and surveys because there are no repeated measurements to be taken over time, and it is more often associated with quantitative research and deductive research reasoning.

5.7 SECONDARY DATA COLLECTION

Secondary data is a critical component in academic research, as it provides valuable insights and information that can be used to supplement primary data (Hiller, 2022). Secondary data sources allow researchers to build large, high-quality databases that help solve research problems and enhance the quality and accuracy of their insights (Hiller, 2022). Wagh (2024) defines secondary data as information that exists and has been collected by people or organizations other than the researcher for a different purpose, hence, secondary data refers to any dataset collected by someone other than the one using it. According to Longe (2024: 18) secondary data is "data that

© University of Venda

has already been gathered from primary sources and can be utilized by other researchers in their research". Secondary data collection involves retrieving already available data from sources other than the target audience (Jotform Editorial Team, 2024). Olabode and Bakare (2020) maintain that secondary data is relatively cheaper and less time-consuming. It is important to note that secondary data was not originally collected to address the present research problem, thus, the researcher must evaluate the data for certain criteria, such as the methodology of data collection, accuracy, period of data collection, the purpose for which it was collected, and the content of data (Longe, 2024). The author points out that the development of electronic media and the internet has increased access to secondary data. The literature for this study was obtained from hard copies and online revised journals, books, online revised books, business magazines, relevant acts, and other government documents. The researcher used Databases such as Google Scholar, Wiley, Researchgate, Academia, Emerald, Science Direct, Sabinet, EBSCO host, and J-Stor, amongst others, as portals for accessing most of the literature. In addition, the researcher retrieved literature from other trustworthy and credible internet sources.

5.8 LITERATURE REVIEW

A literature review is crucial in academic research as it provides a general overview of the existing information or literature related to a specific topic (Naepi, 2023). The main objective of a literature review is to identify the existing state of knowledge, the main theories, methods, and findings, and the gaps or limitations that need further investigation (Chigubu, Atiku, and Du Plessis, 2023). According to McCombes (2023), a literature review is a survey of scholarly sources (such as books, journal articles, and theses) related to a specific topic or research question. West (2024) reiterates that literature review sources can be obtained from sources such as - journal articles, books, magazine and blog articles, published abstracts, conference proceedings, government reports, and dissertations. Dhanya (2024) acknowledges a literature review as a critical analysis and synthesis of existing research on a particular topic. Similarly, McCombes (2023) suggests that a good literature review should not just summarize sources but analyze, synthesize, and critically evaluate them to give a clear picture of the state of knowledge on the subject. Onwuegbuzie and Frels (2016) point out that the theoretical literature review helps to establish what theories already exist, the relationships between them, to what degree the existing theories have been investigated, and to develop new hypotheses to be tested, therefore, the essence of the study's literature review cannot be underestimated. This is because it provides a notional and hypothetical basis upon which the quality of the research study is determined. Naepi (2023) argues that a good literature review is the basis of both theoretical and methodological sophistication, thereby improving the quality and usefulness of subsequent research.

A comprehensive literature review of this study was conducted and presented in chapters two, three, and four. Chapter Two of the study focused on the development and significance of small,

© University of Venda

medium, and micro enterprises (SMEs) in South Africa. Some of the key issues discussed in this chapter were - the definition of SMEs, the impact of SMEs on local and global economies, the role of SMEs in attaining millennium development goals (MDGs), legislative policies guiding SMEs, and challenges facing SMEs in South Africa. Chapter Three of the study explored the literature on digital marketing resources and capabilities. Some of the crucial aspects discussed in this chapter encompass the concept of digital marketing, the history and development of digital marketing, why businesses adopt digital marketing, digital marketing adoption and challenges faced by SMEs, key resources for digital marketing success, and digital marketing adoption by SMEs in South Africa. Chapter Four of the study presented literature on theoretical and conceptual framework development. The literature review for this study was conducted by analyzing sources like - journal articles, books, magazine and blog articles, published abstracts, conference proceedings, government reports, trusted internet sources, and dissertations.

5.9 EMPIRICAL RESEARCH

Empirical research is crucial in developing new knowledge across various disciplines (Bouchrika, 2024). According to Bouchrika (2024), empirical research is any study whose conclusions are exclusively derived from concrete, verifiable evidence. Bradford and Gordon (2022) claim that empirical research refers to the information obtained by the researcher through methods such as, observation and experimentation and the data collected is then analyzed. The empirical research process is a focal part of the scientific method that leads to proving or disproving a hypothesis (Bradford and Gordon, 2022). Potharla (2017) points out that empirical research involves primary data collection and analysis. According to Taherdoost (2026), the empirical research part of a study involves primary data collection and consists of sampling design, instrumentation, data collection procedures, and data analysis techniques. George (2024) notes that empirical research is valuable because it stays objective by relying on observable data, lessening the impact of personal biases; this approach boosts the trustworthiness of research findings. Additionally, using precise quantitative methods helps in accurate measurement and statistical analysis (George, 2024), therefore, the empirical research segment of this study involved the sampling design, instrumentation (in the form of a structured questionnaire), data collection procedures, data analysis approaches, and ethical considerations.

5.9.1 Sampling Design

According to Kabir (2016), a sampling design is the plan and method followed in selecting a sample from the target population and the estimation technique formula for computing the sample size. Kabir (2016) further notes that statistics are the estimates used to infer the population parameters. Francis (2022) confirms that a sample design is a definite plan for obtaining a sample from a given population. It refers to the technique and procedure used by the researcher to select cases for the sample, hence, includes the methods and procedures the researcher follows to

© University of Venda

select cases for the sample. Sample design also leads to a procedure for computing a sample size (Francis, 2022). Abdul (2018) states that a sampling design is a framework or roadmap that functions as the foundation for selecting a study sample and influences various other significant features of a research study. Generally, researchers are concerned with obtaining certain types of data through a survey of some population, or universe, of interest (Abdul, 2018). In respect of this, Abdul (2018), suggests that one must delineate a sampling structure that embodies the population of interest, from which a sample is to be drawn. A sampling design is a critical component of marketing research (Abdul, 2018). Kumar (2023) stresses the importance of sampling design to ensure high-quality research. There are various steps involved in the sampling selection to ensure that it is representative of the population, such as - defining the study area, population, and target population, determining sample size, sampling techniques, and approaches (Kumar, 2023). The sampling design employed in this study includes the study area, population, and target population, determining sample size, sampling techniques, and approaches.

5.9.2 Study Area

A study area in research refers to the specific geographical location where a research project is conducted (Muhammad, 2023); it serves as the primary field for data collection and analysis. The researcher focused on SMEs in the Tshwane Metropolitan Municipality, located in the Capital City of the Gauteng Province. Tshwane Metropolitan Municipality has the potential to serve as the economic hub of all African nations (Moatshe, 2024). The justification for conducting this study in the Tshwane Metropolitan Municipality is that the municipality has many SMEs that significantly contribute to the economy of South Africa (Mlotshwa and Msimango-Galawe, 2020). Tshwane Metropolitan Municipality is home to many SMEs, which would help in illustrate the impact of digital marketing on different businesses sectors and their ability to reach their target audience.

5.9.3 Population and Target Population

A researcher must decide and classify the population accurately before commencing research activities (Shukla, 2023). A well-defined population plays a crucial role in shaping the research process by aiding researchers in selecting a sample of the proper size that accurately represents the entire population (Shukla, 2023). The research's success and the credibility of its findings are contingent on the sample (Shukla, 2023). According to Thacker (2020), the population is a complete set of people with specified characteristics, and Shukla (2020) concurring defines a population as a group with some common characteristics. Kumar (2019) explains that all individuals or objects within a certain population usually have a common, binding characteristic or trait. Thomas (2023) adds that a research population is also known as the target population, which refers to the entire group or set of individuals, objects, or events that possess specific

© University of Venda

characteristics which are of interest to the researcher; it depicts the larger population from which a sample is drawn. The target population of this study comprised of SME owners and managers operating in the Tshwane Metropolitan Municipality in the Gauteng Province, which is considered the economic hub of African nations. The areas covered under the Tshwane Metropolitan Municipality include Pretoria North, Pretoria West, Arcadia, Pretoria Central, Sunnyside, Hatfield, and Brooklyn.

5.9.4 Sample Size

The sample size is a crucial component of the scientific process of a research as it determines the extent to which the results of a study can be generalized to a larger population (Coursera Staff, 2023). Kibuacha (2021) claims that establishing a suitable sample size is one of the key factors in statistical analysis, noting that a sample size refers to the number of individuals included in a research study to represent a population. In market research, choosing an appropriate sample size is essential for obtaining reliable and valid results (Nishat, 2024). Garg et al. (2024) point out that the sample size directly impacts on the precision and generalizability of research findings, influencing the confidence with which conclusions can be drawn and decisions can be made. The absence of a sufficient sample size can result in biased or misleading results for researchers, which can have repercussions on business strategies and decision-making processes (Garg et al., 2024). Many researchers stress the significance of sample size determination in numerous disciplines such as marketing, finance, management, and economics. Hair et al. (2019), for example, suggest that the technical dimension of sample size is crucial when using multivariate analysis methods, also emphasizing the importance of sample size in structural equation modeling (SEM) analysis and its impact on model fit and parameter estimation accuracy. In addition, these authors point out that sample size is essential to ensure the statistical power of research studies, especially in hypothesis testing and regression analysis.

Westland (2010) indicates that about 80 percent of all studies are based on insufficient sample sizes. The primary goal of sample size determination is to obtain results that accurately represent the population of interest while minimizing sampling error and bias (Garg et al., 2024), thus, the significance of a sample size lies in its ability to verify the validity and reliability of the research outcomes; determining an accurate sample size, therefore, is a vital aspect of research design. Working with a sample size that is too small may not represent the larger population, leading to biased results, while a sample size that is too large may result in wasted resources and time (Pannell, 2023). Kibuacha (2021) points out that determining an appropriate sample size is one of the most critical factors in statistical analysis. Stephanie (2020) clarifies that if a sample is inferred from a population, a formula must be used to assess confidence levels and margins of error. Stephanie (2020) suggests that Slovin's (1960) formula allows a researcher to sample the population with a desired degree of accuracy. A formula devised by Slovin is commonly utilized

© University of Venda

to specify the appropriate sample size for a researcher to achieve precise results and the formula is used when the population is large and known. The statistical population of this study is large, known, as the information was obtained from the registers from the Tshwane Central Statistics. According to the statistics compiled by Central Statistics Tshwane (Statistics South Africa), there are 783,410 registered SMEs in the entire province of Gauteng and Slovin's formula was used to calculate the sample size. Sovin's sample size formula is expressed by n = N/(1 + N(e)2. Where:

N= Number of sample

N= Total population

e= Error of tolerance.

A 95% confidence level was used to calculate the sample size, with a 0.05 margin. Stephanie (2020) states that a 0.05 error of tolerance is sufficient to represent the entire population. The substituted formula is as follows: n= 783410/(1 + 783 410(0.05)2; the recommended sample size obtained from the calculation was 400 respondents. This is also in line with the recommendation by Taherdoost (2022) that multivariate analysis in quantitative studies should have sample sizes of at least 300 respondents.

5.9.5 Sampling Approach

Sampling techniques or approaches are critical elements of quantitative research studies (Rahman, et al., 2022). Unimkrt Research (2021) refers to sampling as a process of selecting a group of individuals from a large population to collect statistical data and derive statistical inferences from that data. Sampling is a fundamental technique in research that involves selecting a smaller group, or sample, from a larger population to represent the whole (Mills, 2024). Rahman et al. (2022) note that the primary aim of sampling is to obtain a representative group composed of a small number of units or instances drawn from a much larger group or population. The benefits of sampling are well-documented; the process offers researchers numerous advantages in terms of efficiency, cost-effectiveness, generalizability, and accuracy of results (Golzar, Noor, and Tajik, 2022). Researchers use different sampling methods depending on whether their research is qualitative or quantitative and the expected outcomes of the study (Elliott, 2020). The best sampling approach for research is determined by criteria, such as, the purpose of the study, available resources (time and money), and the research hypothesis (Bisht, 2023). Non-probability samples are often used during the exploratory stage of a research project and in qualitative research, which is more subjective than quantitative research (Elliott, 2020). Probability sampling is ideal for quantitative studies where the goal is to use statistical analysis to conclude on a large population (McCombes, 2019). In addition, the probability sampling means that every member of the population has an equal chance of being selected. The study at hand employed the probability sampling method. Probability sampling is also used when the researcher seeks to gather data

© University of Venda

from a large and dispersed population (Ayanyemi, 2023). This study aimed to collect data from a large and dispersed population of SME owners and or managers in the Tshwane Metropolitan Municipality in the Gauteng Province, hence, the probability sampling technique was deemed suitable. Four main methods used in probability sampling designs are - simple random, stratified, systematic and cluster sampling. Section 5.9.6 presents these sampling techniques.

5.9.6 Sampling Techniques

According to Bisht (2023), sampling techniques in research are statistical methods for selecting a sample representative of the whole population to study their characteristics. Sampling methods serve as invaluable tools for researchers, enabling the collection of meaningful data and facilitating analysis to identify distinctive features of the people (Bisht, 2023). Different sampling strategies can be used based on the characteristics of the population, the study purpose, and the available resources in probability sampling (Bisht, 2023). There are four commonly used types of probability sampling designs - simple random, stratified, systematic and cluster (Nikolopoulou, 2022). This study employed a cluster sampling technique; a process during which researchers divide a population into smaller groups known as “clusters” (Thomas, 2020). Researchers then randomly select among these clusters to form a sample. Cluster sampling is a method of probability sampling that is often used to study large populations, particularly those that are widely geographically dispersed (Thomas, 2020).

The cluster sampling process is commonly classified into two main categories: single-stage or multi-stage. In single-stage sampling, all members of selected clusters are included in the study, whereas in multi-stage sampling, additional sampling methods are used to choose certain individuals within selected clusters (Taherdoost, 2016). Single-stage sampling commonly leads to a multi-stage sampling process because of the primary selection of clusters and the ensuing selection of either clusters or population units. Multi-stage sampling offers flexibility to researchers to use other probability sampling techniques after determining groups or clusters and is also simple to implement, hence, the researcher employed the multi-stage sampling technique in this study. In South Africa, SMEs are classified into three main clusters - small, micro, and medium enterprises (Bureau of Economic Research, 2016). The researcher thus implemented a multi-stage sampling technique whereby the target population of SME owners or managers were initially segmented into the clusters mentioned in the Bureau of Economic Research of 2016. Such classification was also present in the City of Tshwane Metropolitan Municipality allowing the researcher to use other probability techniques after grouping the population into clusters.

5.10 DATA COLLECTION PROCEDURE

Data collection, as indicated earlier is one of the crucial steps in the research process (Chhabra and Rathole, 2022). The main objective of data collection is to gather accurate, reliable, and

© University of Venda

relevant information to attain research objectives and data analysis (Baker, 2023). According to Chhabra and Rathole (2022), data collection is the process of gathering and measuring information on variables of interest in an established systematic fashion that enables one to answer stated research questions, test hypotheses, and evaluate outcomes. It is acknowledged that the data collection component is common to all spheres of research, including physical and social sciences, humanities, and business (Brodowicz, 2024). Chhabra and Rathole (2022) point out that the type of data collection varies, depending on the field of study, although despite the difference in the application of data collection methods in various disciplines, the emphasis remains on gathering accurate and honest data (Chhabra and Rathole, 2022). The main purpose of data collection, hence, is to gather quality information that can be analyzed and used to support decisions or provide evidence (Baker, 2023). The process enables researchers to capture quality evidence that allows for rich data analysis and the building of a convincing, credible, and authentic answer to questions that have been posed (Chhabra and Rathole, 2022). Chandran (2023) reiterates that accurate data collection is critical for maintaining research integrity. Various tools or instruments are used to collect data in research. These tools or instruments help researchers gather information and make informed decisions based on the data collected, which could be primary or secondary for their respective quantitative or qualitative research studies (Chhabra and Rathole, 2022). These authors further point out that each of these research instruments has its advantage in the collection of certain specific types of information or evidence, from different sources of information. Section 5.10.1 briefly discusses the data collection instrument.

5.10.1 Data Collection Instrument

The Indeed Editorial Team (2024) posits that data collection tools can protect the study's integrity by allowing the researcher to identify and resolve discrepancies before concluding. Data collection instruments include - questionnaires, interviews, focus-groups discussions, observation, surveys, case studies, and experiments (Taherdoost, 2021); in this study, data was collected using a survey questionnaire. The author continues that a questionnaire is one of the common devices for collecting information and is a form or instrument including a set of questions and secure answers that respondents (from a specific population) fill to give the researcher information needed for the study. Bhandari (2021) refers to a questionnaire as a list of questions or items used to collect data from respondents about their attitudes, experiences, or opinions. Lindermann (2023) in a similar vein sees a questionnaire as a systematic method to collect information or data from a sample population. The choice to make use of a questionnaire for this study was influenced by factors such as - the features and behaviors of the respondents from whom the study intends to collect data; the significance of reaching each targeted respondent; the need for respondents' answers not to be contaminated or distorted; the size of the sample and the nature and the types of the information required (Taherdoost, 2021).

© University of Venda

A questionnaire was considered suitable for this study because a large, predetermined sample size of n=400 was required. A questionnaire may be either open-ended or closed-ended. Open-ended questions refer to questions that cannot be answered with a simple 'yes' or 'no', instead require the respondent to elaborate on their points (Taherdoost, 2021). On the other hand, close-ended questions ask respondents to choose from a predefined set of responses, typically one-word answers such as "yes/no", "true/false", or a set of multiple-choice questions (Dawer, 2024). This study adopts the close-ended questionnaire because it takes respondents less time to answer, increases the response rate, and makes the data easier to analyze and quantify (Starkhagen, 2022). Thomas (2023) suggests that designing a good questionnaire is crucial for gathering accurate and meaningful data that aligns with research objectives. Section 5.10.2 presents the questionnaire design.

5.10.2 Questionnaire Design

The questionnaire method is a resourceful and effective tool for data collection across diverse research fields (Kuphanga, 2024). For quantitative research, a questionnaire in its structured format, allows for the collection, organization, and analysis of standardized data as highlighted by Kuphanga (2024). An effective questionnaire design is essential for gathering accurate and meaningful data that aligns with research objectives (Thomas, 2023). The physical appearance of the questionnaire is a significant aspect that should not be underestimated (Taherdoost, 20022. Different factors affect the quality of the appearance of the questionnaire, including the font of the questionnaire and the instructions provided in each section (Taherdoost, 2022. A well-designed questionnaire should be both pleasing to the eyes of the respondents and not hard to follow and complete (Taherdoost, 2022). The questionnaire employed in this study comprised four (4) sections. Section A required details of the companies' profile / characteristics. Section B sought demographic information of research participants, while Sections C to D contained segmented questions on the constructs under investigation in this study. The questionnaire in this study was developed mainly based on instruments used in other studies, however, not all questions were utilised in their original format but some were adjusted to fit the context of this study, without changing their value or meaning. In addition, the study adopted closed-ended questions since it is the most used method in quantitative research (Taherdoost, 2021). A copy of the items presented in the questionnaire is attached in the Appendix section.

5.10.2.1 Section A: Company Profile Information

Company profiles and characteristics are crucial in classifying a firm as a small, micro, or medium enterprise among SMEs. A business must meet the quantitative criteria of a certain number of employees and at least one financial criterion to be categorized as a micro, small, or medium business (De Sordi et al., 2024). The extant literature reveals that SMEs have diverse definitions

© University of Venda

and metrics (Enaiforghe and Ramsuraj, 2023), thus, the classification is essential for policymakers, researchers, and practitioners to understand the dynamics of the SME sector. By identifying the size and characteristics of various firms, policymakers can design targeted policies to support the growth and development of these businesses. Liberto (2024) contends that an SME is a business that maintains revenues, assets, or a number of employees below a certain threshold. This section comprises four (4) questions to obtain information on the company profiles. The questions, hence, elicited information on the number of employees, total annual turnover, type of business ownership, and the sector of business operation.

5.10.2.2 Section B: Respondents' Demographics

Demographic information is crucial in understanding the intricacies of small and medium-sized enterprises (SMEs) (Jonck and Nwosu, 2022). Demographic information refers to data on the characteristics of a population, such as - age, gender, ethnicity, income, education level, employment status, and location (Ferreira, 2017). This information is crucial for researchers studying SMEs as it helps to identify trends, patterns, and opportunities within this sector. Jonck and Nwosu (2022) point out that demographic variables influence various aspects of respondents' behaviour, for instance SMEs' financial record-keeping practices; showing that demographic variables are crucial factors that affect the operations of SMEs. Jonck and Nwosu (2022) suggest that demographic information generated by the research could be utilized when debating, developing, or expanding the SME sector in South Africa. This section consisted of six (6) questions prompting information on the demographic profile of the research participants. The questions elicited information on gender, race, age, position held in the firm, nature of employment, and years of experience in the position held.

5.10.2.3 Section C: Digital Marketing Adoption

Digital marketing adoption is essential for SMEs in today's competitive business environment (Bruce et al., 2023). With the rapid advancement of technology and the shift toward a digital economy, small and medium-sized enterprises (SMEs) must embrace digital marketing strategies to remain relevant and competitive (Radicic and Petković, 2023). Digital marketing adoption has profound benefits for SMEs, such as leveling the playing field with larger competitors and enabling them to target niche markets more effectively. SMEs can create personalized marketing campaigns, engage with customers in real-time, and analyze data to optimize their strategies for better results (Bruce et al., 2023). This increases brand awareness, customer loyalty, and sales revenue for SMEs (Veseli-Kurtishi, 2024), yet, despite the significant benefits realized by embracing digital marketing strategies, extant literature reveals that the adoption level of digital marketing strategies among SMEs in South Africa is low (Achieng and Malatji, 2022). Questions in this section, therefore, were designed to collect information about digital marketing adoption

© University of Venda

among the SMEs of interest. The questions in this section sought to elicit information on - whether the firm has adopted digital marketing, the digital marketing approach adopted, the percentage of the current budget allocated to digital marketing adoption, and the intention as to whether increase the current budget to allow for digital marketing adoption.

5.10.2.4 Section D: Perceptions Toward Digital Marketing Adoption and Usage

Bruce et al. (2023) point out that perceptions play a pivotal role in adoption of digital marketing, therefore, questions in this section sought to measure the participants' attitudes or behavior toward digital marketing adoption and usage. This section included 14 constructs measured on an interval scale using a seven-point Likert response-type composite scale, rated from "strongly disagree" to "strongly agree". The structure of the questionnaire in terms of sections, question formats, and types of scales used is outlined in Table 5.4.

Table 5.4 Structure of the questionnaire in terms of sections, question formats, and types of scales used

Section	Question	Question Format	Scale
Section A (Firm Profile and Characteristics)	A1	Structured	Interval
	A2	Structured	Interval
	A3	Structured	Nominal
	A4	Structured	Nominal
Section B (Research Participant's Profile)	B1	Structured	Nominal
	B2	Structured	Nominal
	B3	Structured	Interval
	B4	Structured	Nominal
	B5	Structured	Nominal
	B6	Structured	Interval
Section C (Digital Marketing Adoption)	C1	Structured	Nominal
	C2	Structured	Nominal
	C3	Structured	Interval
	C4	Structured	Nominal
Section D (Perceptions toward Digital Marketing adoption and usage)	RA1 to BI3	Structured	Likert-scale

5.11 QUESTIONNAIRE ADMINISTRATION

Methods of questionnaire administration play a crucial role in surveys aimed at gathering data and insights from research participants (Kuphanga, 2024). There are various methods for

© University of Venda

administering questionnaires, including, online surveys, phone interviews, mail surveys, and hand-delivered questionnaires (Mauldin, 2020). Of these methods, hand-delivered questionnaires have unique advantages that can enhance response rates and data quality (Walo, 2023). Hand-delivered questionnaires involve physically distributing the surveys to research participants and collecting them once completed (Akinci and Saunders, 2015). This method allows for more personal interaction with participants, which can increase response rates and engagement (Walo, 2023). In addition, hand-delivered questionnaires permit the researcher to clarify any questions or concerns that participants may have, leading to more accurate and reliable data (Walo, 2023). After carefully analyzing the benefits of hand-delivering questionnaires, the study employed the hand-delivering method, however, in interacting with the respondents during the delivery process, the researcher only explained the study's objectives and clarified some questions without assisting the respondents in filling in the questionnaires.

5.12 DATA ANALYSIS PROCEDURES

Data analysis is a crucial component of research across various fields, helping researchers make sense of complex information, identify patterns, and draw meaningful conclusions (Crabtree and Nehme, 2023. The pivotal role of data analysis in research cannot be understated, as it serves as the foundation for evidence-based decision-making and the advancement of knowledge; no research can survive without data analysis (Dibekulu, 2020). According to Crabtree and Nehme (2023), data analysis is a comprehensive method of inspecting, cleansing, transforming, and modeling data to discover useful information, draw conclusions, and support decision-making. After data collection, the researcher cleaned and organized the data since these steps improved the accuracy of data and makes it easy to evaluate. The prepared data was then analyzed using descriptive statistics techniques (comprising normality tests), structural equation modeling (SEM), and exploratory factor analysis (EFA). Descriptive statistics and EFA analysis were undertaken using Statistical Packages for the Social Sciences (SPSS) (version 30), while SEM was obtained using Analysis of Moment Structures (AMOS). All these analyses, evaluations and assessments were conducted amongst the adopted constructs from the selected SMEs in the Tshwane Metropolitan Municipality in South Africa.

5.12.1 Data Preparation

Data preparation is a critical step in the data analysis process, which involves collecting, cleaning, and transforming raw data into an appropriate format for analysis (Khan, 2024). Magash (2024) claims that data preparation is an important aspect of data science and is essential in enhancing the accuracy and reliability of the data used in analysis. According to Plano, Clark, and Badiee (2010), after data collection, it is observed as a standard procedure to arrange the collected data for further assessment, analysis, and evaluation. The primary purpose of data cleaning is to ensure that the raw data being processed is accurate and consistent, since it is acknowledged

© University of Venda

that data is commonly provided with missing values, inaccuracies, or other errors (Stedman, 2024). In addition, data sets have different formats that must be reconciled when the data sets are combined (Stedman, 2024). Prabhakar (2023) suggests that appropriate data preparation can help maintain data quality and accuracy, preventing erroneous conclusions and decisions. Data preparation primarily involves editing, coding, and cleaning to make the data suitable for data analysis. These techniques were employed in this study. Section 5.12.2 discusses the initial data editing processes.

5.12.2 Data Editing

Data editing is an essential aspect of marketing research that involves checking, correcting, and validating data to ensure its accuracy and reliability for data analysis (Statistics Canada, 2021). Pannekoek, Scholtus, and Van Der Loo (2013) view data editing as a quality assurance development in which the collected data is evaluated to discover any present variances. The types of errors found during data editing can vary widely, ranging from simple data entry errors to more complex issues, such as missing values, outliers, and inconsistencies (Bhandari, 2021). The consequences of these errors are often detrimental to data quality and can lead to incorrect analysis and conclusions. Researchers, therefore, should carefully check and verify their data to avoid such errors and omissions that could compromise the validity of their findings. All completed questionnaires collected from the survey participants were reviewed to ensure accuracy and completeness. All differences and discrepancies that were found were corrected and adjusted by comparing respondents' data, then making appropriate corrections as required.

5.12.3 Data Coding

Coding is the assignment of labels or meanings to particular words when analyzing data, often involving assigning numerical scores (Whitsett, 2018). According to Mathers, Fox, and Hunn (2007), coding refers to the process by which responses to questionnaires or other data sources are assigned a numerical value or code to transfer information to a computer for data analysis. The initial step in coding data is to write a unique code number on each completed questionnaire (Korb, 2013). The reason for this is to be able to link the data presented in the statistical software to the actual questionnaire from which data was extracted; for instance, after information in the questionnaire has been entered into the statistical software, it can be noticed that there is an error in one of the responses. The researcher, therefore must look for the actual questionnaire to rectify and correct the determined error. In this study, the researcher assigned a unique code to completed questionnaires, which were processed into SPSS statistical software; for instance, 310 questionnaires were completed and collected from research participants, thereafter, each questionnaire was assigned a specific and exclusive numeric code, from 1 to 310. In addition, all responses to the questions from the questionnaire were assigned a specific numeric code. For

© University of Venda

instance, the question asked about gender and the response options were "Male" and "Female," the researcher assigned the code "1" to "Male" and "2" to "Female." The researcher confirmed that only codes 1 and 2 were entered into the SPSS statistical software to enable data analysis on gender.

5.12.4 Data Cleansing

According to Peiris (2024), data cleaning involves fixing or removing incorrect, corrupt, duplicate, or incomplete data within a dataset. When combining multiple data sources, there are many opportunities for data to be duplicated or mislabeled (Peiris, 2024). Data cleaning is a crucial step in the data science process because data quality directly affects the accuracy and reliability of data analysis and models (Peiris, 2024). Bhandari (2021) explains that data cleansing involves spotting and resolving potential data inconsistencies or errors to improve data quality, therefore, the process plays a significant role in improving data quality. Maharjan (2021) recommends that data cleansing should be done after data editing and coding. Data cleaning, also known as “data preprocessing”, hence, is the process of identifying and correcting errors, inconsistencies, and inaccuracies in a dataset (Buhl, 2023). It is a critical step in ensuring the quality and reliability of the data, which in turn affects the validity and accuracy of the analysis’ results (Buhl, 2023). The following are the most important reasons for data cleansing:

- **Data Quality**: Data cleaning helps to identify and correct errors, inconsistencies, and inaccuracies in data, ensuring that the data is accurate, complete, and consistent.
- **Data integrity**: Data cleaning fosters data integrity by identifying and correcting errors that can affect the analysis results.
- **Analysis accuracy**: Data cleaning ensures that the analysis of the results is accurate and reliable, as errors and inconsistencies in the data can lead to incorrect conclusions.
- **Time and resource efficiency**: Data cleaning saves time and resources by identifying and correcting errors early on, reducing the need for rework and minimizing the risk of errors in the analysis results (Jones, 2023).

To ensure the accuracy and reliability of the data collected in this study, a thorough data cleaning process was conducted using the Statistical Package for the Social Sciences (SPSS) software (version 30). This process involved a series of steps to identify and correct errors, inconsistencies, and missing values in the data, ensuring that the data is of high quality and suitable for analysis. Some of the steps that were followed are listed below:

- **Import data**: Import the data into SPSS.
- **Data inspection**: Inspected the data for errors, inconsistencies, and inaccuracies using SPSS's data inspection tools, such as the Data Editor, Data Viewer, and Data Validation.

© University of Venda

- **Data cleaning**: Used SPSS's data cleaning tools, such as the Data Cleaning Wizard, to identify and correct errors, inconsistencies, and inaccuracies in the data.
- **Data transformation**: Transformed the data into a suitable format for analysis, such as converting categorical variables into numerical variables.
- **Data validation**: Validated the data to ensure it met the required standards and criteria for analysis (Quinn, 2024).

Effective data analysis begins with ensuring the quality and integrity of the data. In SPSS, a crucial step in this process is data cleaning, which involves identifying and addressing errors, inconsistencies, and inaccuracies in the data (Quinn, 2024). Some data-cleaning tasks that were performed in SPSS to ensure the quality and integrity of data include:

- **Handling missing values**: Identified and handled missing values, such as imputing missing values or deleting cases with missing values.
- **Data normalization**: Normalized the data to ensure that it is in a suitable format for analysis.
- **Data transformation**: Transformed the data into a suitable format for analysis, such as converting categorical variables into numerical variables.
- **Data validation**: Validated the data to ensure it met the required standards and criteria for analysis (Quinn, 2024).

By employing SPSS, a widely used and reputable statistical software, the researcher ensured that the data-cleaning process was rigorous and effective, ultimately leading to more reliable and valid research findings (Quinn, 2024).

5.12.5 Normality Testing

A normality test determines whether the collected data has been drawn from a normally distributed population (Khatun, 2021). A normality test determines whether the data follows a normal distribution, which is an elementary assumption in many statistical tests and models (Mishra, Pandey, Singh, Gupta, Sahu, C, & Keshri, 2019). Normality testing plays a critical role in scientific research, as it influences the validity of statistical analyses, therefore, understanding whether data follows a normal distribution is essential for selecting appropriate statistical methods and ensuring accurate conclusions (Mishra et al., 2019). In the context of Structural Equation Modeling (SEM), a crucial step in ensuring the validity and reliability of the model is to conduct a normality test which is essential to verify that the data follows a normal distribution - a fundamental requirement in SEM (Hair et al., 2021). The normality test was conducted to assess whether the data conforms to the normality assumption, thereby ensuring that the results obtained from the SEM analysis are accurate and reliable. Mishra et al. (2019) argue that SEM produces dependable approximates of outcomes even though the data being subjected to testing is not normally distributed, however, it is essential to conduct normality testing to validate and authenticate the performance of

© University of Venda

parametric tests, therefore, normality testing was conducted in this study. Various types of normality tests can be used such as - D'Agostino's K-squared test, Jarque-Bera test, Anderson-Darling test, Cramér-von Mises criterion, Kolmogorov-Smirnov test, Lilliefors test, Shapiro-Wilk test, and Pearson's chi-squared test (Addict, 2023). Moral-de La Rubia (2022) suggests that D'Agostino's K-squared test is a more powerful variety of moment-based normality tests; based on this background, D'Agostino's K-squared test was performed for normality.

D'Argostino's K-squared test is a goodness-of-fit measurement that attempts to determine whether a sample is obtained from a normally distributed population (Melli, 2023). D'Argostino's K-squared test measures the Kurtosis and Skewness of data to determine whether the sample looks normal (Mitra, 2023); in this study, the samples were tested for kurtosis and skewness. Kurtosis is a descriptive statistic used to measure how data is dispersed between the center and tails of a distribution (Green, Manski, Hansen, and Broatch, 2022). It helps identify potential issues with outlying or extreme observations, by indicating if a distribution has "heavy" tails thickly concentrated with observations or long with extreme observations (Green, Manski, Hansen, and Broatch, 2022). According to Singh (2024), skewness is a measure of symmetry (specifically, the lack of symmetry in the data set), which can be positive or negative; while skewness focuses on the spread (tails) of normal distribution, kurtosis focuses more on the height. These tests tell us how peaked or flat our normal (or normal-like) distribution is (Tuychiev, 2023). This study followed the rule of thumb proposed by Hair et al. (2022) to ascertain skewness, where values between -1 and +1 are excellent, while -2 to +2 are generally acceptable. Values beyond -2 and +2 suggest substantial nonnormality. In addition, a kurtosis greater than +2 suggests a peaked distribution, while less than -2 indicates a flat one. When skewness and kurtosis are close to zero, it is considered a normal distribution (Hair et al., 2022). D'Argostino's K-squared test was performed using the SPSS software package concurrently with the descriptive statistics analysis.

5.12.6 Descriptive Statistics

According to Vetter (2017), descriptive statistics are specific methods used to calculate, describe, and summarize collected research data in a logical, meaningful, and efficient way. The author adds that descriptive statistics can be reported numerically in the manuscript text, in its tables, or graphically in its figures. Similarly, Green, Manski, Hansen, and Broatch (2023) define descriptive statistics as a process of summarizing numerical and categorical data in a clear and informative manner. Descriptive statistics are brief informational coefficients that summarize a given data set, representing the entire population or a sample (Hayes, 2024). Holcomb (2016), however, suggests that the outcomes of the descriptive statistics are related to the sample under reflection and cannot be anecdotal to the whole population from which the sample is drawn (Holcomb, 2016). Descriptive statistics such as mean scores, standard deviations, frequencies, and percentages, therefore, must be used to summarize data (Robinson and Alexander, 2022). This

© University of Venda

study used the mean, frequency, and standard deviation techniques to perform descriptive statistical analysis.

5.12.6.1 Mean Scores

The Dovetail Editorial Team (2023) asserts that the mean score is often used to measure central tendency, which indicates the typical or most representative value in a dataset. The mean score is commonly denoted by a simple ($\bar{x}$). The bar above the letter x represents the mean of x number of values (Kench, 2023). Dhanunjaya (2022) suggests that the mean is usually the best measure of central tendency to use when the distribution is continuous and symmetrical, such as when the data is normally distributed. Holcomb (2016) identifies a research's mean as a general average score resulting from the aggregate representation. The mean score is considered an important measure because it incorporates the score from every subject in the research study (Rodrigues, Lima, and Barbosa, 2017). The researcher considered the mean dimension as significant among the set of responses obtained from the study, hence, the responses that attained the highest average score were considered the most significant and leading when matched with other responses.

5.12.6.2 Frequency Analysis

Frequency analysis is a valuable tool in quantitative research that assists researchers in examining patterns within data sets by counting the number of times a particular value occurs (Rauscher, 2021). This method is useful when analyzing large data sets to identify trends, outliers, and relationships between variables (Cooksey, 2020). Frequency analysis allows researchers to investigate the frequency of occurrence of a particular variable within a specific sample, providing valuable insights into pattern and relationship identification, as well as data trends and variations (Sun and Wang, 2024). Kumar (2018) points out that frequency analysis is essential in presenting the results of the demographic profile of respondents. Frequency analysis plays a crucial role in quantitative research since it enables researchers to uncover significant insights that could be missed without this analytical technique (Kumar, 2018). Shreffler and Huecker (2023) suggest that researchers must adopt frequency analysis as part of the research methodology to ensure a comprehensive understanding of the data they are studying. In this study, frequency analysis was employed to represent the demographic summary of research participants. In addition, the means were applied in defining the observations of respondents concerning each study construct; for instance, the frequencies exposed how many respondents approved or differed with each of the elements of the study constructs. Results from the frequency analyses were presented in the form of percentages, charts, tables, and pie charts,

© University of Venda

5.12.6.3 Standard Deviation

In various research domains, standard deviation is a statistical measure that aids in data analysis and making meaningful conclusions (Roberts, 2023). This concept helps to understand the spread or dispersion of a set of values around the means (Roberts, 2023). The importance of standard deviation in research lies in its ability to provide researchers with a measure of variability that quantifies data variability, which is crucial for making informed decisions and drawing accurate conclusions (Roberts, 2023). According to Omda and Sergent (2024), the standard deviation (SD) measures the extent of scattering in a set of values, typically compared to the mean value of the set. Statisticians have determined that values no greater than plus or minus 2 SD represent measurements that are closer to the true value than those that fall in an area greater than ± 2SD (Fatemeh, 2022). Bhandari (2020) claims that the standard deviation is a useful measure of spread for normal distributions, therefore, in this study, the standard deviation (SD) was applied to ascertain whether the data collected resembles a normal distribution pattern.

5.12.7 Exploratory Factor Analysis

Exploratory factor analysis (EFA) is a multivariate statistical analysis method commonly used in quantitative research (Sürücü, Yikilmaz, and Maslakci, 2022). According to Yadav and Ahmmed (2022), exploratory factor analysis (EFA) is a mathematical tool used to detect the underlying function of a relatively large number of variables. They further state that EFA is a factor evaluation method whose primary purpose is to define the theoretical relationship between different studied variables. EFA is mainly employed when the researcher wants to reduce many variables into a few meaningful ones (Salkind, 2010), hence, the EFA was used as a data reduction technique to enhance the explanation of the process (Yadav and Ahmmed, 2022). EFA is a bivariate method that examines the covariance structure of variables across three parameter groups:

- **Factor Loadings**: These represent the relationships between the observed variables and the underlying latent factors. Factor loadings indicate the extent to which each variable is related to each factor.
- **Residual Variance (Unique Variance)**: This refers to the variance in each variable that is not explained by the latent factors. Residual variance represents the unique or specific variance of each variable that is not shared with other variables.
- **Correlations**: These represent the relationships between the latent factors themselves. Correlations between factors, hence, indicate the extent to which the factors are related to each other (Yadav and Ahmmed, 2022).

It has been established that the purpose of EFA is to clarify a comparatively smaller number of factors for an interaction between several observed variables, therefore, the process is known as one of the strategies for data reduction. This study investigated the complex dynamics influencing

© University of Venda

the adoption of digital marketing among Small and Medium-sized Enterprises (SMEs). Given the multifaceted nature of this phenomenon, it was essential to consider a multitude of variables to draw precise conclusions. Considering this, Exploratory Factor Analysis (EFA) emerged as a suitable methodological approach, enabling the identification of underlying patterns and relationships between variables, and, ultimately, uncovering the key factors that drive digital marketing adoption among SMEs. Achchuthan (2015) points out that EFA is used to obtain unique and uncorrelated items from correlated items in a huge data set, hence, it is recommended that researchers perform the EFA before performing any other analysis (Triano, 2020). Exploratory Factor Analysis (EFA) measures the underlying relationships between questionnaire items and the factors ("constructs") measured by them. Triano (2020) maintains that researchers should design for, test, and report additional evidence to strengthen the argument for the reliability and validity of questionnaires for research and practice. It becomes imperative, therefore, to perform EFA and determine the soundness, validity, and rationality of the measures applied in the questionnaire for this study.

To ensure the validity and reliability of a questionnaire, various tests can be conducted to evaluate its psychometric properties. One such test is the assessment of factorability using Exploratory Factor Analysis (EFA) (Sigudla and Maritz, 2023). EFA is a statistical technique used to identify underlying patterns and relationships among variables, such as questionnaire items (Sürücü, Yikilmaz, and Maslakci, 2022). By conducting EFA, researchers can determine whether the questionnaire items can be grouped into meaningful factors or dimensions, which can help to identify the underlying constructs being measured (Sürücü, Yikilmaz, and Maslakci, 2022). This test is essential in questionnaire development as it helps to ensure that the items are measuring what they are intended to measure and that the questionnaire is commissioned into the desired constructs. Additionally, EFA can help identify any redundant or irrelevant items, which can be removed or revised to improve the overall validity and reliability of the questionnaire (Knekta, Runyon, and Eddy, 2019).

In this study, the factorability of the questionnaire items was examined using the Kaiser–Meyer–Olkin (KMO) test and Bartlett's test of sphericity (Sürücü, Yikilmaz, and Maslakci, 2022). The KMO test is used to determine the suitability of data for factor analysis (Sürücü, Yikilmaz, and Maslakci, 2022). The KMO tests whether there is enough strong factor structure; its test values range from 0 to 1. Values between 0.8 and 1.0 indicate adequate sampling, values between 0.7 and 0.79 indicate moderate sampling, while values between 0.6 and 0.69 indicate mediocre sampling while values less than 0.6 indicate that the sampling is not adequate for factor analysis (Hadi, Abdullah, and Sentosa, 2016; Sürücü, Yikilmaz, and Maslakci, 2022). Bartlett's test of sphericity tests the hypothesis, whether the correlation matrix is an identity matrix, which would indicate that the variables are unrelated and, therefore, unsuitable for structure detection (Sürücü, Yikilmaz, and

© University of Venda

Maslakci, 2022). This method determines whether significant correlations exist between the different items. A significant value of < 0.05 indicates that factor analysis may be worthwhile for the data set (Sürücü, Yikilmaz, and Maslakci, 2022). The above-mentioned thresholds were followed by the researcher in relation to the questionnaire items.

The EFA process was performed using SPSS version 30. Taherdoost (2014) points out that more than fifty percent of studies that have been conducted using EFA adapt varimax rotation for principal components analysis (PCA) as the approach used for data analysis. Similarly, Acal (2020) contends that adapting PCA with Varimax rotation in social research is beneficial for simplifying factor structures by identifying uncorrelated variables that explain the main modes of variation in the data. In this study, EFA, therefore, was performed using the Principal Components Analysis (PCA) technique based on Varimax rotation.

Principal Components Analysis (PCA) is a statistical technique used in Exploratory Factor Analysis (EFA) to reduce the dimensionality of a large dataset by identifying the underlying patterns and relationships between variables. In EFA, PCA is employed to extract the principal components, which are the underlying factors that explain much of the variance in the data.

The importance of PCA in EFA can be summarized as follows:

- **Data Reduction**: PCA helps to reduce the number of variables in the dataset, making it easier to analyze and interpret. By retaining only the most important components, researchers can focus on the underlying patterns and relationships that are most relevant to the research question.
- **Identification of Underlying Factors**: PCA helps to identify the underlying factors that are driving the relationships between variables. By examining the loadings of the variables on each component, researchers can gain insight into the underlying constructs that are being measured.
- **Improved Interpretability**: PCA can improve the interpretability of the data by identifying the most important variables and reducing the impact of noise and irrelevant variables. This can lead to more accurate and meaningful conclusions.
- **Enhanced Model Parsimony**: PCA can help to simplify complex models by reducing the number of variables and identifying the most important relationships. This can lead to more parsimonious models that are easier to understand and interpret.
- **Improved Model Fit**: PCA can improve the fit of the model to the data by identifying the underlying patterns and relationships that are most relevant to the research question. This can lead to more accurate predictions and better model performance (SPSS Analysis, 2024).

© University of Venda

In EFA, PCA is typically used as a precursor to other factor analysis techniques, such as Varimax rotation, to identify the underlying factors and improve the interpretability of the results. By applying PCA, researchers can gain a deeper understanding of the underlying structure of the data and make more informed decisions about the research question under investigation. The PCA was ideal for this study because it checked for missing data and other mistakes, thereby, gaining maximum insight into the data set and its underlying structure (Schmalen, 2020). In addition, PCA offers several advantages such as - more parsimonious models, simplification of data structure, uncovering hidden patterns, and its convenience for graphic displays (Rahman, Sanderson, and Naidu (2024).

5.12.8 Structural Equation Modeling

Structural Equation Modeling (SEM) is a powerful statistical technique that has gained significant popularity in social science research due to its ability to analyze complex relationships among variables (Hair et al., 2021). According to Hair et al. (2021), structural equation modeling (SEM) is a multivariate data analysis technique for analyzing complex relationships between constructs and indicators. Mueller and Hancock (2018) state that Structural Equation Modeling (SEM) is a statistical tool for evaluating an established hypothesis concerning causal relationships among measurable or latent variables. SEM is often called “causal modeling” due to its utility in testing hypothesized causal relationships between variables (Muller and Hancock, 2018). According to Christ, Lee, Lam, and Diane (2014), SEM is a confirmatory method used to determine whether a model is valid and test theories of causal relationships. The main aim of this study was to propose and test a conceptual framework for digital marketing adoption among SMEs in the City of Tshwane Metropolitan Municipality that could guide SME owners, policymakers, and other stakeholders toward digital marketing adoption, therefore, the conceptual framework was tested using SEM. In addition, SEM is a technique that tests hypotheses and allows aresearcher to accept or reject the relationships between dependent and independent variables. Morgan (2022) argues that SEM combines two statistical methods; the first method is the Confirmatory Factor Analysis (CFA), which measures the validity and reliability of the data collection instrument and the conceptual model. The second method is path analysis, which consists of hypotheses testing. The SPSS statistical software package, version 30 was used to test reliability. Statistical tests, including CFA and path analysis, were carried out using the AMOS statistical software package, version 26.

5.12.9 Confirmatory Factor Analysis

Confirmatory factor analysis (CFA) is a statistical technique widely used in social sciences research (Johnston, 2024). Confirmatory factor analysis can enhance the credibility and dependability of research outcomes (Goudarzian, 2023); for instance, a study by Simon et al.

© University of Venda

(2010) revealed that the study's findings improved significantly after performing CFA. CFA evaluates whether an assumed relationship between manifest indicators and latent factors is in line with the empirical data by testing whether the model-implied covariance structure reproduces the empirical covariance matrix (or resembles it very strongly). Ly (2023) states that confirmatory factor analysis is a method that tests whether data fits a predefined model of factors and indicators. According to Shrestha, Kadel, and Mishra (2023), confirmatory Factor Analysis (CFA) is used to establish the relationship between the constructs using Structural Equation Modelling (SEM). Similarly, Maydeu-Olivares, Fairchild, and Hall (2017) note that CFA is a procedure that is applied using SEM and is designed to measure the level of accuracy of the instrument or measurement scales by determining the direct or indirect causal association that exists between research constructs (observed indicators and latent variables). Brown (2015), explains that confirmatory factor analysis (CFA) is a type of structural equation modeling (SEM) that deals specifically with measurement models, the relationships between observed measures or indicators (for example, test items, test scores, behavioral observation ratings as well as latent variables or factors. Brown (2015) further notes that the most important feature of CFA is its hypothesis-driven nature. Maydeu-Olivares et al. (2017) claims that the main objective of CFA is to test whether the data fit the hypothesized measurement model. Ly (2023) argues that CFA is used by researchers when there is a clear theoretical or empirical basis for a conceptual model and there is a need to verify its validity and reliability. Marsh et al. (2020) argue that the precision of a conceptual framework or research model is contingent on three key features: reliability, validity, and model fit. The following subsections discuss the application of these mentioned features or tests.

5.13 RELIABILITY

Reliability is a fundamental concept in quantitative research that enhances the quality of research outcomes (Bermingham, 2020). Reliability is one of the most important aspects in evaluating any measuring methodology for data collection in good research (Ahmed and Ishtiaq, 2021). In the realm of research, reliability plays a pivotal role in ensuring the accuracy and validity of findings, thereby contributing to the overall quality of the study (Bermingham, 2020). According to Zaveri (2023), the reliability of a research study is defined as the consistency and stability of measurements, tests, or observations conducted within the study. Generally, the definition specifies that the same results attained from a study could be obtained if the same research process is replicated or repeated. Carroll (2023) defines reliability as a concept describing how reproducible or replicable a study is. Carroll (2023) further points out that if a study can be repeated and the same results are found, the study is considered reliable. Middletton (2023) agrees with the definition proposed by Carroll (2023) and defines reliability as how consistently a method measures something. In other words, a measurement can be considered reliable if the same results are obtained consistently using the same techniques and conditions. Thompson

© University of Venda

(2022) defines reliability as the degree to which test scores are stable, reproducible, and free from measurement error, thus, the assurance of the correctness, precision, or repeatability of test results is achieved through reliability. There are various approaches that researchers can apply in reliability testing, such as the Cronbach alpha test, the split-half reliability coefficient, the Composite reliability test, the Kuder-Richardson Formula 20 (KR 20; KR 21), and item-to-total correlations (Setyaedhi, 2024). For this study, the Cronbach alpha test, composite reliability, and inter-item correlation testing were performed to determine the reliability of the research instrument.

5.13.1 Cronbach Alpha

Cronbach's alpha is the commonly used objective measure of reliability (Ericson and Chaudhary, 2023) and was developed by Lee Cronbach in 1951. Quantitative research involves the collection of data and in most cases questionnaires with Likert scales are used to collect data (Jugessur, 2022). A test must be executed before the data can be processed for statistical analysis; it is where Cronbach's Alpha comes into play. According to Jugessur (2022), Cronbach's Alpha value indicates the internal consistency and reliability of the data collection process and its collection instrument. Doval, Viladrich, and Angulo-Brunet (2023) assert that Cronbach's alpha is widely used to estimate the internal consistency reliability of test scores. Evangelista (2019), explains that Cronbach's alpha is a measure of internal consistency used to assess the reliability of a psychological test that consists of Likert-scale questions that measure different aspects of the latent construct. Frost (2024) suggests that higher Cronbach's alpha values show greater scale reliability. In applying for coefficient, this study will follow the recommendations provided by Cronbach (1951). The recommendations are outlined in Table 5.5.

Table 5.5 Range of reliability and its coefficient of Cronbach's alpha

No	Coefficient of Cronbach's Alpha (α)	Reliability Level
1	More than 0.90	Excellent
2	0.80-0.89	Good
3	0.70-0.79	Acceptable
4	0.6-0.69	Questionable
5	0.5-0.59	Poor
6	Less than 0.59	Unacceptable

Source: Cronbach (1951)

Table 5.5 presents an outline of the level of acceptance and accuracy of Cronbach's alpha values based on their respective cut-off values. As indicated in Table 5.5, the (α) Scores between 0.7-0.79 can be considered acceptable, indicating a good internal consistency of the measurement items, however, (α) scores from 0.60 and 0.69 are questionable, with those dropping far behind

© University of Venda

the cut-off point indicating internal inconsistency. Table 5.5, thus, reveals that the least acceptable alpha value is 0.7, therefore, the alpha scores for all elements used should be above the 0.7 cut-off value, and this study followed the same rule in the determination of the reliability of the constructs of the study.

5.13.2 Composite Reliability

Composite reliability (construct reliability) measures internal consistency in scale items, much like Cronbach's alpha (Netemeyer, 2003). Brunner and Süß (2005) contend that composite reliability can be assumed as being equal to the total amount of true score variance relative to the total scale score variance. Fornell and Larcker (1981: 56) state that composite reliability is an "indicator of the shared variance among the observed variables used as an indicator of a latent construct". Composite reliability estimation is commonly based on the basic independent clusters model of confirmatory factor analysis (Fu, Wen, and Wang, 2022). Santosa (2021) highlights that the thresholds for composite reliability are debatable, however, an acceptable threshold ranges from 0.60 and upward, although, that different authors and researchers offer various threshold suggestions. A lot depends upon how many items one has in scale. It is established that smaller numbers of scale items tend to result in lower reliability levels, while larger numbers of scale items have the opposite result. This study followed the threshold proposed by Netetemeyer (2003), that a reasonable threshold for a narrowly-defined construct with five to eight items should meet a minimum threshold of 0.80.

5.13.3 Inter-item correlation test

The inter-item correlation test is a statistical tool commonly used in research to examine the relationships between different items in a questionnaire. This analysis helps researchers understand how different variables are related to each other and can provide important insights into the underlying structure of the data. According to Piedmont (2014), Inter-item correlations examine the extent to which scores on one item are related to scores on all other items in a scale. Cohen and Swerdlik (2005) suggest that Inter-item correlation can be used to assess item redundancy. Cohen and Swerdlik (2005) add that inter-item correlation refers to the extent to which items on a scale can be used to measure the same content. Taherdoost (2016) elaborate that item-total correlations are a psychometric measure used to judge the reliability and consistency of measurement scales. This measure is used to test whether each item in the scale corresponds to the behavior of other items on the same scale or not, suggesting also that inconsistent items are considered junk and must be discarded (Conner, 2017). Discarding inconsistent items improves the reliability of the data collection instrument. As a rule, the result of a particular test on a given individual is initially used to produce a score, where the scores for

© University of Venda

different tests have a similar range across individuals. A check on whether a given test behaves similarly to the others is done by evaluating the Pearson correlation (across all individuals) between the scores for that test and the average of the scores of the remaining tests that are still candidates for inclusion in the measure (Taherdoost, 2016). Small item-total correlations are evidence that the items do not measure the same construct as the other items included. A correlation value less than 0.2–0.3 indicates that the corresponding item does not correlate very well with the scale overall and, thus, may be dropped (Everitt and Skrondal, 2002). The study followed the recommendations by Boateng et al. (2018) that adjusted items-total correlations above 0.3 are more desirable.

5.14 VALIDITY

Validity is a necessary criterion in determining the accuracy of research studies; it is important in quantitative research because it ensures high-quality research and increases confidence in research outcomes and conclusions drawn from the data (Surucu and Maslaki, 2020). According to Dovetail Editorial Team (2023), validity in research refers to the ability to conduct an accurate study with the right tools and conditions to yield acceptable and reliable data that can be replicated. Middleton (2023) claims that validity refers to how accurately a method measures what it is intended to measure in quantitative research. Bhandari (2022) states that validity is often called “construct validity” and refers to the extent to which a measure adequately represents the underlying construct that it is supposed to measure. Construct validity implies empirical tests of hypothesized relationships between theory-based constructs and their observable validations (Clark and Watson, 2019). Researchers need to determine validity because it establishes the accuracy and acceptability of the measurement instruments (Napitupulu, 2020). Effective sampling, appropriate measurement tools, and accurate statistical analysis of data contribute to the validity of quantitative research (Surucu and Maslacki, 2020). There are four main types of validity applicable to quantitative research - construct validity, content validity, face validity, and criterion validity; this this study applied these mentioned validity types.

5.14.1 Face Validity

According to Chakhap (2024), face validity refers to the extent to which a test or measurement tool appears to measure what it is supposed to measure based on a superficial inspection. Chakhap (2024) also argues that face validity refers to the "face value" of a data collection tool and its true reflection on those who use it or those who review it. In addition, face validity is mainly associated with subjective judgment, on the other hand, the other forms of validity require statistical analysis (Chakhap, 2024). Boateng et al. (2018) define face validity as the degree to which respondents or end-users judge that the items of an assessment instrument are appropriate to the targeted construct and assessment objectives. The assessment of clarity, ambiguity, relevance, and relevance is achieved through the face validity of a questionnaire (Desai and Patel,

© University of Venda

2020). The researcher presented the questionnaire to several researchers in the Department of Management at the University of Venda to perform a face validity analysis. After reviewing the questionnaire, the input from each researcher was incorporated to improve the questionnaire by effecting some modifications concerning its arrangement and framework, phrasing, and procedural components. In addition, the researcher pre-tested the questionnaire with SME owners or managers in the Tshwane Metropolitan Municipality.

5.14.2 Content Validity

Content validity assesses whether a test is representative of all aspects of the construct hence, to produce valid results, the content of a test, survey, or measurement method must cover all relevant parts of the subject it aims to measure (Middleton, 2023). A pilot study is instrumental in addressing the content validity of a questionnaire by providing a preliminary assessment of the instrument (Kalkbrenner, 2021). As such, a preliminary study was carried out to test the questionnaire's content validity. A pilot study involving a sample of 40 participants was conducted, and this size was determined by using suggestions from other relevant studies (Saxena and Edwards, 2023; Connelly, 2008). A common rule of thumb is to use a sample size of 10 to 20% of your full-scale survey sample size, so in this case, at least 30 to 50 respondents (Saxena and Edwards, 2023). Based on this information, 40 participants were deemed sufficient for the pilot sample size. By administering the questionnaire to a small sample of participants in the pilot study, the researcher was able to identify some ambiguities, confusing wording, and lack of relevance in the questions. This allowed the questionnaire to be adjusted before the main study was conducted, thereby ensuring that the questions were clear, relevant, and consistent with the research objectives.

5.14.3 Construct Validity

Construct validity is a crucial component of quantitative research. It ensures that the measures used in a study accurately assess the theoretical constructs being investigated. According to Sago (2023), construct validity refers to the degree to which a research study accurately measures the theoretical construct it intends to measure. Chapman and Gillespie (2019) state that construct validity is related to the extent to which a test measures what it is supposed to measure. To produce valid results, the content of a test, survey, or measurement method must cover all relevant parts of the subject it aims to measure (Middleton, 2023). The author adds that if some aspects are missing from the measurement (or if irrelevant components are included), the validity of the research study is compromised and may suffer from omitted variable bias. Dovetail (2023) explains that construct validity is an essential tool, widely used in social sciences, psychology, and education. Bellamy (2015), identifies two types of construct validity: convergent and discriminant validity. These two types of construct validity were tested in this study.

© University of Venda

5.14.3.1 Convergent Validity

Convergent validity refers to how closely a test is related to other tests that measure the same (or similar) constructs (Nikolopoulou, 2022). It is a necessary concept that involves comparing two or more tests to determine whether the tests are measuring the same underlying construct (Nikolopoulou, 2022); for instance, the construct can be a behavior, attitude, or concept, particularly one that is not directly observable. Convergent validity shows the researcher whether two tests that should be highly related to each other are indeed related, therefore, convergent validity in this study was examined or tested using two methods (Nikolopoulou, 2022). This was essential for ensuring that the results obtained from the different tests were consistent and reliable. Many researchers have suggested evaluating convergent validity by examining the statistical significance of standardized factor loadings (Cheung et al., 2024; Lee and Pan, 2021). The first method of convergent validity test carried out in this study involved the standardized factor loadings calculated as standardized regression weights during the Confirmatory Factor Analysis (CFA). Many studies suggest that factor loadings should be at least 0.5 for better reliability (Cheung et al., 2023; Dunn and McCray, 2020); therefore, the researcher established a threshold of 0.5 to be used for factor loadings to interpret indicator-factor relationships. All items with factor loadings of less than 0.5 were discarded from the scales because they were considered a threat to convergent validity (She, Ma, and Fomani, 2021). The other method that was used to compute convergent validity was the Average Variance Extracted (AVE) values for each measurement scale. Cheung et al. (2023) highlight that the AVE is the proportion of accurately explained variance within measured indicators by their latent factor relative to the total variance with error variance inclusive in the total. The AVE should not be lower than 0.5 to demonstrate an acceptable level of convergent validity, meaning that the latent construct explains no less than 50% of the indicator variance (Cheung et al., 2023). For instance, Yu et al. (2021) in their study reported the AVE between 0.50 and 0.62, thus exceeding the 0.5 threshold and supporting the convergent validity of their latent constructs. The researcher, hence, considered a threshold of 0.5 to establish convergent validity in this study.

5.14.3.2 Discriminant Validity

Discriminant validity is a crucial concept in research methodology that permits researchers to determine the distinctiveness of two or more constructs or variables under study. According to Nikolopoulou (2022), discriminant validity refers to the extent to which a test is unrelated to other tests that measure different constructs and that the expectation is that the two tests that reflect different constructs should not be highly related to each other. If the outcome of tests indicates that the results are the same, the researcher cannot conclude with certainty that these tests are

© University of Venda

not measuring the same construct, therefore, discriminant validity represents the degree of difference between constructs (Nikolopoulou, 2022). Discriminant validity is essential because it assists the researcher in ensuring that the data and analysis are meaningful and accurate. Lim (2024) suggests that if the measures or variables are not distinct from the tested constructs, the researcher may end up with misleading or invalid results that do not reflect the reality of the phenomenon under study. It is recommended that researchers can improve the validity of their measurement model by rigorously establishing convergent and discriminant validity (Lim, 2024). This contributes substantially to the vigor of their research. This study used two methods to assess discriminant validity. The first criterion used in this study to determine discriminant validity is the Fornell-Lacker criterion (Garcia-Machado, Papa, Carrassi, and Barbadilla, 2023). The Fronell-Larcker criterion is one of the most prevalent techniques to check measurement models' discriminant validity (Analysis INN, 2020). This criterion involves checking whether the average variance extracted (AVE) value is larger than the highest shared variance (SV), where the latter is the highest correlation between each construct and others (Garcia-Machado, Papa, Carrassi, and Barbadilla, 2023). If the AVE of a construct is higher than the SV, the discriminant validity is considered acceptable. The second method employed in this study was the error-corrected correlation values computed in the Confirmatory Factor Analysis (CFA) procedure. Positive correlations below 1.0 between constructs should be considered indicators of adequate discriminant validity (Cheung et al., 2023).

5.14.4 Criterion Validity

According to Nikoloupoulou (2022), criterion validity (or criterion-related validity) evaluates how accurately a test measures the outcome it was designed to measure. Criterion validity compares responses to future performance or those obtained from other, more well-established surveys (Fink, 2010). From the definitions, it can be deduced that criterion validity examines the extent to which a measure accurately predicts or correlates with a specific criterion or outcome. In the context of the study at hand, the researcher ensured that the measures accurately captured the key variables and constructs under investigation. The researcher also compared the findings of this study against results from other similar studies.

5.15 MODEL FIT TEST

A model fit test determines whether a statistical or proposed conceptual model accurately represents the relationship between variables in the data. Katerina, Marcoulides, and Steffen (2019), note the model fit test as a statistical method used to assess how well a proposed model fits the observed data in structural equation modeling (SEM). The assessment of model fit has continuously attracted interest and attention from researchers in structural equation modeling (SEM) literature for many years (Marcoulides, Foldnes, and Gronneberg, 2020). Model fit analysis is important in determining the suitability and validity of a proposed research model or conceptual

© University of Venda

framework concerning the collected data (Dash and Paul, 2021). By assessing how well the model fits the data, researchers can evaluate the accuracy and reliability of their findings, which is essential for drawing meaningful conclusions and making informed decisions based on the research outcomes (Dash and Paul, 2021). It helps researchers determine whether the model fits the observed data well or if there are significant discrepancies (Stanley and Edwards, 2016). Confirmatory Factor Analysis (CFA) is a statistical method widely used in social sciences to test whether a specified model or conceptual framework fits the observed data (Tavakol and Wetzel, 2020). The model's compatibility with the data is assessed through various statistical tests in CFA. Stanley and Edwards (2016) suggest that various fit indices and test statistics can be used to examine model fit in different contexts. In this study, however, the model fit analysis was conducted using the - Adjusted Goodness of Fit (AGFI), Chi-square (CMIN/DF), Comparative Fit Index (CFI), Goodness of Fit (GFI), Incremental Fit Index (IFI), Normed Fit Index (NFI), Root Mean Square Error of Approximation (RMSEA), and Tucker Lewis Index (TLI). Besides testing for reliability and validity, the CFA was also applied in testing for model fit. Four indicators were applied in testing for model fit - the incremental fit index (IFI), normed fit index (NFI), root mean square error of approximation (RMSEA) and Tucker-Lewis Index (TLI) (Stone, 2021). The range of acceptable values of structural equation modeling (SEM) depends on the specific fit index being used (Barik, 2023). Table 5.6 presents values considered to be acceptable for each model fit parameter.

Table 5.6 Model Fit Indicator

Model Fit Indicator	Acceptable Tolerance Value
Adjusted Goodness of Fit (AGI)	≥ 0.90
Chi-Square (CMIN/DF)	≤ 3
The goodness of Fit Index (GFI)	≥ 0.90
Normed Fit Index (NFI)	≥ 0.90
Root Mean Square Error of Approximation (RMSEA)	≤ 0.08
Tucker Lewis Index (TLI)	≥ 0.90
Comparative Fit Index (CFI)	≥ 0.90

Source: Sahoo (2019)

Table 5.6 depicts that the values of AGI, GFI, NFI, TLI, and CFI above 0.90 and RMSEA below 0.08 indicate a good fit. In addition, a CMIN/DF below 3 indicates a good fit. This study followed the suggested thresholds in CFA as they have been proven valid in previous studies. SPSS Analysis (2024) points out that once the researcher is satisfied with the model fit analysis, a researcher can proceed with path analysis, therefore, sub-section 5.16.1 presents the path analysis.

© University of Venda

5.15.1 Path Analysis

The relationship between path analysis and model fit analysis is crucial in the structural equation model (SEM). By combining these two methods, researchers can better understand the complex relationships between variables and test their theoretical hypotheses (Hair et al., 2021). The second step in the SEM procedure is to investigate the hypothesized relationships after implementing the confirmatory factor analysis (CFA). Path analysis is a common method used in social sciences to examine and understand the relationships between variables within a hypothesized model (Hair et al., 2021). It is acknowledged that path analysis has attracted the attention of numerous researchers in the past decade (Hair et al., 2021). Chaitanya, Prabhuling, and Hanumanthappa (2024) point out that path analysis is a variation of multiple regression analysis. This entails using several regression equations or models that are simultaneously estimated. According to Valenzuela and Bachmann (2017), path analysis is a statistical technique for examining and testing relationships among a set of observed variables.

Path analysis allows the study of multiple direct and indirect relationships between variables concurrently. Path analysis is a statistical technique that permits researchers to examine the complex relationships among variables in a model (SPSS Analysis, 2024). It provides a better and more effective technique of multidimensional associations amongst predictor and predicted determinants, such as modeling mediators and indirect outcomes. Ideally, path analysis outcomes specify the significance of hypothesized causal links between dependent and independent variables. The degree of relationships in path analysis is shown with path coefficients (beta), and the importance of the association is indicated with p-values. The researcher will present the path diagram or illustration of analysis produced in AMOS statistical software; this provides a visual representation of the results, showing the direct and indirect effects of different variables on the outcome variable. Before testing the hypotheses, it is crucial to test the model's suitability for the data collected; the same parameters and indicators applied in the CFA were employed in the path analysis.

5.16 ETHICAL CONSIDERATIONS

Ethical considerations are essential to ensure that research is conducted responsibly and that the rights and well-being of participants are protected (Bhandari, 2021). According to Bhandari (2021), ethical considerations in research are principles that guide your research designs and practices. and that researchers must always adhere to a certain code of conduct when collecting data from people. Smith (2023) argues that researchers must observe an array of ethical requirements, such as meeting professional and institutional standards for conducting research with human

© University of Venda

participants. To ensure compliance with ethical standards, research studies involving human participants must be approved by an ethics committee, as stated by the World Health Organization (2024). Before data collection, the researcher obtained ethical approval from the University of Venda Research Ethics Social Science Committee (RESSC). The letter of ethical approval is included in the appendices section. Boyle (2023) emphasizes that every research must be conducted ethically, morally, and fairly. The researcher adhered to five ethical principles - (a) obtaining informed consent from potential research participants; (b) minimizing the risk of harm to participants; (c) protecting their anonymity and confidentiality; (d) avoiding using deceptive practices; and (e) giving participants the right to withdraw from the study at any time. Bhandari (2021) suggested that the five mentioned ethical principles are essential in conducting a credible study.

5.16.1 Obtaining informed consent from research participants

Informed consent is one of the primary and essential principles of research ethics (Xu et al., 2020). The informed consent process involves providing research participants with information about the study's objectives and possible outcomes and obtaining their voluntary participation agreement or refusal to participate (Arellamo, Alcubilla, and Leguizamo, 2023). Research participants should be provided with a comprehensive disclosure of all relevant aspects of the study, including its purpose, duration, required procedures, and the roles of the participants (Stewart, 2024). Information supplied to the research participants should be sufficient and comprehended by the research participants who have decision-making capacity, and the research participant should voluntarily decide to participate or refuse to participate (Manandhar and Joshi, 2020). For this study, the researcher furnished the participants with all the vital information to enable them to make well-informed decisions. In addition, the researcher attached a cover letter detailing the objectives and purposes of the study and the questionnaire. Furthermore, the University of Venda Research Ethics Social Science Committee (RESSC) gave assurance that the researcher would value the rights and dignity of the research participants. Every respondent was required to sign the consent form to indicate that he/she was willing to participate in the study by providing the required information and that his/her participation was voluntary.

5.16.2 Minimizing the risk of harm to participants

Minimizing the risk of harm to research participants is one of the key considerations in research ethics (Denison, 2023). Salhia and Olaiya (2023) narrate that there have been significant advancements in developing guidelines and regulations aiming to protect the rights and well-being of individuals participating in research studies. It is the responsibility of researchers to ensure that the activities and outcomes of the study do not harm any research participant involved (Bos, 2020). Researchers, hence, should assess the potential risks research participants may

© University of Venda

encounter and obtain informed consent from them to curtail potential risks to their physical and psychological well-being ((Bos, 2020; Bhandari, 2021). Researchers, thus, must divulge all potential risks of harm to research participants before the study to get informed consent. The researcher obtained approval from the University of Venda's Research Ethics Committee indicating that the study has minimal risks associated with harming the research participants. As a result, research participants were protected from potential harm and exploitation. In this study, the researcher prioritized the well-being and rights of participants, obtained informed consent, and conducted a thorough risk-assessment to identify and mitigate any potential harm.

5.16.3 Protecting research participants' anonymity and confidentiality

Quantitative research involves the collection of data from research participants; hence researchers must effectively engage research participants to collect valid and reliable data. As such, researchers rely on participants to provide information willingly about their thoughts and behaviors about the topic under investigation. When the identities of participants are not exposed, they have a greater opportunity and motivation to offer genuine responses to questions being asked (Kang and Hwang, 2023). It is acknowledged that anonymity and confidentiality help to generate high-quality and objective results (Kang and Hwang, 2023). Ideally, protecting participants' privacy requires adherence to ethical rules such as confidentiality and anonymity when data is collected, analyzed, and reported. According to Boruch and Cecil (2016), eliminating or changing any personally identifying information provided by participants and included in the data constitutes an aspect of confidentiality. On the other hand, anonymity means collecting data without obtaining or disclosing any personal information (Vainio, 2013). Protecting research participants' anonymity and confidentiality has significant benefits; ensuring participants' anonymity promotes honesty and openness in their responses, leading to more accurate research findings. In addition, maintaining confidentiality builds trust between researchers and participants, encouraging individuals to participate in future studies. Furthermore, it maintains ethical standards in research and protects the well-being and privacy of subjects participating in research (Kang and Hwang, 2023). In this study, the researcher ensured that the identification of participants, such as their names, contact details, and other personal details, were treated with strict confidentiality. Respondents were requested to avoid writing their names anywhere on the questionnaires to ensure that these names remain anonymous. In this way, the study respected the respondents' right to privacy as efforts were made to avoid invading the privacy of respondents.

5.16.4 Avoiding using deceptive practices

Avoiding deceptive practices plays a crucial role in any research study. Wendler (2022), explains that deception is when a researcher gives false information to subjects or intentionally misleads

© University of Venda

them about some key aspect of the research. Ethically, research participants should not be deceived about any aspect of the study that would affect their willingness to participate. The consequences of deceptive research can range from damaging researchers' reputations to undermining scientific research's credibility and potentially harming research subjects (Bhandari, 2021). The author highlights ethical shortcomings in numerous studies, including deceptive practices causing harm to participants, resource wastage during research, and low confidence in science and scientists. It is essential for researchers to adhere to ethical guidelines and to conduct their studies with honesty and integrity to protect research participants and to uphold the credibility of the scientific community (Bhandari, 2021). The researcher clearly stated and explained the research objectives on the questionnaire cover page. In addition, the researcher adhered to ethical guidelines such as - obtaining informed consent, promoting transparency in research practices, minimizing the risk of deceiving research participants, and upholding the highest standards of research integrity.

5.16.5 Giving participants the right to withdraw from a study at any time

Giving participants the right to discontinue participation or withdraw from the study at any time is an important ethical consideration in research. This principle acknowledges the autonomy and rights of individuals to make informed decisions about their participation in research studies. It is the researcher's responsibility to inform research participants that there are no negative consequences or repercussions for their non-participation (Bhandari, 2021). It is important to note that when a participant chooses to withdraw from the research process, they should not be pressured or coerced in any way to try and stop them from withdrawing (Bhandari, 2021). The researcher, therefore, informed each research participant that they could withdraw from the research at any given time without penalty. For although abrupt withdrawal by a participant from the study could result in loss of time and other resources and might have an unfavorable effect on the findings and outcome of the study, it should not be used as a reason to prevent participants who might wish to terminate their involvement from doing so.

5.17 CHAPTER SUMMARY

The purpose of this chapter was to discuss the research methodology components that were included in this study. The chapter commenced by outlining the research reasoning approaches and paradigms underpining the study. After scrutinizing various reasoning approaches and paradigms, it was recognized that the study was best suited to deductive reasoning and the positivist paradigm. In addition, other methodological considerations, such as the research approach, time horizon, design, and strategy, were explored. The study employed a quantitative approach, a cross-sectional time horizon, and a survey strategy was employed as a data collection technique. The chapter also discussed the sampling design. The selection of the respondents was prompted by the probability-based multi-stage sampling technique.

© University of Venda

Furthermore, the chapter outline the design and structure of the measurement instrument of the survey questionnaire and its distribution procedures through the hand-delivered techniques. In terms of data analysis, the researcher indicated that the primary data analysis procedures will include descriptive statistics, EFA, and the SEM procedures. The chapter was concluded by highlighting several ethical considerations that were followed in the study to maintain a high level of integrity. Chapter six discusses the findings arising from the analysis of the data gathered in the study.

© University of Venda

CHAPTER SIX

DATA ANALYSIS AND INTERPRETATION OF RESEARCH FINDINGS

6.1 INTRODUCTION

The preceding chapter discussed the research methodology and design employed to collect data relating this study's research topic and objectives. In this chapter, the researcher will focuses on data analysis and interpretation of the findings from the collected data. The chapter commences by presenting the response rate, trailed by indicating the research participants' demographics, which are classified into two sub-categories: the company profile or characteristics and the research participants' background information. The demographic data on research participants is crucial to evaluate whether the individuals in a specific study are representative sample of the target population, thereby, allowing the researcher to generalize the findings to a broader group (Call et al., 2023). Additionally, the research findings for each distinct segment of the questionnaire are summarized in tables that includes response frequencies, means and standard deviations. In the preceding chapter, it was specified that factor analysis would be employed to determine the relationships and patterns of data for each questionnaire segment, therefore, the KMO test was applied to assess sampling adequacy. In addition, the Bartlett's Test of Sphericity was used to evaluate the homogeneity of variances, specifically to determine whether the variances were equal across the entire sample. Cronbach's alpha value was also utilized to assess reliability, explicitly to determine the internal consistency of all fourteen (14) constructs that were tested.

In conducting the data analysis, the researcher was guided by the following research objectives:

- To establish the level of SME owners'/managers' awareness of digital marketing in the City of Tshwane Metropolitan Municipality.
- To determine the extent to which participating SMEs have adopted digital marketing.
- To determine the factors that promote the adoption of digital marketing among SMEs in the City of Tshwane Metropolitan Municipality.
- To establish the factors influencing SME owners'/managers' behavioral intention to adopt digital marketing.
- To determine the factors influencing non-adopters' behavioral intention towards digital marketing.
- To propose and test an integrated conceptual model that could guide policymakers and SME owners on digital marketing adoption in the City of Tshwane Metropolitan Municipality.

© University of Venda

6.2 RESPONSE RATE

According to Booker, Austin, and Balasubramanian (2021), a response rate is the number of subjects who respond to a survey divided by the number of subjects in the selected sample. It is usually calculated as a percentage. The sample size of this study was determined to comprise 400 small and medium-sized enterprises (SMEs) operating within the Tshwane Metropolitan Municipality in the Gauteng Province, however, only 310 respondents managed to complete and return the questionnaires, therefore, the response rate was 77.5%. The response rate obtained in this study is consistent with the suggestion by Milenkovic (2025), who points out that for a large sample size, an ideal response rate should lie between 70-80%. The findings obtained from this study, however, can only be generalized to the research participants for this study, not to the broader population.

6.3 DEMOGRAPHIC INFORMATION

Demographic information refers to data concerning research participants and is essential for determining whether individuals in a specific study are a representative sample of the target population for generalization purposes (Ziegenfuss, Easterday, Dinh, Jaka, Kottke, and Canterbury, 2021). The demographic information for this study was categorised into two categories: (a) the company profile or characteristics and (b) the background information of the respondents. The company profile or characteristics collected included details on the number of employees, total annual turnover, type of business ownership, and the sector in which the business is based. The background information on the respondents gathered focused on - gender, race, age, position in the firm, nature of employment, and years of experience in the position held. The results, analysis, and interpretations related to demographic information are presented in the subsequent subsections.

6.4: COMPANY PROFILE OR CHARACTERISTICS

The main objective for gathering company profile information was to determine whether the firm falls under small, micro, and medium enterprises (SMEs). Generally, SMEs are classified according to standards such as assets, revenue or the number of employees (Enaifoghe and Vezi-Magigaba, 2023). Table 6.1 presents the company profile or characteristic information.

Table 6.1 Company Profile or Characteristics Information

VARIABLE	CATEGORIES	FREQUENCE (n) (%)
Number of employees	0-10	94 (30.3%)
	11-50	138 (44.5%)
	51-250	78 (25.2%)

© University of Venda

TOTAL		**310 (100%)**
Total Annual Turnover (Millions Rands)	Less than R5 million R5m or more but less than R20m R20m or more but less than 200m	250 (80.6%) 44 (14.2%) 16 (5.2%)
TOTAL		**310 (100%**
Type of Business Ownership	Sole Trader Partnership Close Corporation Private Company Cooperative	160 (51.6%) 96 (31%) 16 (5.2%) 32 (10.3%) 6 (1.9)
TOTAL		**310 (100%)**
Business Sector	Agriculture Manufacturing Wholesale and Retailing Tourism Transport and Communication Construction Other	8 (2.6%) 12 (3.9%) 170 (54.8%) 16 (5.2%) 22 (7.1%) 36 (11.6%) 46 (14.8%)
TOTAL		**310 (100%)**

6.4.1 Number of employees

The results in Table 6.1 indicate that most SMEs that participated in this study employ between 11-50 people (44.5%, n=138), followed by the 0-10 category employing (30.3%, n=94) people and, lastly, the 51-250 category employing (25.2%, n=78) people. The results obtained in this study are consistent with the proposition by the Small Business Institute (2019). The Small Business Institute (2019) points out that SMEs are responsible for employing 3,177,840 people, and these jobs should be created by SMEs employing between 11-50 and 51-200 people. The extant literature portrays that the South African definition classifies SMEs according to the size of an enterprise (small, micro, or medium), the number of employees, and the annual turnover (Department of Small Business Development, 2023). Consequently, based on the South African definition, most SMEs in this study can be classified as ‘small’ enterprises, followed by ‘micro’ enterprises and ‘medium’ enterprises.

6.4.2 Total annual turnover

© University of Venda

Table 6.1 depicts that 80.6% (n=250) accumulated a total annual revenue of less than R5 million, 14.2% (n=44) accumulated revenue of R5 million or more but less than R20 million, and 5.2% (n=16) accumulated revenue of R20 million or more but less than 200 million. The results obtained in this study are consistent with the findings by SME South Africa (2024), which found that most South African small businesses generate revenue of less than R200,000 annually. Schutte and Buys (2011), however, argue that most SMEs only disclose partial financial information about their companies, and most SME owners or managers do not keep proper financial records.

6.4.3 Type of ownership

Table 6.1 indicates that most SME respondents in this study were sole traders, denoted by 51.6% (n=160), followed by 31% (n=96) partnerships, 10.3% (n=32) private companies, 5.2% (n=16), and 1.9% (n=6) cooperatives. According to a study conducted by McKinsey in 2023, many SMEs in Africa are owned by sole traders (Ford, 2023). The South African Revenue Service (2021) points out that a sole proprietorship is one of the simplest businesses to form in South Africa. In addition, extant literature shows that SMEs in South Africa face numerous challenges, such as supply chain disruptions and financial and skills shortages, however, partnership tends to be one of the approaches used to alleviate these challenges (SME South Africa, 2024). McKeller (2024) highlights that partnerships are a common business structure in South Africa, providing entrepreneurs and small business owners with a flexible and cost-effective way to collaborate and grow their businesses.

6.4.4 A sector of business operation

According to the results in Table 6.1, the wholesale and retail category formed the largest sector of SMEs that participated in this study, at 54.8% (n=170). The other categorized SMEs formed the second-largest sector of SMEs that participated in this study with 14.8% (n=46). The third largest came from the construction sector, at 11.6% (n=36), followed by transport and communication, at 7.1% (n=22); tourism, at 5.2% (n=16), and manufacturing, at 3.9% (n=12). The smallest SME sector represented in this study was the agricultural sector, with 2.6% (n=8). The results of this study are consistent with the results of a survey conducted by the Small Enterprises Development Agency (2016), which found that more than 944,550 SMEs operate in the wholesale and retail sectors.

6.5 RESEARCH PARTICIPANTS' BACKGROUND INFORMATION

Table 6.2 presents the respondents' background information applicable to this study.

© University of Venda

Table 6.2: Respondent's Demographics

VARIABLE	CATEGORIES	FREQUENCY (n) %
Gender of respondent	Male	210 (67.7%)
	Female	100 (32.3%)
Total		**310 (100%)**
Race of Respondent	Black	179 (57.7%)
	White	26 (8.4%)
	Indian	51 (16.5%)
	Colored	54 (17.4%)
TOTAL		**310 (100%)**
Age of Respondent	Below 18 years	2 (0.7%)
	18-30	46 (14.8%)
	31-40	76 (24.5%)
	41-50	88 (28.4%)
	51-60	84 (27.1%)
	61 years and above	14 (4.5%)
TOTAL		**310 (100%)**
Position in the firm	Owner	144 (46.5%)
	Both owner and manager	90 (29%)
	Manager only	76 (24.5%)
TOTAL		**310 (100%)**

Nature of employment	Permanent	286 (92.3%)
	Contract	24 (7.7%)
	Other	0
TOTAL		**310 (100%)**

© University of Venda

Years of experience	Less than 1 1-5 6-10 11-15 16-20 21 and above	42 (13.5%) 114 (36.8%) 88 (28.4%) 28 (9.0%) 24 (7.8%) 14 (4.5%)
TOTAL		**310 (100%)**

6.5.1 Gender of respondent

The results in Table 6.2 indicate that 67.7 % (n=210) of the research participants were males, and 32.3% were females. These results are consistent with a study conducted by Louw (2022), who found that women-led businesses in South Africa still make up only 21% of the formal SME sector.

6.5.2 Race of respondent

Table 6.2 indicates that most of the respondents were Black (57%, n=179), followed by 17.4% (n=54) Colored, and 16.5% (n=51) Indians. The category of Whites was the smallest, at 8.4% (n=26). The results of this study are consistent with a survey conducted by the Small Enterprises Development Agency (2016), which concluded that the majority (71%) of SMME owners are black. The execution of the Broad-Based Black Economic Empowerment (B-BBEE) Policy also supports the increase in the number of black-owned businesses in South Africa.

6.5.3 Age of respondents

The results in Table 6.2 depict that the largest cluster of respondents was aged between 41-50, pegged at 28% (n=88), followed by 51-60, at 27.1% (n=84); 31-40, at 24,5% (n=76); 18-30, at 14.8% (n=46); and 61 years and above at 4.5% (n=14). The minority group was aged below 18 years, at 0.7% (n=2). The results of this study are consistent with the results of a survey conducted by PCW MSME (2020), which found that most SME owners are aged between 20 and 60 years.

6.5.4 Position in the firm

As shown in Table 6.2, 46.5% (n=144) of the SME participants were owners, while 29% (n=90) were both owners and managers concurrently. The remaining 24.5% (n=76) occupied the position of manager only. The findings in this study align with the results of a survey conducted by Millers and Gaile-Sarkane (2021) showing that most SMEs are managed by their owners and founders.

6.5.5 Nature of Employment

© University of Venda

Table 6.2 indicates that three categories of the nature of employment were examined: permanent, contract, and other. The results show that 92.3% (n=286) were permanently employed, while 7.7% (n=24) were contract employees. February (2022) points out that family businesses form a significant portion of SMEs in South Africa; hence, family members are employed permanently to monitor the family businesses.

6.5.6 Years of experience in the position held

The results in Table 6.2 show that most SME participants have been holding the position for a period between 1-5 years (36.8%, n=114), followed by 6-10 years, at 28.4% (n=88); less than 1 year (13.5%, n=42); 11-15 years, at 9% (n=28); and 16-20 years, at 7.7% (n=24). The smallest category was 21 and above, pegged at 4.5% (n=14). The cumulative figures tend to decrease as the number of years of experience increases. Extant literature shows that South Africa has a higher failure rate of SMEs than elsewhere in the world, 70% – 80% of small businesses fail within 5 years of operation. The researcher suggests that the category between 1-5 years has the highest number of participants because some SMEs does not survive beyound that phase.

6.6 ADOPTION OF DIGITAL MARKETING

This sections' question aimed to determine if the SME participant had adopted digital marketing strategies. The results obtained are presented in Figure 6.1.

Adopted Digital Marketing

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	136	43.9	43.9	43.9
	No	174	56.1	56.1	100.0
	Total	310	100.0	100.0	

FIGURE 6.1: DIGITAL MARKETING ADOPTION
Source: Extracted from SPSS (Version 30)

The results in Figure 6.1 indicate that 56.1% (n=136) have not adopted digital marketing strategies, while 43.9% (n=136) had adopted digital marketing strategies. The results obtained in this study are consistent with a survey conducted by Chapman, Chapman, and Katrodia (2018), who found that the level of adoption of digital marketing strategies among SMEs in South Africa is low. SME South Africa (2025) states that SMEs in South Africa have not yet fully transformed themselves because of resistance to adopting some technologies.

© University of Venda

6.6.1 Types of digital marketing approaches

This question was included in the questionnaire to gather information about the digital marketing approaches used by the research participants. The results of this question are presented in Figure 6.2, which provides an overview of the various digital marketing strategies employed by the participants.

Digital Marketing Approaches Used

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Search Engine Optimisation	14	4.5	10.3	10.3
	Social media marketing	86	27.7	63.2	73.5
	E-mail marketing	12	3.9	8.8	82.4
	Mobile marketing	20	6.5	14.7	97.1
	Affiliate/influencer marketing	4	1.3	2.9	100.0
	Total	136	43.9	100.0	
Missing	System	174	56.1		
Total		310	100.0		

FIGURE 3.2: DIGITAL MARKETING APPROACHES
Source: Extracted from SPSS (Version 30)

The results in Figure 6.2 depict that most of the participants use social media marketing, at 27% (n=86), followed by mobile marketing, with 6.5% (n=20); search optimization engine, at 4.5% (n=14); and e-mail marketing, at 3.9% (n=12). The least used approach was affiliate/influencer marketing, at 1.3% (n=4). The figures, however, also show the category of missing system value at 56.1% (n=174). This is the value of participants who did not adopt digital marketing. The results obtained in this study align with the conclusions of a survey conducted by Urban and Maphathe (2021), who noted that social media platforms are increasingly used by SMEs that have fewer resources and need to rely on social media marketing to engage with their customers.

6.6.2 Percentage of marketing budget allocated to digital marketing adoption

An adequate marketing budget is vital for SMEs to adopt and implement effective digital marketing strategies in several ways, such as investment in digital tools and platforms, talent acquisition and training, advertising and promotion, measurement and evaluation, and purchase of digital technologies (Targosz, 2024). The results of the intention to increase the percentage of digital marketing budget allocation toward digital marketing adoption, are displayed in Figure 6.3 below:

© University of Venda

Intent to Increase Digital Marketing Budget

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	136	43.9	100.0	100.0
Missing	System	174	56.1		
Total		310	100.0		

FIGURE 6.3: INTENT TO INCREASE DIGITAL MARKETING BUDGET ALLOCATION
Source: Extracted from SPSS (Version 30)

Figure 6.3 indicates that 43.9% (n=136) agreed to increase their marketing budget allocation towards adoption, however, 56.1% (n=174) categorized as missing system values were participants who had not adopted any digital marketing approach. This study's results align with the assertion by Gillard (2024), that setting an effective marketing budget is hard for SMEs.

6.7 DESCRIPTIVE STATISTICS OF THE MEASURED VARIABLES

Bhandari (2023) points out that measurement scales are important for gathering and analyzing data associated with variables of interest. The most frequently used type of measurement scale is the Likert scale (Bhandari, 2023). This study employed a Likert scale consisting of a sequence of statements with response options ranging from "strongly disagree" to "strongly agree," requiring respondents to express their level of agreement or disagreement. The descriptive statistics of the Likert scales, such as frequency, mean, and standard deviation were used to assess the central tendency and variability of the data. The following sub-sections presents the descriptive statistics of the measured variables.

6.7.1 Relative advantage

This section examines the descriptive statistics related to the relative advantage constructs, which include the following statements:

- **RA1**: Digital marketing enables/would enable our firm to market our products or services in a better way.
- **RA2**: Digital marketing enables/would enable our firm to communicate with our customers effectively.
- **RA3**: We are/would be able to reach our customers promptly with digital marketing campaigns.
- **RA4**: Digital marketing assists/would assist us in developing a better relationship with our customers.

The descriptive statistics obtained, including the means and standard deviations of the variables in the study, are presented in Table 6.3.

Table 6.3: Relative Advantages Variables

© University of Venda

ITEM	Responses as Frequencies (%)							N	Mean (SD)	T	Df	P-value
	Strongly Disagree	Disagree	Somewhat Disagree	Neither agree nor disagree	Somewhat agree	Agree	Strongly Agree					
RA1	0	0	1.3% N=4	16.8% N=52	28.4% N=88	33.5% N=104	20% N=62	310	5.54 1.032	94.570	309	<0.001
RA2	0	0	1.3 N=4	16.8 N=52	27.7 N=86	28.4 N=88	25.8 N=80	310	5.61 1.082	91.201	309	<0.001
RA3	0	0	1.3 N=4	16.8 N=52	28.4 N=88	31.6 N=98	21.9 N=68	310	5.56 1.049	93.300	309	<0.001
RA4	0	0	1.9 N=6	15.5 N=48	27.7 N=86	31.0 N=96	23.9 N=74	310	5.59 1.072	91.910	309	<0.001

6.7.1.1 Digital marketing enables/would enable our firm to market our products or services in a better way

According to Table 6.3, most participants (n=104, or 33.5%) *agreed* that digital marketing would allow their company to market its products or services more effectively, followed by *somewhat agree,* with 28.4% (n=88), *strongly agree,* at 20% (n=62), and *neither agree nor disagree,* at 16.8% (n=52). The minority of the respondents, at 1.3% (n=4), were *neutral* about the variable that states that digital marketing enables/would enable our firm to market our products or services effectively by indicating 'somewhat disagree'. The results in Table 6.3 also show an overall mean of 5.54 and a standard deviation of 1.032. The results reveal an inclination towards the *'strongly agree'* perception on the Likert scale. This shows that most participants in this study perceive and agree that digital marketing enables/would enable their company to market its products and services effectively. The results obtained in this study are consistent with those obtained by Sharabati et al. (2024). The results revealed that digital marketing is essential for SME effectiveness as a driver of digital transformation, leading to stronger economic results and an enlarged market presence.

6.7.1.2 Digital marketing enables/would enable our firm to communicate with our customers effectively

SMEs can employ various digital marketing strategies, including search engine optimization (SEO), social media, and mobile marketing. Sharabati et al. (2024) point out that digital marketing allows SMEs to engage with their customers more effectively. The participants in this study were

© University of Venda

asked to respond to the question of whether digital marketing enables or would enable their firm to communicate with its customers effectively. The results in Table 6.3 show that most respondents *agree* (n=88 or 28.4%), followed by *somewhat agree,* at 27.7% (n=86), *strongly agree*, at 25.8% (n=80), and *neither agree nor disagree*, at 16.8% (n=52). Additionally, the results show that only 1.3% (n=4) responded *somewhat disagree*. The results in Table 6.3 indicate an overall mean of 5.61 and a standard deviation of 1.082. The results indicate an inclination towards the '*strongly agree'* position on the Likert scale. This result shows that most participants in this study perceive and agree that digital marketing enables/would enable their company to communicate with their customers effectively. Arobo (2022) found that digital marketing ensures customers are reached and provided with personalized communication.

6.7.1.3 We are/would be able to reach our customers promptly with digital marketing campaigns

According to Bouchrika (2022), the advantage of digital marketing lies in its ability to reach a wider audience, target specific demographics, and measure the effectiveness of marketing campaigns in real time. The participants in this study were asked to indicate whether they believed companies could effectively reach their customers promptly through digital marketing campaign implementation. Results in Table 6.3 indicate that most of the participants (31.6%, n=98) *agreed* that their companies would be able to reach their customers promptly through digital marketing campaign implementation, followed by *somewhat agree*, at 28.4% (n=88), *strongly agree*, with 21.9% (n=68), and *neither agree nor disagree*, at 16.8% (n=52). The remaining 1.3% (n=4) responded to the statement by indicating '*somewhat disagree'*. In addition, the results in Table 6.3 indicate an overall mean of 5.56 and a standard deviation of 1.049. The results indicate an inclination towards the '*strongly agree'* position on the Likert scale, thus, most participants concurred that digital marketing campaigns would allow their companies to reach customers promptly.

6.7.1.4 Digital marketing assists/would assist us in developing a better relationship with our customers

Building and maintaining good customer relationships is the backbone of most thriving businesses. In this digital era, digital marketing is a crucial strategy to foster and maintain stronger customer relationships. By leveraging various digital channels, SMEs can engage with their target audience and foster a sense of belonging. Through personalized content and tailored experiences, digital marketing helps SMEs develop a clear understanding of their customers' needs and preferences. Gumbani (2022) suggests that companies seeking to stay competitive, expand their customer base, and maintain long-term relationships are implementing digital marketing. Participants were asked whether they perceive digital marketing assist/would assist in

© University of Venda

developing better relationships with their customers. The results in Table 6.3 reveal that a great number of participants (31%, n=96) *agreed* that digital marketing assists/ would assist them in developing a better relationship with their customers, followed by *somewhat agree,* at 27% (n=86), *strongly agree,* with 23.9% (n=74), and *neither agree nor disagree,* at 15.5% (n=48). The remaining 1.9% (n=6) responded with a *somewhat disagreed* option. The results in Table 6.3 also show an overall mean of 5.59 and a standard deviation of 1.072. The results indicate an inclination towards the '*strongly agree'* position on the Likert scale, showing that most participants accepted that digital marketing assists/would assist them in developing a better relationship with their customers. The results obtained in this study are consistent with the results of a survey conducted by Raji et al (2024), who found that digital marketing helps develop a better relationship between SMEs and their customers.

6.7.2 Compatibility

The compatibility of digital marketing technologies with business practices is essential for SMEs. Setkute and Dibbs (2022) posit that compatibility with existing internal practices needs to be considered alongside the perceived advantage of using digital marketing strategies among SMEs. The following questions on compatibility, therefore, were included in the questionnaire:

- **CO1**: Digital marketing creates/would create changes that are compatible with the business practices of our firm.
- **CO2**: Digital marketing is/would be compatible with the current business practices of our firm.
- **CO3**: Digital marketing is/would be compatible with the preferred practices of our firm.
- **CO4**: Digital marketing is/would be compatible with our current marketing activities.

This section presents the descriptive statistics about the compatibility variables measured in this study. The descriptive statistics presented include the means and standard deviations of the variables. The results are displayed in Table 6.4.

Table 6.4: Compatibility Constructs

ITEM	Responses as Frequencies (%)							N	Mean (SD)	T	Df	P-value
	Strongly Disagree	Disagree	Somewhat Disagree	Neither agree nor disagree	Somewhat agree	Agree	Strongly Agree					
CO1	16.8% N=52	23.9% N=74	10.3% N=32	0	12.9% N=40	29.7% N=92	6.5% N=20	310	3.83 2.110	31.983	309	<0.001

© University of Venda

CO2	18.1 N=56	21.3 N=66	9.0 N=28	1.3 N=4	11.6 N=36	26.5 N=82	12.3 N=38	310	3.95 2.204	31.950	309	<0.001
CO3	18.1 N=56	20.0 N=62	9.0 N=28	1.3 N=4	11.6 N=36	31.0 N=96	9.0 N=28	310	3.97 2.168	32.282	309	<0.001
CO4	18.1 N=56	20.6 N=64	8.4 N=26	1.3 N=4	11.0 N=34	29.0 N=90	11.6 N=36	310	4.00 2.206	31.922	309	<0.001

6.7.2.1 Digital marketing creates/would create changes that are compatible with the business practices of our firm

The results in Table 6.4 indicate that most SME participants (29.7%, n=92) *agreed* that digital marketing creates/would create changes that are compatible with their business practices, followed by 23.9% (n=74) who *disagreed* that digital marketing creates/would create changes that are compatible with their business practices, 16.8% (n=52) *strongly disagreed* that digital marketing creates/would create changes that are compatible with their business practices, 12.9% (n=40) *somewhat agreed* that digital marketing creates/would create changes that are compatible with their business practices, and 10.3% (n=32) *somewhat disagreed* that digital marketing creates or would create changes that are compatible with their business practices. The remaining 6.5% (n=20) *strongly agreed* that digital marketing creates/would create changes compatible with their business practices. In addition, the results in Table 6.4 depict an overall mean of 3.83 and a standard deviation of 2.110. The results indicate an inclination towards the '*disagree'* position on the Likert scale. Most respondents *disagreed* that digital marketing creates/would create changes compatible with their business practices. The results obtained in this study are consistent with the proposition concluded by Sharabati et al (2024), who noted that digital marketing is incompatible with most SMEs' business practices because of inadequate resources, skills, and technology.

6.7.2.2 Digital marketing is/would be compatible with the current business practices of our firm

As indicated in Table 6.4, most respondents (26.5%, n=82) *agreed* that digital marketing is compatible with their current business practices, followed by 21.3% (n=66) *disagreed*, 18.1% (n=56) *strongly disagreed,* 12.3% (n=38) *strongly agreed,* 11.6% (n=36) *somewhat agreed,* and 9.0% (n=28) *somewhat disagreed*. The remaining 1.3% (n=4) *neither agreed nor disagreed* with the statement. The results also show a mean value of 3.95 with a corresponding standard deviation of 2.204. The mean value of 3.95 and standard deviation of 2.204 are inclined towards

© University of Venda

the position of '*disagree*' on the Likert scale. This shows that most respondents disagreed that digital marketing is compatible with their current business practices. Bermeo-Giraldo et al (2023) also found that digital marketing continues to be little adopted and used among SMEs because they perceive some barriers to its implementation.

6.7.2.3 Digital marketing is/would be compatible with the preferred practices of our firm

According to Table 6.4, most of the SME participants (31%, n=96) *agreed* that 'digital marketing is/would be compatible with the preferred practices of their companies, followed by *disagree,* with 20% (n=62), *strongly disagree*, at 18.1% (n=56), *somewhat agree,* at 11.6% (n=36), *somewhat disagree* and *strongly agree* both had 9% (n=28). The remaining 1.3% (n=4) were *neutral* (neither agree nor disagree). The results in Table 6.4 also show a mean value of 3.97 and a standard deviation value of 2.168. The mean value of 3.97 and the standard deviation value of 2.168 are inclined to the '*strongly disagree'* position on the Likert scale. The results show that most participants disagreed that 'digital marketing is/would be compatible with the preferred practices of their companies. Barben (2025) supports that digital marketing is not compatible with the preferred practices of most SMEs because of limited expertise.

6.7.2.4 Digital marketing is/would be compatible with our current marketing activities

The results in 6.4 shows that most SME participants (29%, n=90) *agree* that digital marketing is/would be compatible with their company's current marketing activities, followed by *disagree*, at 20.6% (n=64), *strongly disagree,* with 18.1% (n=56), *strongly agree,* at 11.6% (n=36), *somewhat agree,* with 11% (n=34), and *somewhat disagree*, at 8.4% (n=26). The remaining 1.3% (n=4) were *neutral* (i.e. neither agree nor disagree). Additionally, the results show that a mean value of 4.00 and a standard deviation of 2.206 were also obtained. These results indicate a '*neutral'* inclination on the Likert scale. These results suggest that SME participants in this study were indifferent to whether digital marketing is/would be compatible with their current marketing activities. The indifference could have been caused by the fact that the participants were unaware of whether their marketing activities were working or not. Similarly, Jakob (2024) found that most SMEs are not fully aware if their marketing is working or not.

6.7.3 Complexity Constructs

SMEs face significant challenges when adopting digital marketing strategies. Gabelaia and Tchelidze (2022) point out that one of the key challenges often faced by SMEs is the complexity of digital marketing strategies, therefore, this focuses on the results of descriptive statistics obtained relating to complexity variables. The questions which were tested are as follows:

- **CX1**: The use of digital marketing requires/would require a lot of mental effort.
- **CX2**: The use of digital marketing is/would be frustrating.

© University of Venda

- **CX3**: Digital marketing is/would be too complex for our marketing strategies.
- **CX4**: The skills needed to use digital marketing are/would be too complex for employees of our firm.

The descriptive statistics presented include the means and standard deviations of the variables. The results are displayed in Table 6.5.

Table 6.5: Complexity Constructs

ITEM	Responses as Frequencies (%)							N	Mean (SD)	T	Df	P-value
	Strongly Disagree	Disagree	Somewhat Disagree	Neither agree nor disagree	Somewhat agree	Agree	Strongly Agree					
CX1	15.5% N=48	36.1% N=112	1.3% N=4	3.9% N=12	29.0% N=90	12.9% N=40	1.3% N=4	310	3.39 1.846	32.297	309	<0.001
CX2	16.8 N=52	37.4 N=116	0	3.9 N=12	29.0 N=90	12.9 N=40	0	310	3.30 1.825	31.813	309	<0.001
CX3	11.6 N=36	41.3 N=128	1.3 N=4	3.9 N=12	30.3 N=94	11.6 N=36	**0**	310	3.35 1.750	33.687	309	<0.001
CX4	12.9 N=40	36.8 N=114	2.6 N=8	2.6 N=8	28.4 N=88	16.8 N=52	**0**	310	3.47 1.829	33.420	309	<0.001

6.7.3.1 The use of digital marketing requires/would require a lot of mental effort

As shown in Table 6.5, most respondents (36.1%, n=112) *disagreed* that digital marketing requires/would require a lot of mental effort, followed by *somewhat agree*, at 29.0% (n=90), *strongly disagree,* at 15.5% (n=48), *agree,* at 12.9% (n=40), and *neither agree nor disagree,* at 3.9% (n=12). Both *somewhat agree* and *strongly agree* had the same number of respondents (i.e., 1.3%, n=4 each). The results further show a mean value of 3.39 and a standard deviation of 1.846. These results indicate that the mean and the standard deviation are more inclined toward the *'disagree'* position on the Likert scale. This shows that most SME participants *disagreed* that using digital marketing requires/would require a lot of mental effort. The results obtained in this study are inconsistent with the survey conducted by Hussenoeder (2023), who found that digital marketing or social media marketing requires mental effort.

6.7.3.2 The use of digital marketing is/would be frustrating

© University of Venda

According to Barben (2025), most small business owners or managers find digital marketing frustrating due to the wide range of available platforms, strategies, and tools—the question in this section aimed to assess whether digital marketing would be a frustrating experience. The results obtained in Table 6.5 indicate that most of the SME participants (37.4%, n=116) *disagreed* that the use of digital marketing is/would be frustrating, followed by *somewhat agree*, at 29% (n=90), *strongly disagree,* with 16.8% (n=52), *agree,* at 12.9% (n=40), and *neither agree nor disagree,* with 3.9% (n=12). The results also reveal a mean value of 3.30 and a standard deviation of 1.825. These results indicate that a mean value of 3.30 is inclined to the *'disagree'* position on the Likert scale. This shows that most SME participants *disagreed* that using digital marketing is/would be frustrating. The results obtained in this study are inconsistent with the findings obtained by Barben (2025), who found that most small business owners or managers find digital marketing frustrating due to the wide range of available platforms, strategies, and tools.

6.7.3.3 Digital marketing is/would be too complex for our marketing strategies

A study conducted by BuzzBoard (2024) revealed that 62% 62% of small business owners believe that digital marketing is too complex and overwhelming, however, the results obtained in this study are completely the opposite. The results in Table 6.5 indicate that most participants (41.3%, n=128) *disagreed* that digital marketing is/would be too complex for their marketing strategies, followed by *somewhat agree,* with 30.3% (n=94), both *strongly disagree* and *agree,* at 11.6% (n=36) each, and *neither agree nor disagree* pegged at 3.9% (n=12). The remaining 1.3% (n=12) responded with *somewhat disagree*. The results also show a mean value of 3.35 and a standard deviation of 1.750. These results show that the mean value of 0f 3.35 and a standard deviation of 1.750 are inclined toward the '*disagree'* position on the Likert scale. This indicates that most SME participants *disagreed* that digital marketing is/would be too complex for their marketing strategies.

6.7.3.4 The skills needed to use digital marketing are/would be too complex for employees of our firm

According to Somers (2023), digital marketing skills enable SMEs to reach their target audience more effectively allow them to flourish in the digital economy; it is vital, therefore to address the challenges they encounter in acquiring the necessary digital skills. It was essential, hence, to include a question to understand whether the skills needed to use digital marketing are/would be too complex for employees of SME participants. The results in Table 6.5 indicate that most respondents (36%, n=114) *disagreed* that the skills needed to use digital marketing are/would be too complex for their employees, followed by *somewhat agree*, at 28.4% (n=88), *agree,* with 16.8%, *strongly disagree,* at 12.9% (n=40), whilst both *somewhat agree* and *neither agree nor disagree* had 2.6% (n=8) each. The results also show a mean value of 3.47 and a standard

© University of Venda

deviation of 1.829. The mean value of 3.47 is inclined toward the '*disagree'* point on the Likert scale. These results show that most participants *disagreed* with the statement that the skills needed to use digital marketing are/would be too complex for employees of our firm. The results obtained in this study are like the suggestion by Somers (2023), who stated that digital skills for SMEs are no longer optional; they are essential for survival and success in today's digital world.

6.7.4 COST CONSTRUCTS

The cost of obtaining digital marketing technology is a substantial stumbling block for most SMEs. Many SMEs struggle to allocate sufficient budget for digital marketing tools and software, hindering their ability to compete with larger companies (Somers, 2023). The high upfront costs of digital marketing technology can be overwhelming for SMEs with limited financial resources (Somers, 2023). Additionally, the ongoing maintenance and updating costs of digital marketing technology can be a major challenge for SMEs. This section presents the results obtained on the cost variables. The statements that were addressed in the questionnaire are as follows:

- **CT1**: The costs involved in the adoption of digital marketing are/would be far greater than the expected benefits
- **CT2**: The cost of maintaining digital marketing is/would be very high for our enterprises
- **CT3**: The amount of money invested in training employees to use digital marketing is/would be very high

The descriptive statistics, mean values, and standard deviations associated with the cost variables are presented in Table 6.6.

Table 6.6: Cost Constructs

ITEM	Responses as Frequencies (%)							N	Mean (SD)	T	Df	P-value
	Strongly Disagree	Disagree	Somewhat Disagree	Neither agree nor disagree	Somewhat agree	Agree	Strongly Agree					
CT1	2.6% N=8	20.0% N=62	12.3% N=38	3.9% N=12	7.7% N=24	25.2% N=78	28.4% N=88	310	4.83 2.028	41.946	309	<0.001
CT2	1.3 N=4	8.4 N=26	11.6 N=36	7.7 N=24	16.1 N=50	23.9 N=74	31.0 N=96	310	5.25 1.712	53.952	309	<0.001
CT3	2.6 N=8	11.0 N=34	10.3 N=32	7.7 N=24	13.5 N=42	25.2 N=78	29.7 N=92	310	5.13 1.823	45.539	309	<0.001

6.7.4.1 The costs involved in the adoption of digital marketing are/would be far greater than the expected benefits

© University of Venda

According to Table 6.6, most of the participants (28.4%, n=88) *strongly agreed* that the costs involved in digital marketing adoption are/would be far greater than the expected benefits, followed by *agree*, at 25.2% (n=78), *disagree,* with 20% (n=62), *somewhat disagree,* with 12.3% (n=38), *somewhat agree,* at 7.7% (n=24), and *neither agree nor disagree,* at 3.9% (n=12). The remaining 2.6% (n=8) *strongly disagreed* that the costs involved in digital marketing adoption are/would be far greater than the expected benefits. A mean value of 4.83 and a standard deviation of 2.028 were obtained. The mean value of 4.83 and the standard deviation of 2.028 are inclined toward the '*agree'* position on the Likert scale, which shows that most participants agreed that the costs involved in digital marketing adoption are/would be far greater than the expected benefits. The results obtained in this study are consistent with the findings by BuzzBoard (2024), which found that most SME owners perceive that digital marketing adoption is too expensive.

6.7.4.2 The cost of maintaining digital marketing is/would be very high for our enterprises

The results in Table 6.6 indicate that most SME participants (31.0%, n=96) *strongly agreed* that the cost of maintaining digital marketing is/ would be very high for their companies, followed by *agree,* at 23.9% (n=74), *somewhat agree,* with 16.1% (n=50), *somewhat disagree,* at 11.6% (n=36), *disagree,* at 8.4% (n=26), and *neither agree nor disagree,* with 7.7% (n=24). Only 1.3% (n=4) *strongly disagreed* that the cost of maintaining digital marketing is/would be very high for their companies. The results in Table 6.6 also show that a mean value of 5.13 and a standard deviation of 1.712 were observed. These results show that the mean value of 5.13 and standard deviation of 1.712 are inclined toward the '*strongly agree'* point on the Likert scale. This shows that most SME participants *agree* that the cost of maintaining digital marketing is/would be very high for their enterprises. The results obtained in this study, however, are inconsistent with the findings by Ganter, who found that 40% of small businesses realized significant cost savings simply by utilizing digital marketing tactics for promotion (BuzzBoard, 2024).

6.7.4.3 The amount of money invested in training employees to use digital marketing is/would be very high

According to Table 6.6, most participants (29.7%, n=92) *strongly agreed* that the amount of money invested in training employees to use digital marketing is/would be very high, followed by *agree,* at 25.2% (n=78), *somewhat agree* with 13.5% (n=42), *disagree,* at 11% (n=34), *somewhat disagree,* at 10.3% (n=32), and *neither agree nor disagree* at 7.7% (n=24). The remaining 2.6% (n=8) responded with *strongly disagree*. In addition, a mean value of 5.13 and a standard deviation of 1.823 were attained. These results show that the mean value and the standard deviation are inclined toward the '*strongly agree'* position on the Likert scale, showing that most of the respondents *agreed* that the amount of money invested in training employees to use digital

© University of Venda

marketing is/would be very high. The results obtained in this study are consistent with the findings of a survey conducted by Abbasi et al. (2022), who found that the amount of money invested in training employees to use social media marketing would be very high.

6.7.5 Top Management Support

According to Shahadat et al. (2023), top management support is one of the significant determinants of digital technology adoption in SMEs. Top management support ensures that sufficient resources and personnel are allocated to digital marketing initiatives. In addition, top management ensures that digital marketing strategies can be aligned with the overall business goals and objectives, warranting a cohesive approach (Shahadat et al., 2023). This section presents the results obtained on the top management support constructs. The top management statements are as follows:

- **TM1**: Top management provides/would provide resources necessary for digital marketing adoption.
- **TM2**: Top management provides/would provide the necessary support for digital marketing adoption.
- **TM3**: Top management supports/would support the usage of digital marketing.
- **TM4**: Top managers are/would be enthusiastic about adopting digital marketing.

The results are presented in Table 6.7.

Table 6.7: Top Management Support Constructs

ITEM	Responses as Frequencies (%)							N	Mean (SD)	T	Df	P-value
	Strongly Disagree	Disagree	Somewhat Disagree	Neither agree nor disagree	Somewhat agree	Agree	Strongly Agree					
TM1	0	1.3% N=4	2.6% N=8	20.0% N=62	14.2% N=44	41.3% N=128	20.6 N=64	310	5.54 1.173	83.093	309	<0.001
TM2	0	1.3 N=4	2.6 N=8	21.3 N=66	13.5 N=42	40.6 N=126	20.6 N=64	310	5.52 1.184	82.005	309	<0.001
TM3	0	1.3 N=4	2.6 N=8	21.3 N=66	13.5 N=42	35.5 N=110	25.8 N=80	310	5.57 1.226	79.992	309	<0.001
TM4	0	1.3 N=4	4.5 N=14	20.0 N=62	12.9 N=40	35.5 N=110	25.8 N=80	310	5.54 1.263	77.253	309	<0.001

6.7.5.1 Top management provides/would provide resources necessary for the adoption of digital marketing

© University of Venda

The results in Table 6.7 indicate that most SME participants (41.3%, n=128) *agreed* that top management provides/would provide resources necessary for digital marketing adoption, followed by *strongly agree,* at 20.6% (n=64), *neither agree nor disagree,* with 20% (n=62), *somewhat agree,* at 14.2% (n=44), and *somewhat disagree,* with 2.6% (n=8). The remaining 1.3% (n=4) responded to the statement with a '*disagree'*. Additionally, the results show that a mean value of 5.54 and a standard deviation of 1.173 were derived. These results show that the mean value of 5.54 and a standard deviation of 1.173 are more inclined to the '*strongly agree'* position on the Likert scale, which shows that most respondents *agreed* that top management provides/would provide resources necessary for the adoption of digital marketing. The results obtained in this study are consistent with the findings by Faiz, Le, and Masli (2024), who found that top management, usually, provides the resources necessary for digital technology adoption.

6.7.5.2 Top management provides/would provide the necessary support for the adoption of digital marketing

According to Table 6.7, most of the respondents (40.6%, n=126) *agreed* that top management provides/would provide the necessary support for digital marketing adoption, followed by *neither agree nor disagree,* with 21.3% (n=66), *strongly agree,* at 20.6% (n=64), *somewhat agree*, with 13.5% (n=42), and *somewhat disagree,* at 2.6% (n=8). The remaining 1.3% (n=4) responded to the statement with a *'disagree'*. The results also show a mean value of 5.52 and a standard deviation of 1.184. These results show that the mean value of 5.52 and a standard deviation of 1.184 which are inclined toward the '*strongly agree'* point on the Likert scale, showing that, most SME participants *agreed* that top management provides/would provide the necessary support for digital marketing adoption. The results obtained in this study are aligned with the findings by Faiz et al. (2024), who found that top management provides the necessary support for digital marketing adoption.

6.7.5.3 Top management supports/would support the usage of digital marketing

Mataruka and Muzurura (2023) conducted a study on enhancing SME performance through social media integration. The authors concluded that top management supports the usage of social media, which is in line with this study. The results in Table 6.7 indicate that most of the respondents (35.5%, n=110) *agree* that top management supports/would support the usage of digital marketing, followed by *strongly agree,* with 25.8% (n=80), *neither agree nor disagree*, at 21.3% (n=66), *somewhat agree,* with 13.5% (n=42), and *somewhat disagree*, at 2.6% (n=8). The remaining 1.3% (n=4) responded to the statement with a '*disagree'.* The results also show that a mean value of 5.57 and a standard deviation of 1.226 were obtained. These results show that the mean value of 5.57 and standard deviation of 1.226 are inclined to the '*strongly agree'* position

© University of Venda

on the Likert scale, meaning that most respondents *agree* that top management supports/would support the usage of digital marketing.

6.7.5.4 Top managers are/would be enthusiastic about adopting digital marketing

The results in Table 6.7 indicate that most SME participants (35%, n=110) *agreed* that top managers are/would be enthusiastic about adopting digital marketing, followed by *'strongly agree',* at 28% (n=80), '*neither agree nor disagree'*, with 20% (n=62), '*somewhat agree'*, at 12.9% (n=40), and '*somewhat disagree'*, with 4.5% (n=14). The remaining 1.3% (n=4) responded to the statement with a '*disagree'.* The results further show that a mean value of 5.54 and a standard deviation of 1.263 were observed. The mean value of 5.54 and a standard deviation of 1.263 are inclined to the '*strongly agree'* point on the Likert scale, which means that most respondents *agree* that top managers are/would be enthusiastic about adopting digital marketing. Ali Abbasi et al. (2022) concurs with the idea that top managers are enthusiastic about adopting digital marketing.

6.7.6 Financial Resources Variable

Ali Abbasi et al. (2022) point out that the availability of adequate financial resources may trigger the adoption of social media marketing, however, Mazibuko (2023) argues that a lack of financial resources impedes digital marketing adoption in SMEs. This section explores various financial resource variables that impede digital marketing adoption. The statements that were made in the questionnaire are as follows:

- **FR1**: Our firm has/would have the financial resources to adopt digital marketing.
- **FR2**: Our marketing budgets are/would be sufficient to support the adoption of digital marketing.
- **FR3**: It is/would be easy to obtain financial support for digital marketing adoption from local banks and or/other financial institutions.
- **FR4**: Our firm takes/would take digital marketing more seriously because of the adequate financial support we receive from the local banks.

The findings related to the financial resource variable are presented in Table 6.8. The findings include descriptive statistics, means, and standard deviations.

Table 6.8: Financial Resources Variables

ITEM	Responses as Frequencies (%)							N	Mean (SD)	T	Df	P-value
	Strongly Disagree	Disagree	Somewhat Disagree	Neither agree nor disagree	Somewhat agree	Agree	Strongly Agree					

© University of Venda

FR1	33.5% N=104	20.0% N=62	6.5% N=20	7.7% N=24	16.1% N=50	12.3% N=38	3.9% N=12	310	3.05 1.999	26.874	309	<0.001
FR2	35.5 N=110	17.4 N=54	7.1 N=22	10.3 N=32	13.5 N=42	12.3 N=38	3.9 N=12	310	3.01 1.993	26.611	309	<0.001
FR3	71.6 N=222	24.5 N=76	1.3 N=4	2.6 N=8	0	0	0	310	1.35 0.640	37.123	309	<0.001
FR4	72.9 N=226	22.6 N=70	1.3 N=4	0.6 N=2	1.3 N=4	1.3 N=4	0	310	1.39 0.847	28.842	309	<0.001

6.7.6.1 Our firm has/would have the financial resources to adopt digital marketing

The results in Table 6.8 indicate that most SME participants (33.5%, n=104) *strongly disagreed* that their companies have or would have the financial resources to adopt digital marketing, followed by '*disagree'*, with 20% (n=62), '*somewhat agree'*, at 16.1% (n=50), '*agree',* with 12.3% (n=38), '*neither agree nor disagree'*, at 7.7% (n=24), and '*somewhat disagree'*, with 6.5% (n=20). The remaining 3.9% (n=12) responded to the statement with a '*strongly agree'*. It is also noted that the results indicate a mean value of 3.05 and a standard deviation of 1.999. These results show that the mean of 3.05 is inclined to the '*disagree'* position on the Likert scale; this shows that most respondents *disagreed* that their companies have/would have the financial resources to adopt digital marketing. The results obtained in this study are consistent with the results found in a survey conducted by Mazibuko (2023), who concluded that limited financial resources hamper digital marketing adoption in SMEs.

6.7.6.2 Our marketing budgets are/would be sufficient to support the adoption of digital marketing

According to Table 6.8, most of the research participants (35.5%, n=110) responded with a '*strongly agree'* to the statement which states that 'our marketing budgets are/would be sufficient to support the adoption of digital marketing', followed by '*disagree',* at 17.4% (n=54), '*somewhat agree'*, at 13.5% (n=42), *'agree'* with 12.3% (n=38), '*neither agree nor disagree'*, at 10.3% (n=32), and '*somewhat disagree',* with 7.1% (n=22). The remaining 3.9% (n=12) responded to the statement with a '*strongly agree'*. The results also show that a mean of 3.01 and a standard deviation of 1.993 were obtained. These results show that a mean of 3.01 and a standard deviation of 1.993 are inclined toward the '*disagree'* point on the Likert scale, meaning that most participants disagreed that their marketing budgets are/would be sufficient to support the adoption of digital marketing. The results obtained in this study are consistent with the findings obtained by

© University of Venda

Kumar, Dhivakar, and Vaishavi (2022), who noted that most small enterprises have a limited marketing budget and are unable to support large-scale digital marketing campaigns.

6.7.6.3 It would be easy to obtain financial support for digital marketing adoption from local banks and or/other financial institutions

The results in Table 6.8 indicate that most of the participants (71.6%, n=222) responded with a '*strongly disagree'* to the statement which states that 'it/is would be easy to obtain financial support for digital marketing adoption from local banks and or/other financial institutions', followed by '*disagree'*, with 24.5% (n=76), and '*neither agree nor disagree'*, at 2.6% (n=8). The remaining 1.3% (n=4) responded with a '*somewhat disagree'*. Table 6.8 also reveals that a mean value of 1.35 and a standard deviation of 0.640 were obtained. These results indicate that the mean value and the standard deviation are inclined towards the '*strongly disagree'* point on the Likert scale, denoting that most SME participants *disagreed* that it is/would be easy to obtain financial support for digital marketing adoption from local banks and/or other financial institutions. The results obtained in this study are consistent with the findings by Zungu and Msomi (2024), who observed that SMEs experience considerable challenges in obtaining affordable credit and loans from banks and financial institutions.

6.7.6.4 Our firm takes/would take digital marketing more seriously because of the adequate financial support we receive from the local banks

According to Table 6.8, most SME participants (72.9%, n=226) responded with a *'strongly disagree'* to the statement which states that 'our firm takes/would take digital marketing more seriously because of the adequate financial support we receive from the local banks', followed by '*disagree',* at 22.6% (n=70), both '*somewhat agree* and *agree'* at 1.3% (n=4) each. The remaining 0.6% (n=2) responded with '*neither agree nor disagree'*. Zungu and Msomi (2024) also found that SMEs do not receive adequate support from local banks.

6.7.7 Employee Capability

Fu et al. (2024) point out that perceived employee capability is one of the significant drivers of social media marketing adoption. Employees with mandatory skills and knowledge can effectively employ digital marketing tools, such as social media management software, email marketing platforms, and analytics tools, to achieve digital marketing goals. This section, therefore summarizes the results related to employee capability variables. The statements which were included in the questionnaire are as follows:

- **EC1**: Our employees are/would be capable of learning new digital marketing-related technology easily.

© University of Venda

- **EC2**: Our employees are/would be capable of using digital marketing to solve our marketing problems easily.
- **EC3**: Our employees are/would be capable of using digital marketing to interact with our customers.
- **EC4**: Our employees are/would be capable of providing new ideas on digital marketing usage for our firm.

The results obtained related to the employee capability variables are depicted in Table 6.9. The results include descriptive statistics, means, and standard deviations.

6.7.7.1 Our employees are/would be capable of learning new digital marketing-related technology easily

According to Sagala and Ori (2024), digital marketing could be challenging for SMEs, particularly for those who are new to social media platforms or other marketing channels. Sagala and Ori (2024) however contend that SMEs can employ their technology on hand, like smartphones, to produce digital content and operate digital marketing strategies with open-source applications. The results in Table 6.9 indicate that most SME participants (30.3%, n=94) responded with a '*somewhat agree'* to a statement that posits that 'our employees are/would be capable of learning new digital marketing-related technology easily', followed by '*agree',* with 26.5% (n=82), '*disagree'*, at 15.5% (n=48), '*neither agree nor disagree'* with 14.8% (n=46), '*somewhat disagree'* at 9.0% (n=28), and '*strongly disagree',* with 2.6% (n=8). The remaining 1.3% (n=4) responded to the statement with a '*strongly agree'*. In addition, the results also show that a mean value of 4.39 and a standard deviation of 1.507 were observed. These results show that the mean value and the standard deviation are inclined toward the '*agree'* position on the Likert scale. This therefore means that most SME participants *agreed* that their employees are/would be capable of learning new digital marketing-related technology easily. The results obtained in this study are consistent with the findings by Sagala and Ori (2024) who found that SMEs can simply employ their technology on hand, like smartphones, to produce digital content and operate digital marketing strategies with open-source applications.

Table 6.9: Employee Capability Variables

ITEM	Responses as Frequencies (%)							N	Mean (SD)	T	Df	P-value
	Strongly Disagree	Disagree	Somewhat Disagree	Neither agree nor disagree	Somewhat agree	Agree	Strongly Agree					
EC1	2.6% N=8	15.5% N=48	9.0% N=28	14.8% N=46	30.3% N=94	26.5 N=82	1.3% N=4	310	4.39 1.507	51.323	309	<0.001

© University of Venda

EC2	1.3 N=4	16.8 N=52	9.0 N=28	14.8 N=46	31.6 N=98	23.9 N=74	2.6 N=8	310	4.41 1.491	52.040	309	<0.001
EC3	1.3 N=4	16.8 N=52	9.0 N=28	14.8 N=46	27.7 N=86	26.5 N=82	3.9 N=12	310	4.46 1.536	51.104	309	<0.001
EC4	1.3 N=4	17.4 N=54	9.0 N=28	14.8 N=46	27.1 N=84	26.5 N=82	3.9 N=12	310	4.44 1.548	50.490	309	<0.001

6.7.7.2 Our employees are/would be capable of using digital marketing to solve our marketing problems easily

According to Table 6.9, most participants (31.6%, n=98) responded with a '*somewhat agree'* to the statement which states that 'our employees are/would be capable of using digital marketing to solve our marketing problems easily', followed by '*agree'* with 23.9% (n=74), '*disagree'*, at 16.8% (n=52), '*neither agree nor disagree'*, with 14.8% (n=46) '*somewhat disagree',* with 9.0% (n=28), and '*strongly agree,* at 2.6% (n=8). The remaining 1.3% (n=4) indicated that they *'strongly disagreed'* with the statement. Table 6.9 also indicates that a mean value of 4.41 and a standard deviation of 1.491 was computed. This shows that mean value is inclined toward the '*agree'* point, meaning that most SME participants *agreed* that their employees are/would be capable of using digital marketing to solve their marketing problems easily. The results obtained in this study are consistent with the findings by the International Labor Organization (2021) which found that SME employees are most likely to have intermediate digital skills allowing them to solve digital marketing problems promptly.

6.7.7.3 Our employees are/would be capable of using digital marketing to interact with our customers

According to Table 6.9, most participants (27.7%, n=86) responded with a '*somewhat agree'* to the statement stating that 'our employees are/would be capable of using digital marketing to interact with our customers, followed by '*agree',* with 26.5% (n=82), '**disagree',** at 16.8% (n=52), '*neither agree nor disagree'*; with 14.8% (n=46), '*somewhat disagree'* at 9.0% (n=28), and '*strongly agree'* at 3.9% (n=12). The remaining 1.3% (n=4) responded with a '*strongly disagree'.* In addition, the results also show that the mean value of 4.44 and standard deviation of 1.548 were derived. These results show that the mean value of 4.44 is slightly inclined to the 'agree' point on the Likert scale, denoting that most SME participants *agreed* that their employees are/would be capable of using digital marketing to interact with their customers. Khambule (2022) also found that most SME employees can use digital marketing technologies to interact with their customers.

© University of Venda

6.7.7.4 Our employees are/would be capable of providing new ideas on digital marketing usage for our firm

Sundaram, Sharma, R., and Shakya (2020), posit that innovative advancements are significant in the establishment of SMEs that aim to flourish in a competitive environment. Robul et al. (2020) suggest that the use of innovative technologies in digital marketing channels is a key accelerator for most SMEs in that it leads them to devise new business ideas that favor profitability, penetrate all markets, and overcome obstacles throughout their business growth. This section provides findings obtained from a statement 'Our employees are/would be capable of providing new ideas on digital marketing usage for our firm. The results in Table 6.9 indicate that most of the participants (27.1%, n=48) responded to the statement with a '*somewhat agree',* followed by '*agree',* at 26.5% (n=82), *disagree',* with 17.4% (n=54), *neither agree nor disagree'*, at 14.8% (n=46), *somewhat disagree'*, with 9.0% (n=28), and *strongly agree',* at 3.9% (n=12). The results also show that a mean value of 4.44 and a standard deviation of 1.548 were obtained. The mean value of 4.44 is slightly inclined to the *'agree'* position on the Likert scale. This shows that most of the participants *agreed* that their employees are/would be capable of providing new ideas on digital marketing usage for their companies.

6.7.8 Size of enterprise variables

The size of a firm plays a significant role in its ability to adopt digital marketing strategies (Kijkasiwat and Phuensane, 2020). Larger firms tend to have more resources, allowing them to invest in digital marketing tools and personnel (Kijkasiwat and Phuensane, 2020). On the other hand, smaller firms may struggle to allocate sufficient resources for digital marketing, hindering their adoption. As a result, the size of a firm can be a determining factor in its level of digital marketing adoption and overall online presence. This section provides the findings related to the 'size of enterprise' variables. The statements that were presented in the questionnaire are as follows:

- **ES1**: The number of employees in our firm is high compared to most SMEs in the industry
- **ES2**: The capital of our firm is higher than that of other SMEs in the industry
- **ES3**: The revenue of our enterprise is higher than that of other SMEs in the industry

The descriptive statistics means, and standard deviations obtained related to the size of the enterprises' variables are presented in Table 6.10.

6.7.8.1 The number of employees in our firm is high compared to most SMEs in the industry

According to Table 6.10, most SME participants (29%, n=90), responded with a '*strongly disagree'* with the statement stating that 'the number of employees in our firm is high compared to most SMEs in the industry, followed by *disagree'* with 22.6% (n=70), *neither agree nor disagree*, at 17.4% (n=54), *somewhat disagree'*, with 15.5% (n=48), *somewhat agree',* at 9.0% (n=28), and

© University of Venda

strongly agree with 3.9% (n=12). The results also show that the remaining 2.6% (n=8) responded with an '*agree'* to the statement. A mean value of 2.78 and a standard deviation of 1.654 were also observed. The mean value of 2.78 and the standard deviation of 1.654 are more inclined to the '*strongly disagree'* point on the Likert scale, meaning that most respondents *disagreed* that the number of employees in their firm was high compared to most SMEs in the industry. The results obtained in this study are consistent with the findings obtained by the National Youth Development Agency Unit (2020), which noted that 96% of SMEs employ between 1 and 10 people.

Table 6.10: Size of enterprise variable

ITEM	Responses as Frequencies (%)							N	Mean (SD)	T	Df	P-value
	Strongly Disagree	Disagree	Somewhat Disagree	Neither agree nor disagree	Somewhat agree	Agree	Strongly Agree					
ES1	29.0% N=90	22.6% N=70	15.5% N=48	17.4% N=54	9.0% N=28	2.6% N=8	3.9% N=12	310	2.78 1.654	29.604	309	<0.001
ES2	30.3 N=94	23.9 N=74	20.6 N=64	12.9 N=40	8.4 N=26	2.6 N=8	1.3 N=4	310	2.58 1.479	30.731	309	<0.001
ES3	30.3 N=94	23.2 N=72	18.1 N=56	15.5 N=48	9.0 N=28	2.6 N=8	1.3 N=4	310	2.63 1.506	30.704	309	<0.001

6.7.8.2 The capital of our firm is higher than that of other SMEs in the industry

The results in Table 6.10 show that the majority of respondents (30.3%, n=94) replied with a '*strongly disagree'* to the statement asserting 'the capital of our firm is higher than that of other SMEs in the industry', followed by *'disagree'*, with 23.2% (n=72), '*somewhat disagree'*, at18.1% (n=56), '*neither agree nor disagree'* with 15.5% (n=48), '*somewhat agree',* at 9.0% (n=28), and *'agree'* with 2.6% (n=8). The remaining 1.3% (n=4) *strongly agreed* that their capital is higher than that of other SMEs in the same industry. The results in Table 6.10 also indicate that a mean of 2.58 and a standard deviation of 1.49 were attained. These results indicate that the mean value is more inclined toward the '*strongly disagree'* position on the Likert scale. This shows that most SME participants *disagreed* that the capital of their firm is higher than that of other SMEs in the

© University of Venda

same industry. Nanziri and Wamalwa (2021) also found that inadequate capital and financial resources are the major stumbling blocks hindering SME growth.

6.7.8.3 The revenue of our enterprise is higher than that of other SMEs in the industry

Caraballo, Luna, and Carbal (2023) point out that digital marketing is significant for SMEs since it permits them to penetrate a large market share and increase revenue. Mena and Mena (2021) concur that digital marketing is vital for the success of SMEs and generates revenue through customer loyalty. This section presents the results obtained on the descriptive statistics, means, and standard deviations related to the statement asserting that 'the revenue from our enterprise is higher than that of other SMEs in the industry. According to Table 6.10, most of the participants (30.3%, n=94) responded with a *'strongly disagree'* with the statement, followed by '*disagree',* with 23.2% (n=72), *somewhat disagree'*, at 18.1% (n=56), *neither agree nor disagree',* with 15.5% (n=48), *somewhat agree'*, at 9.0% (n=28), and *agree',* with 2.6% (n=8). The results also indicate that the remaining 1.3% (n=4) noted that they *strongly agreed* with the statement. Table 6.10 further revealed that a mean value of 2.63 and a standard deviation of 1.506 were also observed. This shows that the mean value of 2.63 is inclined to the '*strongly disagree'* point on the Likert scale, highlighting that most participants *disagreed* with the statement. The results obtained in this study are consistent with the findings obtained by Menzies and Erwin (2020), who found that 76% of SMEs do not have cash reserves or adequate revenue.

6.7.9 Competitive Pressure Variable

Faiz, Le, and Masli (2024) argue that competitive pressure is one of the key determinants leading to technological adoption among SMEs, in most countries. Competitive pressure plays a significant role in driving the adoption of digital marketing among businesses, particularly small and medium-sized enterprises (SMEs). As the number of early adopters of digital technologies grows, it creates pressure on other businesses to follow suit, leading to increased adoption rates. This is because competitive pressure compels businesses to stay on top of trends, redefine their offerings, and adopt digital platforms to remain competitive. This section presents the results obtained concerning the competitive pressure variables. The statements that were presented in the questionnaire include the following:

- **CP1**: The rivalry among enterprises in our industry is very intense.
- **CP2**: Our choice to adopt digital marketing was/would be strongly influenced by what competitors in the industry are doing.
- **CP3**: Our enterprise was/is under pressure from competitors to adopt digital marketing.
- **CP4**: Our enterprise has adopted/would adopt digital marketing in response to what competitors were/are doing.

© University of Venda

The results that were obtained are presented in Table 6.11.

Table 6.11 Competitive Pressure Variables

ITEM	Responses as Frequencies (%)							N	Mean (SD)	T	Df	P-value
	Strongly Disagree	Disagree	Somewhat Disagree	Neither agree nor disagree	Somewhat agree	Agree	Strongly Agree					
CP1	0	0	0	2.6% N=8	6.5% N=20	25.8% N=80	65.2% N=202	310	6.54 0.731	157.417	309	<0.001
CP2		1.3 N=4	5.2 N=16	11.6 N=36	18.7 N=58	40.0 N=124	23.2 N=72	310	5.61 1.185	83.293	309	<0.001
CP3		1.3 N=4	9.0 N=28	15.5 N=48	14.8 N=46	36.1 N=112	23.2 N=72	310	5.45 1.313	73.099	309	<0.001
CP4		1.3 N=4	5.8 N=18	14.2 N=44	20.6 N=64	34.8 N=108	23.2 N=72	310	5.52 1.227	79.136	309	<0.001

6.7.9.1 The rivalry among enterprises in our industry is very intense

The results in Table 6.11 indicate that most SME participants (65.2%, n=202) *strongly agreed* that there is intense rivalry among enterprises in their industry, followed by '*agree',* with 25.8% (n=80) and *somewhat agree'*, with 6.5% (n=20). The remaining 2.6% (n=8) indicated *'neither agree nor disagree.* Table 6.11 also reveals a mean value of 6.54 and a standard deviation of 0.731. These results show that the mean value of 6.54 and a standard deviation of 0.731 are more inclined to '*strongly agree'* on the Likert scale, denoting that most participants agree that there is an intense rivalry within their industry. The results obtained in this study are consistent with the findings obtained by InfoQuest, which noted that the principal challenge for SMEs is intense competition (Sweeney, 2024).

6.7.9.2 Our choice to adopt digital marketing was/would be strongly influenced by what competitors in the industry are doing

According to Table 6.11, most SME participants (40.0%, n=124) indicated an *'agree'* to the statement stating that 'our choice to adopt digital marketing was/would be strongly influenced by what competitors in the industry are doing, followed by '*strongly agree',* with 23.2% (n=72), *somewhat agree',* at 18.7% (n=58), '*neither agree nor disagree'*, with 11.6% (n=36), and '*somewhat disagree',* at 5.2% (n=16). The results also show that the remaining 1.3% (n=4) indicated by selecting '*disagree*'. A mean value of 5.61 and a standard deviation of 1.185 were also obtained. These results show that the mean value of 5.61 is inclined to the point of '*strongly*

© University of Venda

disagree' on the Likert scale. The tendency to *'strongly agree'* suggests that most SME owners and managers believe their decision to adopt digital marketing is heavily influenced by their competitors within the industry. The results obtained in this study are consistent with the findings obtained by Sharabat et al. (2024), who found that external forces such as competitive pressure or forces force SMEs to adopt digital technology.

6.7.9.3 Our enterprise was/is under pressure from competitors to adopt digital marketing

With the rise of digital marketing, it is becoming increasingly important for SMEs to have an online presence and engage with their customers through various digital channels. Canovi and Pucciarelli (2019), however, point out that competitors that have already adopted digital marketing strategies can exert pressure on SMEs that have not adopted the same technology. This section of the questionnaire gathered data on whether the respondents' company has faced or is currently facing pressure from competitors to implement digital marketing strategies. The results in Table 6.11 indicate that most of the SME participants, 36.1% (N=112) responded with an *'agree'* to the statement, followed by '*strongly agree',* with 23.2% (n=72), '*neither agree nor disagree'*, at 15.5% (N=48), '*somewhat agree',* 14.8% (n=46) and '*somewhat disagree'*, at 9.0% (n=28). The remaining 1.3% (n=4) responded with a '*disagree'.* Table 6.11 also depicts a mean value of 5.45 and a standard deviation of 1.313. The tendency of the mean value of 5.45 and the standard deviation of 1.313 towards the '*strongly agree'* position on the Likert scale imply that most SME participants *agree* that their companies were or are under pressure from competitors to adopt digital marketing. The results obtained in this study are consistent with the observation by Canovi and Pucciarelli (2019), that SMEs are under pressure from competitors to adopt digital marketing.

6.7.9.4 Our enterprise has adopted/would adopt digital marketing in response to what competitors were/are doing

According to Table 6.11, most research participants, 34.8% (n=108) responded with an *'agree'* to the statement stating that 'our enterprise has adopted/would adopt digital marketing in response to what competitors were/are doing', followed by '*strongly agree'*, at 23.2% (n=72), *somewhat agree'*, with 20.6% (n=64), '*neither agree nor disagree',* at 14.2% (n=44), and *'somewhat disagree',* with 5.8% (n=18). The remaining 1.3% (n=4) responded with a '*disagree'.* These results in Table 6.11 also show a mean value of 5.52 and a standard deviation of 1.227. The tendency of the mean value of 5.52 and a standard deviation of 1.227 is inclined toward the '*strongly agree'* point on the Likert scale, showing that most respondents *agree* that their companies have adopted/ would adopt digital marketing in response to what competitors were/are doing. The results obtained in this study are consistent with the findings obtained in a survey conducted by Sharabati et al. (2024), who found that SMEs adopt digital marketing in response to industrial changes.

© University of Venda

6.7.10 Customer Pressure Variables

According to Sharabati et al. (2024), digital marketing helps SMEs meet customer requirements, determine their tastes and behavior, and localize products and services to meet those requirements. Ali Abbasi et al. (2022) point out that customer pressure is one of the key determinants for the adoption of digital technology. According to Matikiti et al. (2018), customer pressure has a direct and positive correlation with the intention to adopt digital technology. Extant research indicates that small and medium-sized enterprises (SMEs) are more prone to customer pressure to meet their expectations than larger companies (Ali Abbasi, 2022). The statements that were included in the questionnaire are as follows:

CU1: Many of our customers are keen that our enterprise adopt/should adopt digital marketing

CU2: Our customers demanded/would demand that we establish relationships with them using digital marketing

CU3: Our relationship with our major customers suffered/would suffer if we did not adopt digital marketing

CU4: Our customers considered/would consider us to be forward-thinking by adopting digital marketing.

The following sub-sections will present the findings related to the variables associated with customer pressure depicted in Table 6.12.

Table 6.12: Customer Pressure Variables

ITEM	Responses as Frequencies (%)							N	Mean (SD)	T	Df	P-value
	Strongly Disagree	Disagree	Somewhat Disagree	Neither agree nor disagree	Somewhat agree	Agree	Strongly Agree					
CU1	0.6% N=2	6.1% N=19	17.4% N=54	14.2% N=44	36.1% N=112	25.5% N=79	0	310	4.55 1.247	64.307	309	<0.001
CU2	0.6 N=2	6.8 N=21	15.2 N=47	16.1 N=50	34.8 N=108	26.1 N=81	0.3 N=1	310	4.57 1.256	64.100	309	<0.001
CU3	0.6 N=2	7.7 N=24	14.8 N=46	12.6 N=39	38.4 N=119	21.0 N=65	4.8 N=15	310	4.63 1.337	60.904	309	<0.001
CU4	0.6 N=2	5.5 N=17	11.0 N=34	14.2 N=44	32.5 N=101	28.1 N=87	8.1 N=25	310	4.89 1.332	64.640	309	<0.001

© University of Venda

6.7.10.1 Many of our customers are keen that our enterprise adopt/should adopt digital marketing

According to Table 6.12, most SME participants (36.1%, n=112) responded with a *'somewhat agree'* to the statement stating that **'**many of our customers are keen that our enterprise adopt/should adopt digital marketing', followed by '*agree',* with 25.5% (n=79), *'somewhat disagree',* at 17.4% (n=54), '*neither agree nor disagree',* with 14.2% (n=44), and *'disagree'* with 6.1% (n=19). The remaining 0.6% (n=2) responded with a '*strongly disagree'*. Table 6.12 also shows that a mean value of 4.55 and a standard deviation of 1.247 were observed. The mean value of 4.55 and the standard deviation of 1.247 are more inclined toward the *'agree'* point on the Likert scale, signifying that most respondents *agreed* that many of their customers are keen that their company adopt/should adopt digital marketing. The results obtained in this study are consistent with the findings obtained by Andersen (2023), who noted that 81% of customers conduct online research before purchasing a product or service, hence, customers will be keen for an SME to adopt digital marketing strategies.

6.7.10.2 Our customers demanded/would demand that we establish relationships with them using digital marketing

Digital marketing is continuously gaining recognition as one of the key instruments to improve SME performance. The literature review revealed that employing various digital marketing tools and techniques aids in improving sales growth and customer acquisition and retention. In this digital era, customers are gradually expecting Small to Medium-sized Enterprises (SMEs) to have a strong online presence and utilize digital marketing strategies to reach and engage with them. According to Table 6.12, most SME participants (34.8%, n=108) responded with a *'somewhat agree'* to a statement stating that 'our customers demanded/would demand that we establish relationships with them using digital marketing', followed by *'agree'*, with 26.1% (n=81), *'neither agree nor disagree',* at 16.1% (n=50), '*somewhat disagree',* with 15.2% (n=47), *'disagree'* at 6.8% (n=21), and '*strongly disagree',* with 0.6% (n=2). The remaining 0.3% (n=1) responded with a '*strongly agree'*. It is also established that a mean value of 4.57 and a standard deviation of 1.256 were derived. The mean value of 4.57 and standard deviation of 1.256 suggest a strong inclination towards the '*agree'* position on the Likert scale. This indicates that most participants believe their customers currently demand or will demand that their companies establish relationships through digital marketing. Hutton (2023) suggests that with the increase in smartphones, social media, and online platforms, customers have also increased their reliance on digital marketing.

6.7.10.3 Our relationship with our major customers suffered/would suffer if we did not adopt digital marketing

© University of Venda

According to Tandon, Kaur, and Verma (2020), digital marketing is crucial for establishing and maintaining strong customer relationships. It enables businesses to engage with their target audience and create a sense of community (BuzzBoard, 2024). By leveraging digital tools like social media and email marketing, businesses can disseminate valuable content and engage with customers promptly. This helps to establish trust and loyalty, leading to long-term customer relationships. By leveraging digital marketing, businesses can foster meaningful connections with their customers and drive growth. The results in Table 6.12 demonstrate that most SME participants (38.4%, n=119) responded with '*somewhat agree'* to the statement that 'our relationship with our major customers suffered/would suffer if we did not adopt digital marketing', followed by '*agree',* with 21.0% (n=65), *somewhat disagree'*, at 14.8% (n=46), *neither agree nor disagree,* with 12.6% (n=39), *disagree,* at 7.7% (n=24), and *strongly agree*, with 4.8% (n=15). Two participants (0.6%) *strongly disagreed* to the statement. These results also indicate a mean of 4.89 and a standard deviation of 1.332, suggesting that the tendency of the mean was slightly inclined toward the *'agree'* position on the Likert scale. This shows that most respondents *agreed* with the statement. According to the Digital School of Marketing (2024), maintaining strong customer relationships is crucial for a business's success, as any deterioration in relationship can undermine a business's performance.

6.7.10.4 Our customers considered/would consider us to be forward-thinking by adopting digital marketing

According to Hojnik and Huđek (2023), digital marketing channels, including social media platforms, offer SMEs innovative avenues for customer engagement and brand promotion. Therefore, many customers perceive SMEs that adopt digital marketing as innovative and forward-thinking. According to FireWater (2021), many clients have become reliant on digital marketing, emphasizing the importance of a customer-centric approach in any digital transformation. The results in Table 6.12 show that most participants, 32.5 % (n=101), indicated that they '*somewhat agree'* with the statement 'our customers considered/would consider us to be forward-thinking by adopting digital marketing, followed by '*agree'* with 28.1% (n=87), '*neither agree nor disagree',* at 14.2% (n=44), '*somewhat disagree'*, with 11.0% (n=34), '*strongly agree',* at 8.1% (n=25), and '*disagree'* with 5.5% (n=17). Only 0.6% of the respondents (2 individuals) indicated a '*strong disagreement'* to the statement. The results also show that a mean value of 4.89 and a standard deviation of 1.332 were obtained. The mean value of 4.89 and standard deviation of 1.332 are slightly inclined to the '*agree'* point on the Likert scale, indicating that most respondents agreed that their customers considered/would consider them to be forward-thinking by adopting digital marketing.

6.7.11 Support from technology vendors

© University of Venda

Digital marketing vendors play an essential role in digital marketing adoption among business companies (SocialSollinator Team, 2023). These vendors provide a wide range of services and tools that enable companies to reach and engage with their target audiences online effectively. From social media management and content creation to search engine optimization (SEO) and pay-per-click (PPC) advertising, digital marketing vendors offer specialized expertise and solutions that help businesses navigate the complex digital landscape (New Perspective Design, 2023). By partnering with these vendors, companies can access cutting-edge technologies, data-driven insights, and expert guidance, ultimately driving more effective and efficient digital marketing campaigns. In addition, digital marketing vendors often provide scalability, flexibility, and cost savings, making it possible for businesses of all sizes to adopt and benefit from digital marketing strategies regardless of their internal resources or expertise (New Perspective Design, 2023). This section presents results on the variables seeking to examine whether SMEs receive support from technology vendors. The statements that were included in the questionnaire are as follow:

- **SV1**: Vendors actively market the use of digital marketing
- **SV2**: There is/would be adequate technical support for digital marketing provided by vendors
- **SV3**: Training in digital marketing is/would be adequately provided by vendors
- **SV4**: Digital marketing vendors encourage/are encouraging our firm to adopt digital by providing us with free training sessions

The results that were obtained are depicted in Table 6.13. The results include descriptive statistics, means, and standard deviations.

6.7.11.1 Vendors actively market the use of digital marketing

According to Table 6.13, most of the SME participants (27.1%, n=84) responded with '*somewhat agree'* to the statement that 'vendors actively market the use of digital marketing', followed by '*somewhat disagree'*, with 18.7% (n=58), both *neither agree nor disagree* and *disagree,* at 16.8% (n=52) each, and '*agree'* with 15.5% (n=48). The remaining 5.8% (n=16) responded with a '*strongly disagree'* to the statement. Table 6.13 also depicts a mean value of 3.90 and a standard deviation of 1.487. These results show that a mean value of 3.90 and a standard deviation of 1.487 are slightly inclined to the '*neither agree nor disagree'* point on a Likert scale. These results imply that the SME participants had a generally positive but not tremendously enthusiastic view of the statement. Many digital marketing vendors may shun SMEs due to challenges, including limited financial resources, lack of awareness about digital marketing benefits, or difficulties in implementing effective digital marketing strategies for SMEs (Sharabati et al., 2024).

Table 6.13 Support from Technology Vendors

© University of Venda

ITEM	Responses as Frequencies (%)							N	Mean (SD)	T	Df	P-value
	Strongly Disagree	Disagree	Somewhat Disagree	Neither agree nor disagree	Somewhat agree	Agree	Strongly Agree					
SV1	5.2% N=16	16.8% N=52	18.7% N=58	16.8% N=52	27.1% N=84	15.5% N=48	0	310	3.90 1.487	46.221	309	<0.001
SV2	16.8 N=52	40.0 N=124	22.6 N=70	3.9 N=12	11.6 N=36	5.2 N=16	0	310	2.69 1.396	33.929	309	<0.001
SV3	22.6 N=70	47.1 N=146	17.4 N=54	6.5 N=20	2.6 N=8	3.9 N=12	0	310	2.31 1.191	34.146	309	<0.001
SV4	56.8 N=176	33.5 N=104	1.3 N=4	1.9 N=6	2.6 N=8	3.9 N=12	0	310	1.72 1.197	25.235	309	0.001

6.7.11.2 There is/would be adequate technical support for digital marketing provided by vendors

The results in Table 6.16 reveal that most respondents, 40% (n=124), responded with a '*disagree* with the statement that 'there is/would be adequate technical support for digital marketing provided by vendors', trailed by *somewhat disagree,* with 22.6% (n=70), *strongly disagree,* at 16.8% (n=52), *somewhat agree*, with 11.6% (n=36), and *agree,* at 5.2% (n=16). The remaining 3.9% (n=12) were neutral about the statement and responded with a '*neither agree nor disagree'*. The results in Table 6.13 also denote a mean value of 2.69 and a standard deviation of 1.396. These results indicate the tendency of the mean value of 2.69 more inclined to the '*disagree'* point on the Likert scale, indicating that many respondents *disagreed* with the statement. The results obtained in this study are consistent with the findings obtained by Runde, Savoy, and Staguhn (2021), who noted that there is a significant gap for SMEs that require technical assistance but they do not have adequate financial resources to pay consultants.

6.7.11.3 Training in digital marketing is/would be adequately provided by vendors

Jerome (2024) suggests that digital marketing training enables SMEs to create effective campaigns and attract more customers, however, Low (2021) found that very few digital technology training programs are provided to SMEs. The results in Table 6.13 indicate that most of the participants, 47.1% (n=146), '*disagree'* with the statement 'training in digital marketing is/would be adequately provided by vendors', trailed by '*strongly disagree'*, at 22.6% (n=70), '*somewhat disagree'*, with 17.4% (n=54), *neither agree nor disagree,* at 6.5% (n=20), and *agree*, with 3.9% (n=12). The remaining 8 participants, or 2.6%, responded with '*somewhat agree*. A

© University of Venda

mean value of 2.31 and a standard deviation of 1.191. These results reveal that the mean value of 2.31 is more inclined to the *'disagree'* position on the Likert scale, denoting that most participants *disagreed* with the statement. The study's findings align with those of Low (2021), who also revealed that SMEs often receive insufficient digital marketing training. In addition, Marthinusen (2025) posits that most digital vendors or agencies do not offer digital marketing services effectively.

6.7.11.4 Digital marketing vendors encourage/are encouraging our firm to adopt digital by providing us with free training sessions

According to Khambule (2022), digital marketing vendors should provide training or coaching services to help small business owners and managers understand and implement effective digital marketing strategies. Runde, Savoy, and Staguhn (2021), however, posit that many SMEs cannot afford to acquire such training due to limited financial resources. The results in Table 6.13 reveal that most of the SME participants, 56.8% (n=176), responded '*strongly disagree'* with the statement 'digital marketing vendors encourage/are encouraging our firm to adopt digital by providing us with free training sessions', trailed by '*disagree'*, with 33.5% (n=104), '*agree'* at 3.9% (n=12), '*somewhat agree'*, with 2.6% (n=8), and '*neither agree nor disagree,* at 1.9% (n=6). Only 4 (1.3%) participants responded with '*somewhat disagree'*. It is also established that a mean value of 1.72 and a standard deviation of 1.197 were obtained. These results show that the mean value of 1.72 is inclined toward the '*strongly disagree'* point on the Likert scale, denoting that most SME participants disagreed with the statement. The results obtained in this study are consistent with the findings by Runde, Savoy, and Staguhn (2021), who found that many SMEs cannot afford to acquire training due to limited financial resources.

6.7.12 Attitudes Towards Usage

According to BuzzBoard (2024), digital marketing is a worthwhile investment for SMEs, although, Ahmad and Rasheed (2024) claim that the attitude of an SME owner or manager toward the usage of digital marketing influences digital marketing adoption among SMEs. The extant literature reveals that the owner/manager's attitude and perception of digital marketing can influence the level of investment, resources allocated, and overall commitment to digital marketing efforts (Ahmad and Rasheed, 2024). This section, hence, presents the results related to the variables of attitudes towards the usage of digital marketing. The statements that were included in the questionnaire are as follows:

AA1: Using digital marketing is/would be a good idea.

AA2: Our firm has/would have a positive feeling toward digital marketing adoption.

AA3: The idea of adopting digital marketing is/would be an appealing idea for our firm.

© University of Venda

AA4: Using digital marketing is/would be worthwhile.

The descriptive statistics means, and standard deviations of the measured attitudes toward usage variables are presented in Table 6.14.

Table 6.14 Attitudes Towards Usage Variables

ITEM	Responses as Frequencies (%)							N	Mean (SD)	T	Df	P-value
	Strongly Disagree	Disagree	Somewhat Disagree	Neither agree nor disagree	Somewhat agree	Agree	Strongly Agree					
AA1	0	1.3% N=4	1.3% N=4	22.6% N=70	16.1% N=50	47.1% N=146	11.6% N=36	310	5.41 1.078	88.400	309	<0.001
AA2	0	0	1.3 N=4	25.2 N=78	12.9 N=40	50.3 N=156	10.3 N=32	310	5.43 1.018	93.975	309	<0.001
AA3	0	0	1.3 N=4	25.2 N=78	13.5 N=42	45.8 N=142	14.2 N=44	310	5.46 1.057	91.040	309	<0.001
AA4	0.6 N=2	0	1.3 N=4	24.5 N=76	9.7 N=30	43.9 N=136	20.0 N=62	310	5.54 1.162	84.000	309	<0.001

6.7.12.1 Using digital marketing is/would be a good idea

According to Table 6.14, most SME participants, 47.1% (n=146), *agree* with the statement 'using digital marketing is/would be a good idea', followed by '*neither agree nor disagree'* with 22.6% (n=70), *somewhat agree'* at 16.1% (n=50), and *strongly agree'*, with 11.6% (n=36). Both *'disagree* and *neither nor disagree'* had 1.3% (n=4) each. The results also indicate that a mean value of 5.41 and a standard deviation of 1.078 were obtained. The results denote that the mean value of 5.41 is more inclined to the '*strongly agree'* point on the Likert scale. This suggests that most of the participants *agreed* with the statement. The results obtained in this study are consistent with the findings by Oji, Iwu, and Haydam (2017), who conducted a similar study and found that SMEs perceive social media marketing to have moderately effective marketing tools.

6.7.12.2 Our firm has/would have a positive feeling toward digital marketing adoption

The results in Table 6.14 indicate that most SME participants, 50.3% (n=156), responded with an *'agree'* with the statement 'our firm has/would have a positive feeling toward digital marketing adoption', trailed by '*neither agree nor disagree'* with 25.2% (n=78), *somewhat agree'*, at 12.9%, (n=40), and *strongly agree,* with 10.3% (n=32). The remaining 1.3% (n=4) responded with a '*somewhat disagree'*. The results also show a mean value of 5.43 and a standard deviation of 1.018. The mean value of 5.43 is inclined to the '*agree'* position on the Likert scale, denoting that

© University of Venda

most participants *agreed* that their firms have/would have a positive feeling toward digital marketing adoption. Bruce et al. (2023) maintain that SMEs' positive feelings toward digital marketing are essential to its adoption and successful usage.

6.7.12.3 The idea of adopting digital marketing is/would be an appealing idea for our firm

Digital Marketing Institute (2024) points out that digital marketing adoption is appealing to SMEs because of its cost-effectiveness and ability to reach a wide audience. The results in Table 6.14 indicate that most of the SME participants, 45.8% (n=142), responded with an '*agree'* with the statement 'the idea of adopting digital marketing is/would be an appealing idea for our firm, followed by '*neither agree nor disagree'*, with 25.2% (n=78), *strongly agree'*, with 14.2% (n=44), and 'somewhat agree', at 13.5% (n=42). Only 4 participants, equivalent to 1.3%, responded with a '*somewhat disagree'.* The results also show a mean of 5.46 and a standard deviation of 1.057. The mean value of 5.46 is inclined toward the *'agree'* position on the Likert scale, denoting that most SME participants agreed with the statement. The results obtained in this study are consistent with the findings by the Digital Marketing Institute (2024), which noted that digital marketing adoption is appealing to SMEs because of its benefits, such as cost-effectiveness and the ability to reach a wide target audience.

6.7.12.4 Using digital marketing is/would be worthwhile

An analysis of the results in Table 6.14 portrays that most of the SME participants, 43.9% (n=136), responded with an *'agree'* to the statement 'using digital marketing is/would be worthwhile', trailed by '*neither agree nor disagree'*, with 24.5% (n=76), '*strongly agree',* at 20.0% (n=62), *'somewhat agree',* with 9.7% (n=30), and '*somewhat disagree'* at 1.3% (n=4). The remaining 0.6% (n=2) responded with a '*strongly disagree'*. Additionally, the analysis of results revealed that a mean value of 5.54 and a standard deviation of 1.162 were obtained. The tendency of the mean value toward the '*agree'* point on the Likert scale shows that most of the SME participants *agreed* that using digital marketing is/would be worthwhile. The results obtained in this study are consistent with the findings of BuzzBoard (2024), which noted that digital marketing is a 'worthwhile' investment for SMEs.

6.7.13 Adoption Constructs

Digital marketing adoption is critical for SMEs in South Africa and most countries worldwide (Bruce et al., 2023). It assists them in reaching a wider audience, increases brand awareness, and boosts sales (Bruce et al., 2023). Extant research, however, shows that there are low adoption rates of digital marketing among SMEs in South Africa (Mazibuko, 2023). This section presents results related to the adoption variables. The statements included in the questionnaire are as follows:

© University of Venda

AM1: Our enterprise makes use of digital marketing very often.

AM2: Our enterprise always uses digital marketing for our marketing activities.

AM3: Our enterprises use mobile marketing for most of their marketing activities.

Table 6.15 presents the descriptive statistics, the means, and the standard deviation obtained for the measured variables.

Table 6.15: Adoption Variables

ITEM	Responses as Frequencies (%)							N	Mean (SD)	T	Df	P-value
	Strongly Disagree	Disagree	Somewhat Disagree	Neither agree nor disagree	Somewhat agree	Agree	Strongly Agree					
AM1	47.1% N=146	9.0% N=28	0	1.3% N=4	11.0% N=34	22.6% N=70	9.0% N=28	310	3.24 2.422	23.546	309	<0.001
AM2	47.1 N=146	9.0 N=28	0	1.3 N=4	7.1 N=22	29.0 N=90	6.5 N=20	310	3.25 2.423	23.626	309	<0.001
AM3	47.7 N=148	16.1 N=50	10.3 N=32	1.3 N=4	7.7 N=24	11.6 N=36	5.2 N=16	310	2.61 2.031	22.601	309	<0.001

6.7.13.1 Our enterprise makes use of digital marketing very often.

The results in Table 6.15 reveal that most SME participants, 47% (n=146), responded with a '*strongly disagree'* with the statement 'our enterprise makes use of digital marketing very often', trailed by '*agree',* with 22.6% (n=70), '*somewhat agree'*, at 11% (n=34), and both '*disagree* and *strongly agree'* at 9.0% (n=28) each. The remaining 1.3% (n=4) responded with '*neither agree nor disagree'*. The mean value was 3.24, and the standard deviation was 2.422, which denotes a proclivity toward the '*disagree'* point on the Likert scale. This suggests that most respondents *disagree* with the statement. BuzzBoard (2024) points out that many SME owners hesitate to use digital marketing due to its perceived complexity and associated costs.

6.7.13.2 Our enterprise always makes use of digital marketing for our marketing activities

© University of Venda

According to Table 6.15, most of the SME participants (47.1%, n=146), responded with a *'strongly disagree*' with the statement 'our enterprise always uses digital marketing for our marketing activities, trailed by *'agree'*, with 29.0% (n=90), '*disagree',* at 9.0% (n=28), '*somewhat agree'*, with 7.1% (n=22), and '*strongly agree',* at 6.5% (n=20). Only 1.3% (n=4) of participants responded with '*neither agree nor disagree'*. The mean value for this statement was 3.25, with a standard deviation of 2.423, which shows proclivity toward the *'disagree'* point on the Likert scale employed in the questionnaire. These results show that most respondents *disagreed* that their companies use digital marketing for their marketing activities. Digital marketing has become a crucial instrument for most businesses globally, although not all SMEs in South Africa have adopted digital strategies to market their activities (Mazibuko, 2023).

6.7.13.3 Our enterprises use mobile marketing for most of their marketing activities

An analysis of the results in Table 6.15 denotes that most of the research participants (47.7%, n=148) indicated that they '*strongly disagree'* with the statement 'our enterprises use mobile marketing for most of their marketing activities', followed by '*disagree'*, with 16.1% (n=50), '*agree',* at 11.6% (n=36), '*somewhat disagree'*, with 10.3% (n=32), '*somewhat agree'*, 7.7% (n=24), and '*strongly agree'* set at 5.2% (n=16). The remaining 1.3% (n=4) responded with '*neither agree nor disagree'*. The results in Table 6.15 also reveal that a mean value of 2.61 and a standard deviation of 2.031 were obtained from the measured statement. These results suggest that the mean value of 2.61 is inclined to the '*disagree'* point on the Likert scale employed in the questionnaire. This shows that most respondents *disagreed* with the statement. The results obtained in this study are consistent with the findings obtained by Maduku (2021), who detailed that most SMEs are skeptical about mobile marketing adoption.

6.7.14 Behavioral Intention Variables

Behavioral Intention is a crucial determinant of digital marketing adoption in SMEs (Bruce et al., 2023). According to the Theory of Planned Behavior (TPB) (Ajzen, 1991), behavioral intention is a significant predictor of actual behavior, such as adopting new technologies and innovations, like digital marketing. In the context of this study, behavioral intention refers to the likelihood that an SME will adopt digital marketing strategies, such as mobile marketing, social media marketing, email marketing, or search engine optimization (SOE). This section presents the results of the measured constructs related to behavioral intention. The statements that were included in the questionnaire are as follows:

BI1: Our firm intends to continue/start using mobile marketing

© University of Venda

BI2: Our firm intends to continue/start using digital marketing in the future

BI3: Our firm highly recommends/would recommend the adoption of digital marketing to other firms

The descriptive statistics, the means, and the standard deviations of the measured variables are presented in Table 6.16

Table 6.16: Behavioral Intention Variables

ITEM	Responses as Frequencies (%)							N	Mean (SD)	T	Df	P-value
	Strongly Disagree	Disagree	Somewhat Disagree	Neither agree nor disagree	Somewhat agree	Agree	Strongly Agree					
BI1	0	1.3% N=4	3.2% N=10	23.2% N=72	32.9% N=102	29.0% N=90	10.3% N=32	310	5.16 1.076	84.434	309	<0.001
BI2	0	1.3 N=4	1.3 N=4	21.3 N=66	17.4 N=54	39.4 N=122	19.4 N=60	310	5.50 1.140	85.003	309	<0.001
B13	0	0	2.6 N=8	12.9 N=40	15.5 N=48	25.8 N=80	43.2 N=134	310	5.94 1.156	90.498	309	<0.001

6.7.14.1 Our firm intends to continue/start using mobile marketing

The results in Table 6.15 reveal that most of the SME participants, 32.9% (n=102), reponded with '*somewhat agree'* with the statement 'our firm intends to continue/start using mobile marketing', followed by '*agree',* with 29.0% (n=90), *neither agree nor disagree',* at 23.2% (n=72), *'strongly agree',* with 10.3% (n=32), and '*somewhat disagree',* at 3.2% (n=10). The remaining 1.3% (n=4) responded with a '*disagree'.* The results from the analysis also shows that a mean value of 5.16 and a standard deviation of 1.076 were obtained from the measured constructs. These results show that the mean value of 5.16 is inclined towards the *'agree'* point on the Likert scale. This suggests that most SME participants were satisfied that their companies should continue/start using mobile marketing. The results obtained in this study align with the findings by Surtie (2021),

© University of Venda

who observed that mobile marketing has become a very prevalent marketing strategy in South Africa.

6.7.14.2 Our firm intends to continue/start using digital marketing in the future

According to Table 6.15, the analysis of results showed that most of the participants (39.4%, n=122) reacted with an *'agree'* to the statement 'our firm intends to continue/start using digital marketing in the future', followed by '*neither agree nor disagree',* set at 21.3 (N=66), *'strongly agree'*, with 19.4% (n=60), and '*somewhat agree',* pegged at 17.4% (n=54). Both '*disagree'* and '*somewhat agree'* received 1.3% (n=4) each. The results also reveal a mean value of 5.50 and a standard deviation of 1.140. These results indicate that the tendency of the mean of 5.50 is toward the *'agree'* position on the Likert scale, suggesting that most SME respondents *agreed* that their companies intend to continue/start using digital marketing in the future. The results obtained in this study are consistent with the findings by SME South Africa (2025), which discovered that most SMEs are beginning to embrace digital marketing tools to curb economic challenges.

6.7.14.3 Our firm highly recommends/would recommend the adoption of digital marketing to other firms

The results of the analysis in Table 6.15 denotes that most SME participants (43.2%, n=134) replied with a '*strongly agree'* to the statement 'our firm highly recommends/would recommend the adoption of digital marketing to other firms, followed by *'agree'*, with 25.8% (n=80), *'somewhat agree',* at 15.5% (n=48), and '*neither agree nor disagree',* with 12.9% (n=40). The remaining 2.6% (n=8) responded with '*somewhat disagree'.* Additionally, the results indicate a mean value of 5.94 and a standard deviation of 1.156. These results suggest a proclivity towards the *'agree'* point on the Likert scale, denoting that most respondents *agreed* with the statement and would recommend digital marketing adoption to other companies.

6.8 EXPLORATORY FACTOR ANALYSIS

In this study, an exploratory factor analysis (EFA) was performed to assess the underlying structure of the items included in the questionnaire. William, Brown, and Onsman (2019) suggest that the Kaiser-Meyer-Olkin (KMO) and Bartlett's Test must be conducted before performing the EFA, therefore, the KMO and Bartlett's Test of Sphericity were employed to evaluate the appropriateness of the data for factor analysis (Shrestha, 2021). IBM Support (2020) suggests that KMO test results above 0.5 should be acceptable. The Bartlett's Test of Sphericity was used to determine if the correlation matrix is significantly different from an identity matrix, with a significant result of 0.001 indicating that the data is suitable for factor analysis. In conducting the Exploratory Factor Analysis (EFA), the researcher applied four main standards, including factor loadings (with values greater than 0.5), checking the commonalities (with values greater than 0.3), the eigenvalue criterion (selection of factors with eigenvalues greater than 1), and the scree plot

© University of Venda

criteria. Columbia University (2025) points out that eigenvalues and scree plots should be assessed concurrently to guide the researcher in determining how many factors are the best fit for the data The results of the Kaiser-Meyer-Olkin (KMO) test and Bartlett's test of sphericity for all 14 variables examined in this study are presented in Table 6.16.

Table 6.16: The KMO measure and Bartlett's Test results

VARIABLES	KMO MEASURE	BARTLETT'S TEST		
		Approximate Chi-Square	Degrees of freedom	Significance level
RA	0.872	2347.159	6	<0.001
CO	0.852	2732.470	6	<0.001
CX	0.829	2671.245	6	<0.001
CT	0.784	1241.639	3	<0.001
TM	0.847	2926.143	6	<0.001
FR	0.525	1314.545	6	<0.001
EC	0.877	2813.936	6	<0.001
ES	0.745	1619.711	3	<0.001
CP	0.729	1061.085	6	<0.001
CU	0.813	1833.759	6	<0.001
SV	0.755	560.529	6	<0.001
AA	0.875	2248.218	6	<0.001
AM	0.690	1651.120	3	<0.001
BI	0.648	531.721	3	<0.001

The results in Table 6.16 denote the KMO measured values for all the scales employed in this study were above the threshold of 0.5, which is the minimum cut-off point. The KMO values extended from 0.525 to 0.877. The results in Table 6.16 also show that Bartlett's test results for all the measured scales yielded significant level values of 0.000, therefore, the results in Table 6.16 demonstrate the suitability of the gathered data for Exploratory Factor Analysis (EFA). The following subsections present the distinct results of each construct included in the questionnaire.

6.8.1 Factor analysis for the relative advantage scale

Table 6.17 presents the results of the RA data that were analyzed using factor analysis. The results show that 1 factor was extracted during the factor analysis.

Table 6.17: Factor analysis for the relative advantage

	DESCRIPTION	FACTOR

© University of Venda

VARIABLE CODE		1
RA1	Digital marketing enables/would enable our firm to market our products or services in a better way	0.968
RA2	Digital marketing enables/would enable our firm to communicate with our customers effectively	0.971
RA3	We are/would be able to reach our customers promptly with digital marketing campaigns	0.962
RA4	Digital marketing assists/would assist us in developing a better relationship with our customers	0.925
Eigenvalue		**3.827**
Total Variance Justified		**95.672**
Cumulative Variance Justified		**95.672**

According to Table 6.17, one (1) factor was extracted during the factor analysis procedure in the RA scale. The extracted factor was justified by 95.672% of the cumulative variance in the RA scale. All the results (loadings) from the factor analysis were acceptable and ranged between 0.925 and 0.971. The observed results (loadings) are greater than the recommended threshold of 0.5. The results presented in Table 6.17 are further supported by the scree plot in Figure 6.4, indicating that one (1) factor was extracted during the factor analysis procedure because it consisted of an Eigenvalue greater than 1.

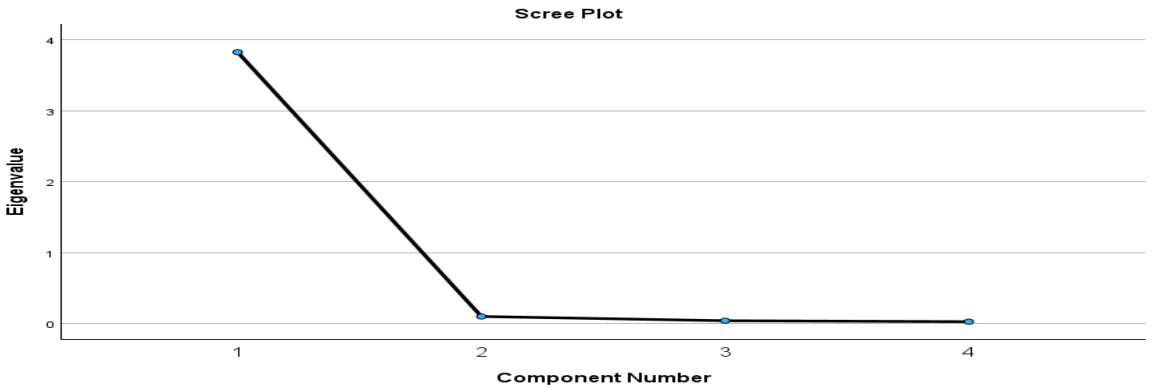


FIGURE 6.4: SCREE PLOT FOR RELATIVE ADVANTAGE
Source: Extracted from SPSS (Version 30)

Figure 6.4 illustrates the scree plot derived from the relative advantage (RA) scales. The results in Figure 6.4 reveal that the relative advantage scale (RA) had a unidimensional factor structure since it extracted only one (1) factor with an eigenvalue greater than one (1). The relative advantage scales (RA) carried an eigenvalue of 3.827.

6.8.2 Factor analysis for the compatibility scales

© University of Venda

The factor analysis of the compatibility scales was above the threshold of 0.5, therefore, no items for the compatibility scales were discarded. During the factor analysis procedure, only one (1) factor was extracted, as depicted in Table 6.18.

Table 2.18: Factor analysis for compatibility

VARIABLE CODE	DESCRIPTION	FACTOR 1
CO1	Digital marketing creates/would create changes that are compatible with the business practices of our firm.	0.867
CO2	Digital marketing is/would be compatible with the current business practices of our firm.	0.959
CO3	Digital marketing is/would be compatible with the preferred practices of our firm.	0.982
CO4	Digital marketing is/would be compatible with our current marketing activities.	0.980
Eigenvalue		**3.788**
Total Variance Justified		**94.695**
Cumulative Variance Justified		**94.695**

According to Table 6.18, all four compatibility scale items were included in the factor analysis. The results also revealed that only one (1) factor was extracted. In addition, the four compatibility items contributed 94.695% toward the cumulative variance. The factor patterns coefficients or factor loadings extended between 0.867 and 0.982, which is extremely above the recommended threshold of 0.5, therefore, the factor coefficients were deemed acceptable for Exploratory Factor Analysis (EFA). The scree plot backing results in Table 16.8 is displayed in Figure 6.5.

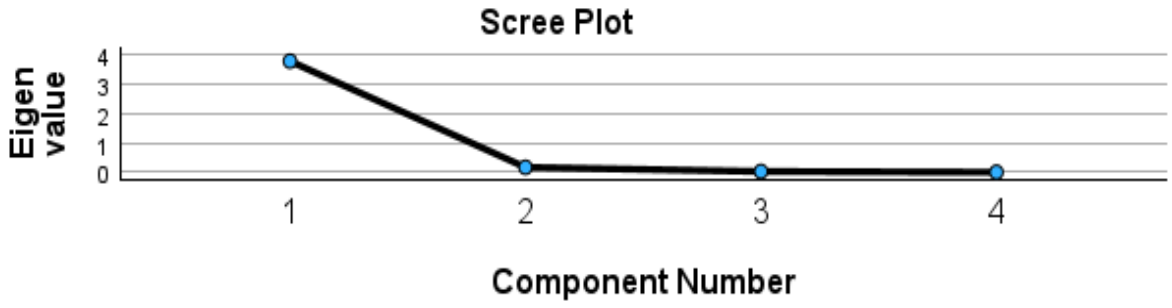


FIGURE 6.5: SCREE PLOT FOR COMPATIBILITY SCALES
Extracted from SPSS (Version 30)

Figure 6.5 displays the 'scree plot' for compatibility scales of the four (4) items that were measured. It also shows that compatibility scales have a unidimensional structure since it extracted only one (1) factor and an eigenvalue greater than one. The results in Table 6.18 reveal that the compatibility scales had an eigenvalue of 3.788.

© University of Venda

6.8.3 Factor analysis for complexity scales

The factor analysis was conducted for complexity scales. SPPS version 30 extracted only 1 factor from the scales, as displayed in Table 6.19.

Table 6.19: Factor analysis for complexity scales

VARIABLE CODE	DESCRIPTION	FACTOR
		1
CX1	The use of digital marketing requires/would require a lot of mental effort.	0.921
CX2	The use of digital marketing is/would be frustrating	0.978
CX3	Digital marketing is/would be too complex for our marketing strategies.	0.989
CX4	The skills needed to use digital marketing are/would be too complex for employees of our firm.	0.943
Eigenvalue		**3.835**
Total Variance Justified		**95.879**
Cumulative Variance Justified		**95.879**

The results in Table 6.19 reveal that all four measured compatibility items contributed 95.879% toward the cumulative variance. The remaining 4.121% shows the results of other irrelevant factors not included in this study. The results also reveal that all factor pattern coefficients ranged between 0.921 and 0.989, which is above the recommended threshold of 0.5. Therefore, the factor pattern coefficients were acceptable for the suitability of the scales for Exploratory Factor Analysis (EFA). The 'scree plot' supporting the results explained in this section is displayed in Figure 6.6.

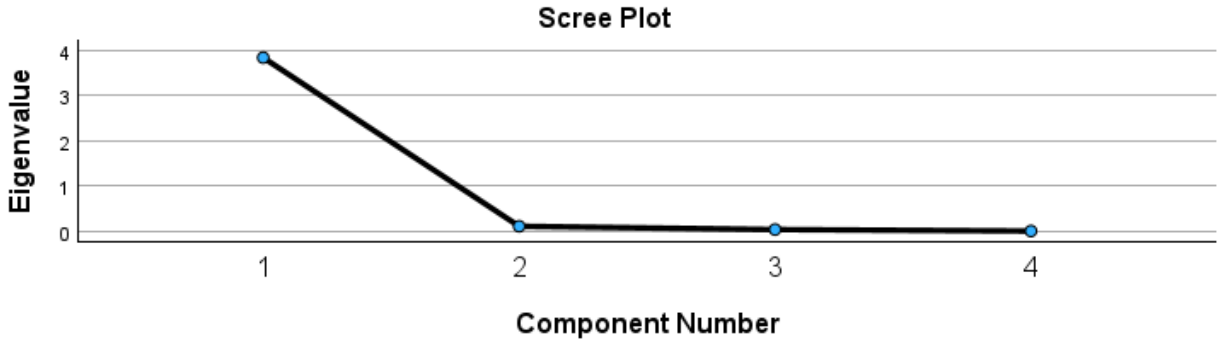


FIGURE 6.6: SCREE PLOT FOR COMPLEXITY SCALES
Source: Extracted from SPSS (Version 30)

© University of Venda

Figure 6.6 signifies the 'scree plot' representing the complexity scales (CX). The figure denotes that the complexity scales had a unidimensional structure because it removed only one (1) factor comprising an eigenvalue greater than 1. The factor analysis detected an eigenvalue of 3.835.

6.8.4 Factor Analysis for the Cost Scales

The factor analysis of the cost scales revealed a single underlying factor, which was subsequently extracted. The resultant factor pattern coefficients are displayed in Table 6.20. The results in Table 6.20 suggest that the cost scales form a unidimensional factor structure because only one factor was extracted.

Table 6.20: Factor analysis of cost scales

VARIABLE CODE	DESCRIPTION	FACTOR 1
CT1	The costs involved in the adoption of digital marketing are/would be far greater than the expected benefits.	0.940
CT2	The cost of maintaining digital marketing is/would be very high for our enterprises.	0.950
CT3	The amount of money invested in training employees to use digital marketing is/would be very high.	0.952
Eigenvalue		**2.841**
Total Variance Justified		**94.708**
Cumulative Variance Justified		**94.708**

According to Table 6.20, only 1 factor was extracted in the factor analysis of the cost scales. The results also indicate that the 3 measured cost scales contributed to a 94.708% cumulative variance. The remaining 5.292% contributed to some extraneous factors not included in this study. The factor pattern coefficients obtained during factor analysis ranged between 0.940 and 0.952, greater than the recommended 0.5 threshold. These results show that the pattern coefficients were suitable for Exploratory Factor Analysis (EFA) since all the tested items surpassed the 0.5 recommended threshold. The 'scree plot' supporting the discussed results is depicted in Figure 6.7.

© University of Venda

University of Venda
Creating Future Leaders

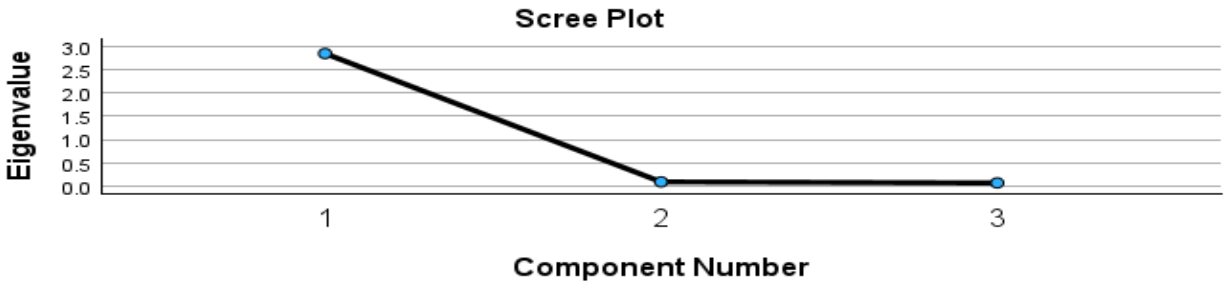


FIGURE 6.7: SCREE PLOT FOR COST SCALE

Figure 6.7 resembles the 'scree plot' demonstrating the complexity scales (CX). The figure indicates that the cost scales had a unidimensional structure because it extracted only one (1) factor encompassing an eigenvalue greater than 1. The factor analysis revealed an eigenvalue of 2.841.

6.8.5 Factor analysis for top management scales

The factor analysis procedure was conducted on all four top management scale variables. Only 1 factor was extracted during the process. The resultant unidimensional factor structure for top management scales is presented in Table 6.21.

Table 6.21: Factor analysis of top management scales

VARIABLE CODE	DESCRIPTION	FACTOR 1
TM1	Top management provides/would provide resources necessary for the adoption of digital marketing.	0.966
TM2	Top management provides/would provide necessary support for the adoption of digital marketing.	0.988
TM3	Top management supports/would support the usage of digital marketing.	0.984
TM4	Top managers are/would be enthusiastic about adopting digital marketing.	0.962
Eigenvalue		**3.900**
Total Variance Justified		**97.504**
Cumulative Variance Justified		**97.504**

© University of Venda

According to Table 6.21, only 1 factor was extracted from the scales. This is justified by the cumulative variance of 97.504% that was obtained. The remaining 2.496 is explained by extraneous factors not considered relevant in this study. The results also indicate that the factor pattern coefficients stretched between 0.962 and 0.988. The factor pattern coefficients surpassed the recommended 0.5 threshold; therefore, the results were acceptable for EFA. The 'scree plot' supporting the results in Table 6.21 is displayed in Figure 6.8.

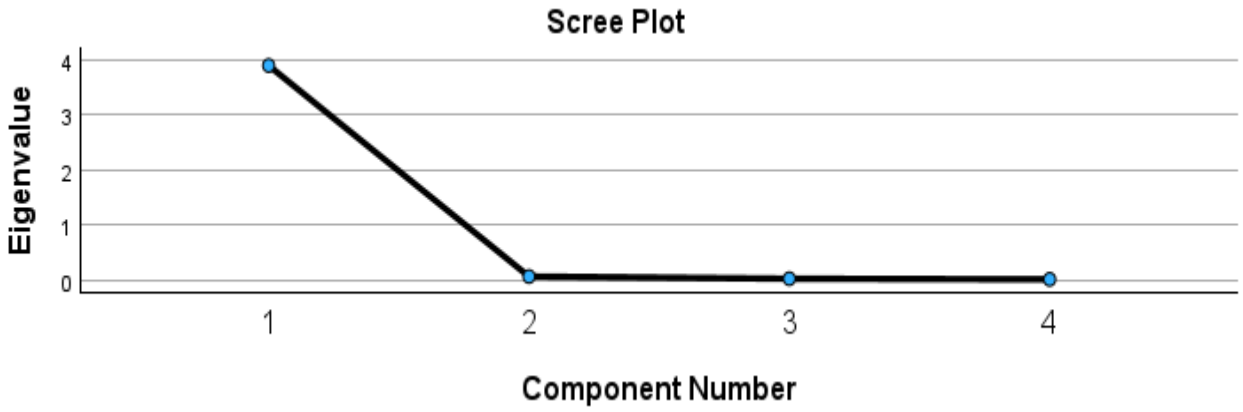


FIGURE 6.8: SCREE PLOT FOR TOP MANAGEMENT SUPPORT SCALES
Source: Extracted from SPSS (Version 30)

Figure 6.8 illustrates the eigenvalues for the 'scree plot' of the factor analysis conducted on the management support scales. As illustrated in Figure 6.8, only one factor was extracted from the four top management support scales. The figure also shows that the only factor extracted had an eigenvalue greater than 1. The eigenvalue of the top management scales that was obtained is 3.900.

6.8.6 Factor analysis for financial resources scales

Table 6.22 illustrates that only one factor was extracted during the factor analysis of the financial resources' scales. The results also show that the financial resources scale has a unidimensional structure since only one factor was extracted. The consequential unidimensional structure for the financial resources scale is illuminated in Table 6.22.

Table 6.22: Factor analysis for financial resources scale

VARIABLE CODE	DESCRIPTION	FACTOR 1
FR1	Our firm has/would have the financial resources to adopt digital marketing.	0.983

© University of Venda

FR2	Our marketing budgets are/would be sufficient to support the adoption of digital marketing.	0.987
FR3	It/is would be easy to obtain financial support for digital marketing adoption from local banks and or/other financial institutions.	0.913
FR4	Our firm takes/would take digital marketing more seriously because of the adequate financial support we receive from the local banks.	0.926
Eigenvalue		**2.572**
Total Variance Justified		**64.309**
Cumulative Variance Justified		**64.309**

The results in Table 6.22 demonstrate that the factor pattern coefficients obtained in this study ranged between 0.913 and 0.987. The factor pattern coefficients exceeded the recommended threshold of 0.5; therefore, the factor analysis results were acceptable for the EFA. The results also indicate that all four measured top management items contributed 64.309% toward the cumulative variance, the remaining 35.691% catered for extraneous factors irrelevant for this study. An eigenvalue of 2.572 was observed since only 1 factor was extracted. The 'scree plot' in Figure 6.9 supports the results illustrated in Table 6.22.

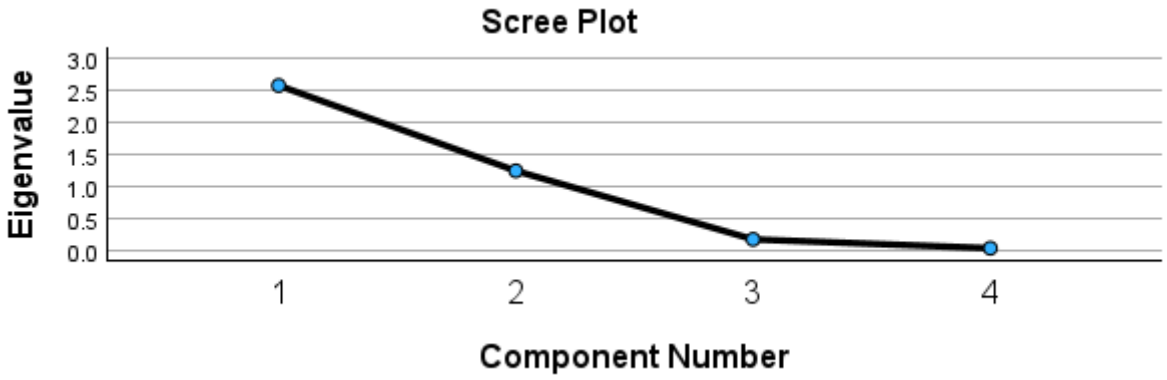


FIGURE 6.9: SCREE PLOT FOR FINAL RESOURCES SCALE
Source: Extracted from SPSS (Version 30)

Figure 6.9 illustrates the 'scree plot' for the financial resources (FR) scale, supplementing the findings obtained in Table 6.22. As indicated by the 'scree plot's' curve, only one factor was extracted and had an eigenvalue of 2.572.

6.8.7 Factor analysis for employee capability scales

The factor analysis procedure for employee capability scales included extracting only one factor, hence, the resultant findings demonstrate that the employee capability scale had a unidimensional

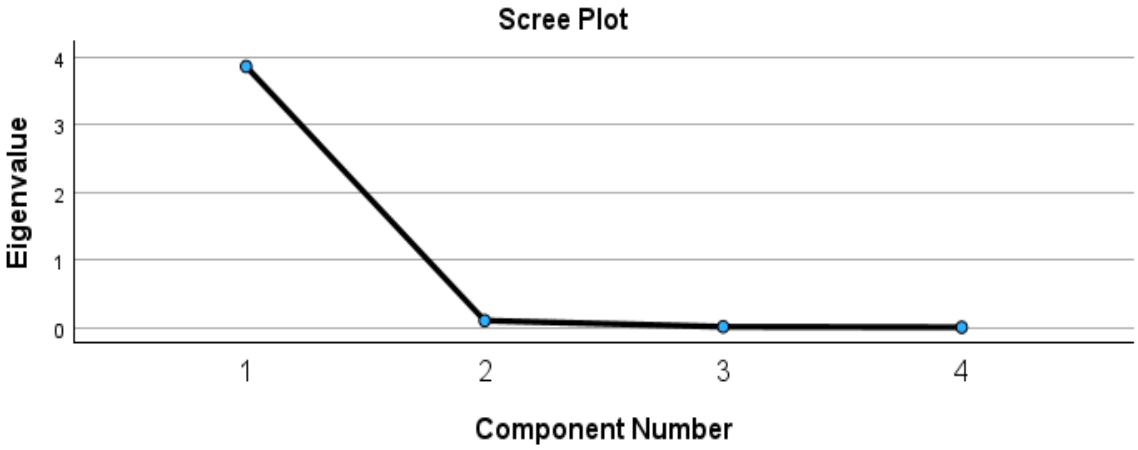
© University of Venda

structure since only one factor was extracted. The resultant unidimensional factor structure for the employee capability scale (EC) is displayed in Table 6.23.

Table 6.23: Factor analysis for employee capability scale

VARIABLE CODE	DESCRIPTION	FACTOR 1
EC1	Our employees are/would be capable of learning new digital marketing-related technology easily.	0.982
EC2	Our employees are/would be capable of using digital marketing to solve our marketing problems easily.	0.976
EC3	Our employees are/would be capable of using digital marketing to interact with our customers.	0.983
EC4	Our employees are/would be capable of providing new ideas on digital marketing usage for our firm.	0.916
Eigenvalue		**3.858**
Total Variance Justified		**96.439**
Cumulative Variance Justified		**96.430**

The results in Table 6.23 demonstrate that the four measured employee capability items reached a cumulative variance of 96.430%. This signifies that the remaining 3.57% was related to extraneous factors irrelevant to this study. The results also indicate an eigenvalue of 3.858 obtained from the factor analysis. This resulted from extracting only one (1) factor from the scales. Additionally, the findings illustrate that the factor pattern coefficients stretched between 0.916 and 0.983. These results are above the recommended cut-off point of 0.5, therefore, the factor analysis results are accepted as suitable for the Exploratory Factor Analysis (EFA). The 'scree plot' supporting the findings in Table 6.23 is displayed in Figure 6.10.



© University of Venda

FIGURE 6.10: SCREE PLOT FOR EMPLOYEE CAPABILITY SCALES
Source: Extracted from SPSS (Version 30)

Figure 6.10 illustrates that only one factor was extracted from the employee capability scales since it had an eigenvalue above 1. This is illustrated by the 'scree plot's curve. The eigenvalue for the employee capability scale was 3.858.

6.8.8 Factor analysis for the size of the enterprise

During the factor analysis procedure for the size of the enterprise scales, the SPSS software (version 30) extracted only one factor. The results in Table 6.24 demonstrate that the size of the enterprise has a unidimensional structure, considering that it extracted one factor from the measured items. The resultant unidimensional factor structure for the size of the enterprise scales is illustrated in Table 6.24.

Table 6.24: Factor analysis of the size of the enterprise

VARIABLE CODE	DESCRIPTION	FACTOR 1
ES1	The number of employees in our firm is high compared to most SMEs in the industry.	0.933
ES2	The capital of our firm is higher than that of other SMEs in the industry.	0.978
ES3	The revenue of our enterprise is higher than that of other SMEs in the industry.	0.971
Eigenvalue		**2.882**
Total Variance Justified		**96.081**
Cumulative Variance Justified		**96.081**

The results in Table 6.24 reveal all four 'size of enterprise' scale items measured had factor loadings ranging between 0.933 and 0.978. These results exceeded the recommended threshold of 0.5, indicating that the results obtained from the factor analysis procedure were acceptable for Exploratory Factor Analysis (EFA). The results also illustrate that the three 'size of enterprise'

© University of Venda

items contributed 96.081% toward the cumulative variance. An eigenvalue of 2.882 was also observed. The results presented in Table 6.24 are supported by the 'scree plot' in Figure 6.11.

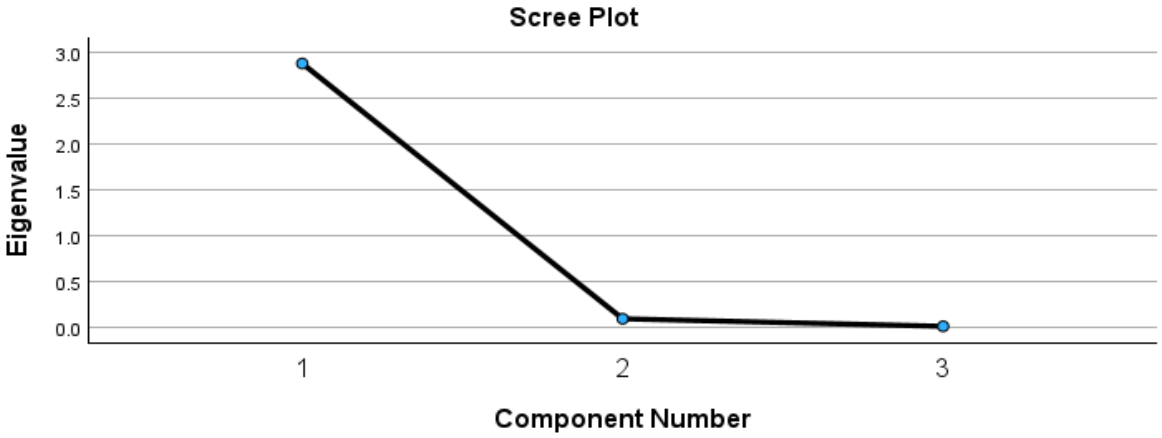


FIGURE 6.11: SCREE PLOT FOR THE SIZE OF ENTERPRISE SCALE
Source: Extracted from SPSS (version 30)

Figure 6.11 demonstrates that one factor was extracted from the measured items since it had an eigenvalue greater than 1. The eigenvalue obtained for the size of the enterprise scale is 2.882.

6.8.9 Factor analysis for the competitive pressure scales

In subjecting the competitive pressure (CP) scale items in the factor analysis, item CP1, stating 'the rivalry among enterprises in our industry is very intense' was discarded because it had a communality value of 0.105, which is less than the recommended communality value of 0.3. Only one factor was extracted during the factor analysis procedure. The resultant unidimensional structure is depicted in Table 6.25.

Table 6.25: Factor analysis for the competitive pressure scales

VARIABLE CODE	DESCRIPTION	FACTOR 1
CP2	Our choice to adopt digital marketing was/would be strongly influenced by what competitors in the industry are doing.	0.894
CP3	Our enterprise was/is under pressure from competitors to adopt digital marketing.	0.908
CP4	Our enterprise has adopted/would adopt digital marketing in response to what competitors were/are doing.	0.948
Eigenvalue		**2.750**

© University of Venda

Total Variance Justified	**91.678**
Cumulative Variance Justified	**91.678**

The results in Table 6.25 illuminate that only one factor was extracted during the factor analysis procedure, justified by the cumulative variance of 91.678%. The factor pattern coefficients obtained stretch between 0.894 and 0.948. These results indicated that the factor pattern coefficients surpassed the recommended cut-off of 0.5, therefore, the results for the factor analysis are acceptable for Exploratory Factor Analysis (EFA). The 'scree plot' supporting the results obtained in Table 6.25 is presented in Figure 6.12.

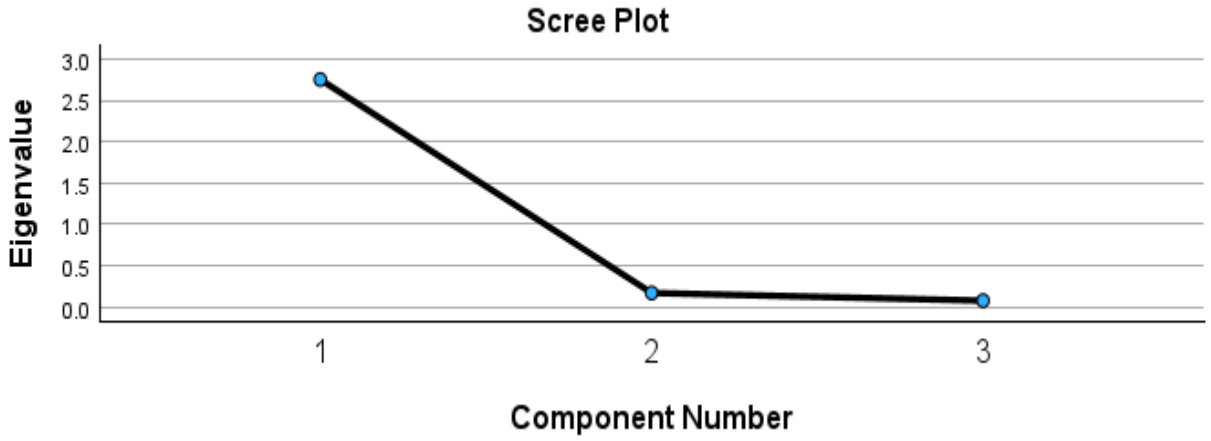


FIGURE 6.12: SCREE PLOT FOR COMPETITIVE PRESSURE
Source: Extracted from SPSS (version 30)

Figure 6.1 portrays the eigenvalue of the competitive pressure scale after discarding one scale item that was not suitable for EFA. It also shows that one factor was extracted from the scales. The scree plot curve illustrates that the eigenvalue of that factor was above the recommended threshold of 1. The eigenvalue obtained is 2.750.

6.8.10 Factor analysis for customer pressure scales

Factor analysis was conducted to determine the suitability of the customer pressure scales to be included in the Exploratory Factor Analysis (EFA). Only one factor was extracted. The results of the factor analysis procedure are presented in Table 6.26.

Table 6.26: Factor analysis for customer pressure scales

VARIABLE CODE	DESCRIPTION	FACTOR
		1

© University of Venda

CU1	Many of our customers are keen that our enterprise adopt/should adopt digital marketing.	**0.905**
CU2	Our customers demanded/would demand that we establish relationships with them using digital marketing.	**0.938**
CU3	Our relationship with our major customers suffered/would suffer if we did not adopt digital marketing.	**0.911**
CU4	Our customers considered/would consider us to be forward-thinking by adopting digital marketing.	**0.898**
Eigenvalue		**3.651**
Total Variance Justified		**91.275**
Cumulative Variance Justified		**91.275**

The results in Table 6.26 demonstrate that one factor was extracted during the factor analysis procedure. The factor loading ranged between 0.898 and 0.938. All the factor loadings exceeded the recommended threshold of 0.5, therefore, the results from the factor analysis were accepted as suitable for EFA. The results also show that the four measured customer pressure scale items contributed 91.275% toward the cumulative variance. The remaining 8.725% represented extraneous factors irrelevant to this study. The results in Table 6.26 are supported by the scree plot in Figure 6.13.

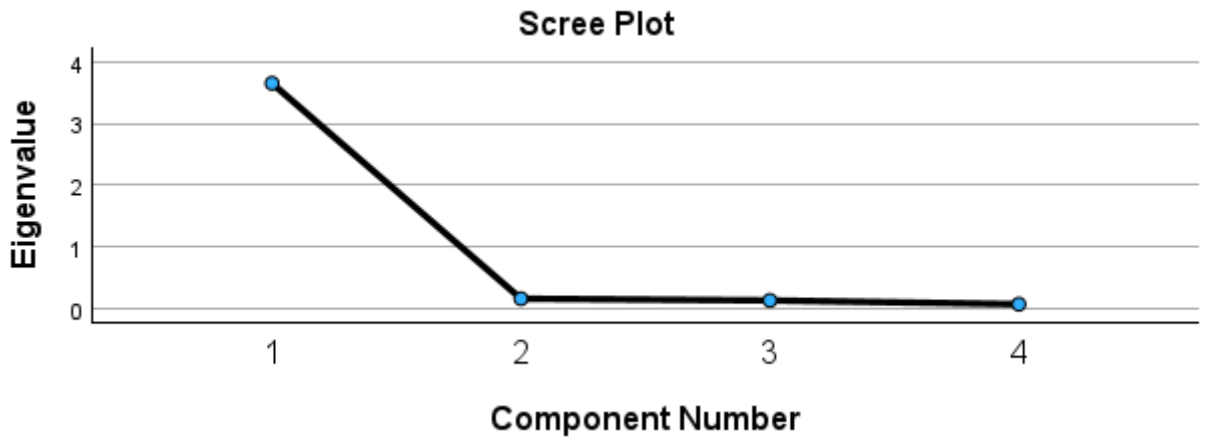


FIGURE 6.13: SCREE PLOT FOR CUSTOMER PRESSURE SCALES
Source: Extracted from SPSS (version 30)

The results illustrated in Figure 6.13 illustrate that the extracted factor had an eigenvalue greater than one, as shown by the scree plot curve. The eigenvalue obtained for the customer pressure scales is 3.651.

6.8.11 Factor analysis for support from technology vendors scales

© University of Venda

In subjecting the support from technology vendors scale items in the factor analysis, item SV1, stating 'vendors actively market the use of digital marketing' was discarded because it had a factor loading value of 0.457, below the recommended threshold of 0.5. The resultant unidimensional structure is depicted in Table 6.27**.**

Table 6.27: Factor analysis for support from technology vendors scales

VARIABLE CODE	DESCRIPTION	FACTOR 1
SV2	There is/would be adequate technical support for digital marketing provided by vendors.	0.786
SV3	Training in digital marketing is/would be adequately provided by vendors.	0.854
SV4	Digital marketing vendors encourage/are encouraging our firm to adopt digital by providing us with free training sessions.	0.695
Eigenvalue		2.335
Total Variance Justified		77.849
Cumulative Variance Justified		

The results in Table 6.27 illustrate that only one factor was extracted during the factor analysis procedure. The results also show that the resultant factor loading after extracting one factor ranged between 0.695 and 0.854. These results show that the factor loadings were accepted as suitable for the EFA since they exceeded the recommended cut-off point 0.05. In addition, the measured items contributed 77.849% toward the cumulative variance. A scree plot supporting the results in Table 6.27 is illuminated in Figure 6.14.

© University of Venda

University of Venda
Creating Future Leaders

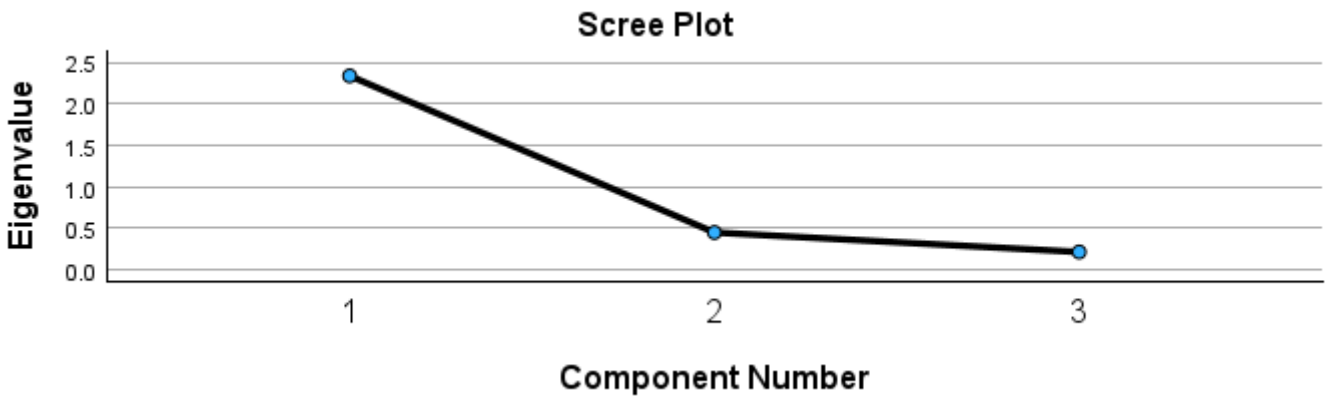


FIGURE 6.14: SCREE PLOT FOR SUPPORT FROM TECHNOLOGY VENDORS SCALES
Source: Extracted from SPSS (version 30)

Figure 6.14 indicates that only one factor was extracted since it had an eigenvalue above the recommended threshold of 1. The extracted factor is illustrated by the scree plot's curve. The eigenvalue for support from technology vendors scale was 2.335.

6.8.12 Factor analysis for attitudes towards usage

The consequential unidimensional factor structure for the attitudes toward usage scales is demonstrated in Table 6.28.

Table 6.28: Factor analysis for attitudes towards usage

VARIABLE CODE	DESCRIPTION	FACTOR 1
AA1	Using digital marketing is/would be a good idea.	0.948
AA2	Our firm has/would have a positive feeling toward digital marketing adoption.	0.974
AA3	The idea of adopting digital marketing is/would be an appealing idea for our firm.	0.966
AA4	Using digital marketing is/would be worthwhile.	0.919
Eigenvalue		**3.807**
Total Variance Justified		**95.163**
Cumulative Variance Justified		**95.163**

Table 6.28 shows that only one factor was extracted through the factor analysis process in determining the appropriateness of the attitudes towards usage (AA) scales for Exploratory Factor

© University of Venda

Analysis (EFA). The results show that the factor pattern coefficients or loadings ranged between 0.919 and 0.974. These results show that the results obtained through factor analysis were acceptable for the EFA. The results in Table 6.28 also show that the measured scales contributed 95.163% toward the cumulative variance. The remaining 4.837% is explained by extraneous factors irrelevant to this study. A scree plot supporting the results in Table 6.28 is illuminated in Figure 6.15.

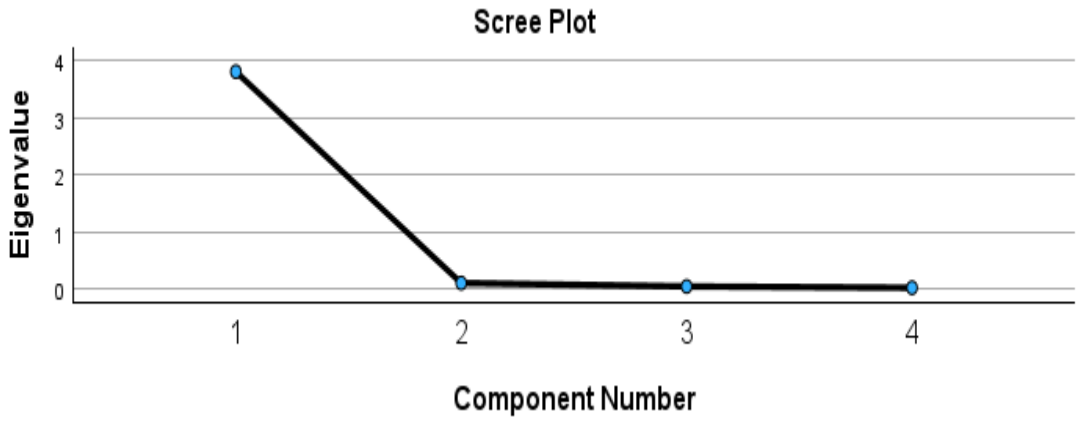


FIGURE 6.15: SCREE PLOT FOR ATTITUDES TOWARDS USAGE
Source: Extracted from SPSS (version 30)

As illustrated in Figure 6.15, the factor analysis procedure yielded a single factor with an eigenvalue exceeding 1, indicating that only one underlying factor was extracted. The eigenvalue for attitudes towards usage was 3.807.

6.8.13 Factor analysis for adoption scales

The factor analysis was conducted to evaluate the suitability of the adoption scales for EFA. Only one factor was extracted during the process. The resultant unidimensional factor structure for the adoption scales is displayed in Table 6.29.

Table 6.29: Factor analysis for adoption scales

VARIABLE CODE	DESCRIPTION	FACTOR 1
AM1	Our enterprise makes use of digital marketing very often.	0.954
AM2	Our enterprise always makes use of digital marketing for our marketing activities.	0.961
AM3	Our enterprises use mobile marketing for most of their marketing activities.	0.816
Eigenvalue		**2.731**
Total Variance Justified		**91.047**

© University of Venda

Cumulative Variance Justified	91.497

According to Table 6.29, only one factor was extracted during the factor analysis procedure. The results show that the factor pattern coefficients ranged between 0.816 and 0.961. The factor pattern coefficients surpassed the recommended threshold of 0.5, therefore, the results were accepted as suitable for EFA. The results also indicate that the measured scale items contributed 91.497% toward the cumulative variance. The remaining 8.503% is justified by extraneous factors irrelevant to this study. The scree plot supporting the findings in Table 6.29 is illustrated in Figure 6.16.

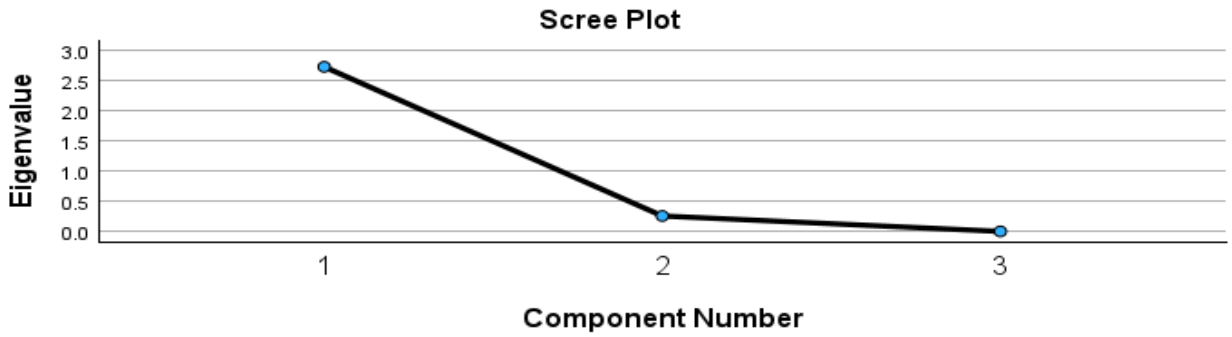


FIGURE 6.16: SCREE PLOT FOR ADOPTION SCALES
Source: Extracted from SPSS (version 30)

Figure 6.16 illustrates that only one factor was extracted through the factor analysis process, exceeding the recommended cut-off point of 1. The Eigenvalue obtained for the adoption scales is 2.731.

6.8.14 Factor analysis for behavioral intention scales

The consequential unidimensional factor structure for behavioral intention scales is illustrated in Table 6.30.

Table 6.30: Factor analysis structure for behavioral intention scales

VARIABLE CODE	DESCRIPTION	FACTOR 1
BI1	Our firm intends to continue/start using mobile marketing.	0.707
BI2	Our firm intends to continue/start using digital marketing in the future.	0.895
BI3	Our firm highly recommends/would recommend the adoption of digital marketing to other firms,	0.778
Eigenvalue		**2.379**

© University of Venda

Total Variance Justified	**79.308**
Cumulative Variance Justified	**79.308**

The results in Table 6.30 illustrate that only one factor was extracted through the factor analysis. The factor pattern coefficients for the behavioral intention scales ranged between 0.707 and 0.895. These results show that the results surpassed the recommended threshold of 0.5, therefore, the results were accepted as suitable for EFA. The three measured scale items contributed 79.308% towards the cumulative variance. The scree plot supporting the discussed results is presented in Figure 6.17.

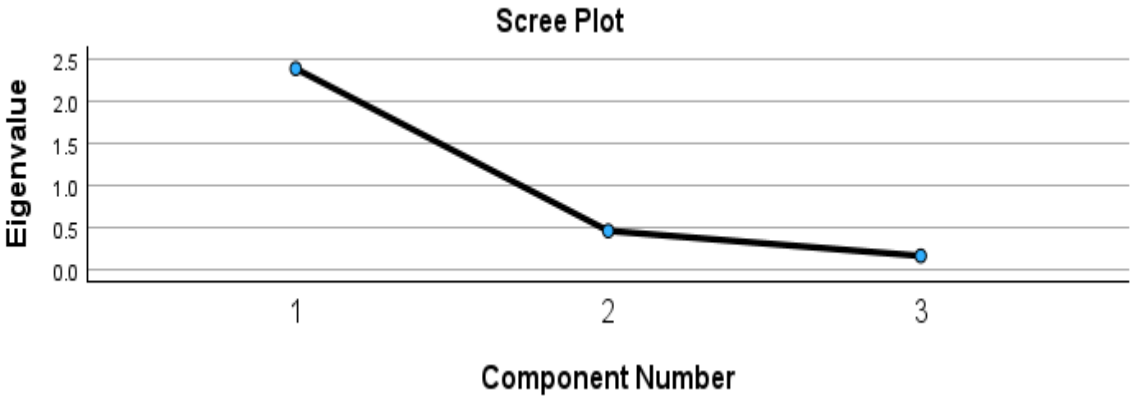


FIGURE 6.17: SCREE PLOT FOR BEHAVIORAL INTENTION SCALES
Source: Extracted from SPSS (version 30)

Figure 6.17 illustrates that only one factor was extracted through factor analysis after exceeding the recommended cut-off point of the eigenvalue of 1. The total eigenvalue for the behavioral intention scares is 2.379.

6.8.15 Synopsis of the findings of the factor analysis

A synopsis of the findings obtained after the purification process conducted through factor analysis is presented in Table 6.31. The reliability of scales was measured using Cronbach's alpha. According to SPSS Analysis (2025), a recommended Cronbach's alpha value is generally considered to be approximately 0.7 or higher to indicate acceptable internal consistency in a scale, with values above 0.8 considered better and values above 0.9 considered excellent.

Table 6.31: Synopsis of factor analysis data purification process

Scale	Items Discarded	Reliability after discarded item	Scale in factor analysis
Relative advantage	None	0.985	Unidimensional
Compatibility	None	0.981	Unidimensional

© University of Venda

Complexity	None	0.985	Unidimensional
Cost	None	0.969	Unidimensional
Top management support	None	0.991	Unidimensional
Financial resources	None	0.777	Unidimensional
Employee capability	None	0.987	Unidimensional
Size of enterprise	None	0.978	Unidimensional
Competitive pressure	CP1	0.954	Unidimensional
Customer pressure	None	0.968	Unidimensional
Support from technology vendors	SV1	0.854	Unidimensional
Attitudes towards usage	None	0.982	Unidimensional
Adoption	None	0.950	Unidimensional
Behavioral intention	None	0.869	Unidimensional

The results in Table 6.31 illustrate that all 14 measurement scales were unidimensional. According to Table 6.31, the measured scale's reliability Cronbach's alpha ranged between 0.777 and 0.991, therefore, the measurement scales had acceptable reliabilities, since they surpassed the recommended Cronbach's alpha minimum lower limit of 0.07. The next section discusses the tests for the normality of data.

6.9 TESTS FOR THE NORMALITY OF DATA

Hatem, Zeidan, Goossens, and Moreira (2022) point out that various methods can be used to test for normality, nevertheless, skewness and kurtosis tests remain the best tests to assess the comparability of a given distribution from a normal distribution, therefore, skewness and kurtosis were employed in this study to evaluate data distribution. Hair et al. (2022) argue that the skewness values should range between -2 and +2 to assume the normality of data. Hair et al. (2022) further posit that skewness values between -1 and +1 are excellent, while -2 to +2 are generally acceptable. Tuychiev (2023) suggests that to assume a normal distribution under the kurtosis test, the kurtosis values should range between -3 and +3. The values of the skewness and kurtosis tests are illuminated in Table 6.32.

Table 6.32: Skewness and Kurtosis Values of Variables

			SKEWNESS			KURTOSIS		
Item Code	**Valid Cases**	**Missing Cases**	**Sig.**	**Statistic**	**Std. Error of Skewness**	**Sig.**	**Statistic**	**Std. Error of Kurtosis**
RA	310	0.000	0.001	-.223	.138	0.001	-.886	.276
CO	310	0.000	0.001	-.067	.138	0.001	-1.637	.276

© University of Venda

CX	310	0.000	0.001	.164	.138	0.001	-1.624	.276
CT	310	0.000	0.001	-.610	.138	0.001	-.971	.276
TM	310	0.000	0.001	-.621	.138	0.001	-.396	.276
FR	310	0.000	0.001	1.449	.138	0.001	4.089	.276
EC	310	0.000	0.001	-.498	.138	0.001	-.883	.276
ES	310	0.000	0.001	.735	.138	0.001	-.201	.276
CP	310	0.000	0.001	-.713	.138	0.001	-.915	.276
CU	310	0.000	0.001	-.586	.138	0.001	-.415	.276
SV	310	0.000	0.001	1.161	.138	0.001	2.254	.276
AA	310	0.000	0.001	-.525	.138	0.001	-.479	.276
AM	310	0.000	0.001	0.534	.138	0.001	-1.361	.276
BI	310	0.000	0.001	-.526	.138	0.001	-.315	.276

RA= relative advantage; CO= compatibility; CX= complexity; CT= cost; TM= top management support; FR= financial resources; EC= employee capability; ES= size of enterprise; CP= competitive pressure; CU= customer pressure; SV= support from technology vendors; AA= attitudes towards usage; AM= usage; AM= adoption; BH= behavioral intention

According to Table 7.32, the skewness values ranged from -.713 to +1.161. These values fall within the recommended skewness values of between -2 and +2. Hair et al. (2022) suggest that the skewness values range, between -2 and +2 is acceptable, therefore, based on the skewness values recommended threshold of -2 to +2, the skewness values obtained in this study are deemed ‘acceptable’. The kurtosis values obtained ranged between -1.637 and +4.089. One of the kurtosis values exceeded the recommended threshold of +3, however, depending on the nature of the question, this scale was not discarded. One of the scales involving the kurtosis that exceeded the recommended threshold focused on financial resources. The major challenge impeding the growth of SMEs in South Africa is a lack of adequate financial resources. Msomi and Olarewaju (2021) state that ‘accessing sources of financing, such as banks, stock markets, or other credit providers, is more challenging for SMEs in South Africa. Based on these facts, both the skewness and the kurtosis tests were acceptable as reliable.

6.10 INFERENTIAL STATISTICS

Kebalepile and Chakane (2022) define inferential statistics as a branch of statistics employed in scientific research to draw conclusions and make decisions about a population based on samples, often through hypothesis testing. Therefore, this section discusses inferential statistics related to the testing of ‘hypotheses’ relevant to this study. Cheung et al. (2022) suggest that a Confirmatory Factor Analysis (CFA) should be conducted first, before conducting hypotheses testing in the

© University of Venda

Structural Equation Modeling (SEM), therefore, the subsequent section presents the Confirmatory Factor Analysis (CFA).

6.10.1 Confirmatory Factor Analysis (CFA)

According to SPSS Analysis (2025), confirmatory factor analysis (CFA) is a statistical technique used to test the hypothesis that a relationship exists between observed variables and their underlying latent constructs. Roos and Bauldry (2024) point out that confirmatory factor analysis (CFA) mainly focuses on examining and testing the relationship between "latent variables" (unobservable constructs) and "observed variables" based on a pre-specified theoretical model. Confirmatory factor analysis is one of the essential initial steps in running most SEM models (Meyer, 2020). Statistics Solutions (2025) suggests that CFA should be performed before hypothesis testing because CFA establishes the underlying factor structure of the collected data, which is essential to formulate precise hypotheses about those factors before testing them statistically, therefore, this section presents the CFA results obtained in this study. The CFA was also employed to test for validity, reliability, and the overall fit of the measurement model. Additionally, this section presents the CFA model (Figure 6.18) extracted from AMOS statistical software (version 26), which shows the relationship that each latent (unobserved) variable has with the observed variables.

© University of Venda

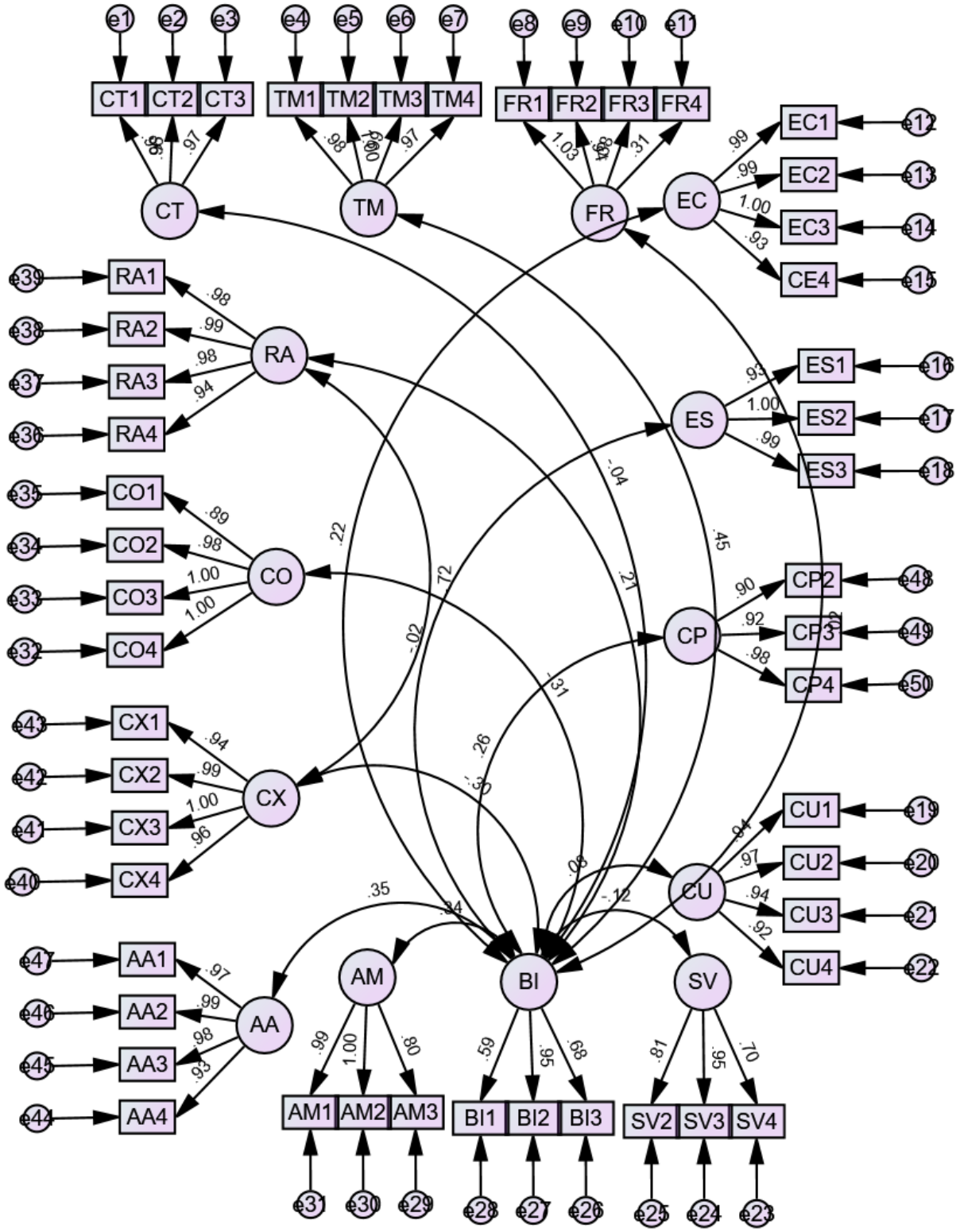


FIGURE 6.18: CONFIRMATORY FACTOR ANALYSIS MODEL

Source: Extracted for Amos (Version 26)

Figure 6.18 illustrates the CFA path diagram extracted from the AMOS graphics software (version 26). The diagram specifies the paths that make up the diagram. These paths are the consistent regression weights between the distinct latent (unobserved) constructs. The diagram provides a

© University of Venda

visual representation of the relationships between the latent variables, allowing for a clearer understanding of the underlying structure of the data. Additionally, the CFA path diagram is a crucial tool for evaluating the validity and reliability of the measurement model, as it enables the assessment of the strength and direction of the relationships between the latent constructs. Furthermore, examining the paths in the diagram enabled the researcher to identify issues with the model, such as multicollinearity and poor fit, and make necessary adjustments to improve the quality of the model. Spendelow (2025) states that factor loadings are critical in confirmatory factor analysis (CFA) as they directly represent the strength of the relationship between observed variables and their corresponding latent variables. Frost (2024) argues that Cronbach's alpha is a measure of internal consistency that shows how closely related a set of items is as a group. Table 6.33 displays the Cronbach and factor loading values obtained in this study.

Table 6.33: Consistency and Accuracy Statistics

Research Variables		Cronbach's Test α Value	Guttman's split-half coefficient	Factor Loading
RA	RA1	0.985	0.988	0.968
	RA2			0.971
	RA3			0.962
	RA4			0.925
CO	CO1	0.981	0.982	0.863
	CO2			0.959
	CO3			0.982
	CO4			0.980
CX	CX1	0.985	0.986	0.921
	CX2			0.978
	CX3			0.989
	CX4			0.943
CT	CT1	0.969	0.859	0.940
	CT2			0.950
	CT3			0.952
TM	TM1	0.991	0.986	0.966
	TM2			0.988
	TM3			0.984
	TM4			0.962
FR	FR1	0.777	0.377	0.983
	FR2			0.987
	FR3			0.913

© University of Venda

	FR4			0.926
EC	**EC1**	0.987	0.988	0.982
	EC2			0.976
	EC3			0.983
	EC4			0.916
ES	**ES1**	0.978	0.865	0.933
	ES2			0.978
	ES3			0.971
CP		0.854	0.851	
	CP2			0.894
	CP3			0.908
	CP4			0.948
CU	**CU1**	0.968	0.959	0.905
	CU2			0.938
	CU3			0.911
	CU4			0.898
SV	**SV1**	0.823	0.789	
	SV2			0.786
	SV3			0.854
	SV4			0.695
AA	**AA1**	0.982	0.979	0.948
	AA2			0.974
	AA3			0.966
	AA4			0.919
AM	**AM1**	0.950	0.727	0.954
	AM2			0.961
	AM3			0.816
BI	**BI1**	0.869	0.770	0.707
	BI2			0.895
	BI3			0.778

RA= relative advantage; CO= compatibility; CX= complexity; CT= cost; TM= top management support; FR= financial resources; EC= employee capability; ES= size of enterprise; CP= competitive pressure; CU= customer pressure; SV= support from technology vendors; AA= attitudes towards usage; AM= Adoption; BI= behavioral intention.

© University of Venda

Teflpedia (2024) suggests that when measuring relationships between scale items, a Cronbach's alpha value commonly recommended as acceptable is around 0.7 or higher; this indicates good internal consistency and reliability among the scale items, making it appropriate for analyzing relationships between them. Cronbach's alpha values obtained in this study range between 0.777 and 0.991, therefore, all the measured scales had internal consistency since they all attained Cronbach's alpha values above 0.7. As a rule of thumb, factor loading should have a minimum value of 0.4 (Rahn, 2025). Table 6.33 indicates that the factor loadings obtained in this study ranged between 0.863 and 0.988, hence, these results indicate internal consistency within the measured latent (unobserved) variables.

6.10.2 Reliability Analysis

Cherry (2023) points out that reliability signifies the consistency and dependability of a measurement instrument or questionnaire in generating precise and consistent results over time. Sonwalkar (2024) stresses that reliability analysis is a fundamental aspect of research methodology as it validates the consistency and dependability of scales and measurements across different periods. Numerous statistical techniques can be employed to establish the reliability of a measurement instrument, including Cronbach's alpha, Guttman's split-half coefficient, and item-to-total correlation (Izah, Ligeiaziba, and Hait, 2024). Izah et al. (2024) maintain that Cronbach's alpha, Guttman's split-half coefficient, and item-to-total correlation are frequently used to measure internal consistency reliability in research methodology. This study employed the three recommended approaches to assess the reliability of the questionnaire, the measurement instrument.

6.10.2.1 Cronbach's Alpha Test

Izah et al. (2024) state that Cronbach's Alpha is a frequently used measure of internal consistency that weighs the degree of interrelatedness among items in a scale or questionnaire. According to Frost (2023), Cronbach's alpha is a statistical measure that assesses the reliability and internal consistency of a set of items, such as those found in a questionnaire or survey. The coefficient ranges from 0 to 1, with values closer to 1 indicating higher reliability (SPSS Analysis, 2025). SPSS Analysis (2025) notes that Cronbach's Alpha value of 0.7 or above is deemed acceptable, while values above 0.8 indicate good reliability, and values above 0.9 suggest excellent internal consistency. The results in Table 6.33 indicate that the Cronbach's Alpha values obtained ranged between 0.777 and 0.991, therefore, the Cronbach's alpha values obtained in this study suit the conditions of reliability suggested by SPSS Analysis (2025).

6.10.2.2 Composite Reliability Test Results

In this study, the composite reliability of the scales was measured using Guttman's split-half coefficient. According to Savage (2017), split-half reliability is a measure of consistency whereby

© University of Venda

a set of items that make up a measure is split into two during the data analysis stage to compare the scores for each half of the measure against each other. The recommended cut-off for the Guttman's split-half coefficient is 0.7 (Zmienione, 2022). The results in Table 6.33 reveal that Guttman's split-half coefficient values obtained ranged from 0.377 to 0.988. Remarkably, all the scales, except the financial resources (FR) scale, exceeded the acceptable threshold, indicating satisfactory internal consistency. The FR scale, however, fell short of the threshold, likely because SMEs often face challenges in securing adequate financial resources, leading to a more nuanced and potentially less reliable measurement of this variable. Nevertheless, despite its lower split-half coefficient, the FR scale was retained as it met the criteria for Cronbach's alpha, suggesting that it still possessed a reasonable level of internal consistency and was, therefore, deemed acceptable for inclusion in the study.

6.10.2.3 Item-to-total correlation

According to Raharjanti et al. (2022), item-to-total correlation is a statistical measurement of the relationship between a question score and a total test score. Tavakol (2020) suggests that item-to-total correlation can be measured using factor loadings. Tavakol (2020) also notes that factor loading is the correlation between the item and the factor; a factor loading of more than 0.30 usually indicates a moderate correlation between the item and the factor. The results obtained in Table 6.33 indicate that the factor loadings obtained ranged between 0.707 and 0.989. These results show that all factor loadings met the recommended minimum criteria (0.3) of item-to-total correlation, hence, the results reveal that all the measurement scales attained reliable internal consistency. The Indeed Editorial Team (2025) argues that reliability and validity analysis are two important aspects of research methodology employed by researchers to improve the quality of a study. Section 6.10.3 presents the validity analysis results.

6.10.3 Validity Analysis Results

Karnia (2024) suggests that researchers should conduct a validity analysis for every study to ensure that the data can be trustworthy based on statistical evidence to support their conclusions. According to Karnia (2024), validity is the extent to which a test will measure what it is said to test, which can be established by looking at and measuring face, content, criterion-related, convergent, and construct validity. This study adopted face, content, and convergent validity approaches.

6.10.3.1 Face Validity

Face validity is the initial step in ensuring the general validity of a test or technique (Bhandari, 2022). Face validity in research refers to how well a test or measurement tool appears to measure the concept it is intended to measure based on a subjective judgment of whether it "looks like" it is accurately assessing the intended construct without requiring complex statistical analysis (Bhandari, 2022). Dovetail Editorial Team (2023) suggests that researchers should conduct face

© University of Venda

validity by asking experts or potential participants to review their measurement tools (like questionnaires or tests). In this study, the researcher conducted face validity by consulting a panel of Lecturers from the Department of Business Management at the University of Venda. In addition, the study promoters reviewed the questionnaire before the data collection. Several comments were made about the questionnaire structure, wording, grammatical errors, and length of the questionnaire. These comments mentioned were attended to before conducting the actual data collection.

6.10.3.2 Content Validity

Content validity is one of the key aspects of research methodology (Merkus, 2024). According to Merkus (2024), content validity refers to the extent to which a test or instrument accurately represents all aspects of the theoretical concept it aims to measure; it is the degree to which a test or assessment instrument evaluates all aspects of the topic, construct, or behavior that it is designed to measure. (Frost, 2025). Content validity is essential in research as it ensures that a measurement tool such as a questionnaire accurately captures all relevant aspects of the construct it is designed to measure, thereby, providing reliable and meaningful results, enhancing the credibility of the research findings, and minimizing bias by ensuring that the instrument covers the full spectrum of the concept being studied (Nikolopoulou, 2023). Thompson (2023) suggests that content validity can be performed through a pilot test. The researcher conducted a pilot test with 40 potential SME research participants in the Tshwane Metropolitan Municipality in the Gauteng Province. The completed questionnaires were critically analyzed to check whether respondents faced any challenges in completing the questionnaire, however, the respondents completed the questionnaire without any difficulties. The data collected during the pilot test was subjected to a reliability test using SPSS version 30. Notably, all scales accomplished Cronbach's alpha higher than the recommended minimum value of 0.7, therefore, no questions or statements on the questionnaire were eliminated during the final survey.

6.10.3.3 Construct Validity

Bhandari (2022) defines construct validity as how well a test measures the concept it was designed to evaluate. Construct validity is essential in academic research because it confirms that a measurement tool (questionnaire) precisely captures the intended hypothetical concept that it is designed to measure, thereby, evading inaccurate interpretations and conclusions by confirming that the test is evaluating what it claims to be measuring (Frost, 2025). There are two subcategories of construct validity - convergent and discriminant validity (Frost, 2025). The mentioned concepts work together to assess whether the measure corresponds with other attributes in the study.

© University of Venda

6.10.3.4 Convergent Reliability

Discovery (2025) points out that convergent reliability is one of the key aspects of content validity. According to Bhandari (2022), convergent reliability refers to how closely a test is related to other tests that measure the same or similar constructs. Lim (2024) states that convergent validity assesses the degree to which multiple indicators that are theoretically related to the same construct indeed converge or correlate highly with one another. Bhattacherjee (2021) notes that convergent validity can be assessed using factor loadings, therefore, the factor loadings derived from the factor analysis were employed in this study. The factor loadings (see Table 6.33) obtained in this study ranged between 0.707 and 0.988. Bhattacherjee (2021) states that for adequate convergent validity, it is expected that items belonging to a common construct should exhibit factor loadings of 0.60 or higher on a single factor (same-factor loadings). All the factor loadings derived in this study surpassed the recommended minimum threshold, suggesting that all the items satisfied all the requirements of convergent validity.

6.10.3.5 Discriminant Validity

Discriminant validity refers to the extent to which a test is unrelated to other tests that measure different constructs (Nikolopoulou, 2022). Discriminant validity can be assessed using inter-item correlations (Piedmont, 2014). This study employed inter-item correlations to assess discriminant validity. Clark and Watson (1995) recommend that the average inter-item correlation should fall within the range of 0.15 to 0.50. Figure 6.19 presents a summary of the inter-item correlations

Figure 6.19 presents the results of inter-item correlation testing for fourteen constructs items in the questionnaire. The analysis yielded a mean inter-item correlation of .264, which falls within the recommended range of 0.15 to 0.50 suggested by Clark and Watson (1995). As the obtained mean is within this acceptable range, the inter-item correlation is deemed satisfactory, indicating that the items are adequately related to one another. This finding supports the validity of the questionnaire, suggesting that the items are measuring related constructs.

© University of Venda

Inter-Item Correlation Matrix

	RA	CO	CX	CT	TM	FR	EC	ES	CP	CU	SV	AA	AM	BI
RA	1.000	.701	-.717	-.641	.730	.651	.632	.456	.651	.522	.497	.775	.717	.723
CO	.701	1.000	-.876	-.802	.646	.749	.730	.573	.550	.519	.535	.689	.805	.665
CX	-.717	-.876	1.000	.770	-.675	-.716	-.750	-.576	-.476	-.498	-.501	-.676	-.807	-.724
CT	-.641	-.802	.770	1.000	-.629	-.760	-.690	-.556	-.447	-.468	-.407	-.652	-.838	-.660
TM	.730	.646	-.675	-.629	1.000	.504	.650	.496	.672	.544	.484	.863	.655	.838
FR	.651	.749	-.716	-.760	.504	1.000	.659	.556	.426	.467	.508	.594	.771	.575
EC	.632	.730	-.750	-.690	.650	.659	1.000	.550	.520	.470	.396	.714	.649	.693
ES	.456	.573	-.576	-.556	.496	.556	.550	1.000	.313	.378	.312	.472	.610	.493
CP	.651	.550	-.476	-.447	.672	.426	.520	.313	1.000	.437	.363	.714	.443	.672
CU	.522	.519	-.498	-.468	.544	.467	.470	.378	.437	1.000	.411	.592	.471	.547
SV	.497	.535	-.501	-.407	.484	.508	.396	.312	.363	.411	1.000	.626	.457	.444
AA	.775	.689	-.676	-.652	.863	.594	.714	.472	.714	.592	.626	1.000	.675	.825
AM	.717	.805	-.807	-.838	.655	.771	.649	.610	.443	.471	.457	.675	1.000	.748
BI	.723	.665	-.724	-.660	.838	.575	.693	.493	.672	.547	.444	.825	.748	1.000

Summary Item Statistics

	Mean	Minimum	Maximum	Range	Maximum / Minimum	Variance	N of Items
Inter-Item Correlations	.264	-.876	.863	1.739	-.985	.316	14

FIGURE 6.19 INTER-ITEM CORRELATION MATRIX

Source: Extracted from SPSS (Version 30)

© University of Venda

6.11 MODEL FIT ANALYSIS

According to Peugh and Feldon (2020), “model fit” refers to the methodological process by which internal validity, external validity, adequacy, and efficacy of the structural equation model (SEM) are determined. In Structural Equation Modeling (SEM), model fit is evaluated using numerous indices, or "fit indices," which determine how well the proposed theoretical model aligns with the observed data (Goretzko, Siemund, and Sterner, 2023). Bedi and Bhale (2023) note that indicators, such as - Chi-square value over degrees of freedom (χ2/df); Goodness-of-fit Index (GFI); Comparative Fit Index (CFI); Incremental Fit Index; Tucker-Lewis Index (TLI); the Normed Fit Index (NFI); Relative Fit Index (RIF); Root mean square residual (RMR); and Root Mean Square Error of Approximation (RMSEA) - are frequently employed to measure the adequacy of the model fit. The recommended indicators were also employed in this study. Table 6.34 displays the results of the model fit measurement.

Table 6.35: Model fit results for confirmatory factor analysis

Model Fit Indicators	Recommended Threshold	Results obtained
RMSEA	RMSEA value <0.08	.038
CFI	CFI>.90	.936
IFI	IFI>.90	.903
TLI	TLI > .90	.968

The results in Table 6.35 reveal that four indicators were employed to assess the model fit in this study. The first indicator is the Root Mean Square Error of Approximation (RMSEA). Dash and Paul (2021) note that the recommend threshold for RMSEA is less than 0.08. The RMSEA value obtained in this study is .038, which is less than the recommended threshold suggested by Dash and Paul (2021), therefore, the indices were accepted as they represent the goodness fit of the model. The second indicator is the Comparative Fit Index (CFI). Schumaker and Lomax (2010) suggested a benchmark of .90 for CFI indices. Table 6.35 indicates that the CFI indices value obtained is .936, which is greater than the .90 stipulated as the benchmark, therefore, the indices were accepted. The third indicator is the Incremental Fit Index (IFI) which Bollen (1989) points out should be a value greater than .90 which indicates a good fit. In this study, an IFI index of .903 was obtained. Based on the proposition by Bollen (1989), the index was accepted as a good fit. The fourth indicator is the Tucker-Lewis Index (TLI). Hu and Bentler (1999) suggest that the cut-off point of the Tucker-Lewis Index is .090, and anything above .090 indicates a good model fit to the data. The TLI obtained in this study is .968, therefore, accepted as a good fit to the data. These results complement the SEM results and show similar outcomes, which confirms that both sets of results are useful. Results for the path analysis are presented in the structural model in Figure 6.19.

© University of Venda

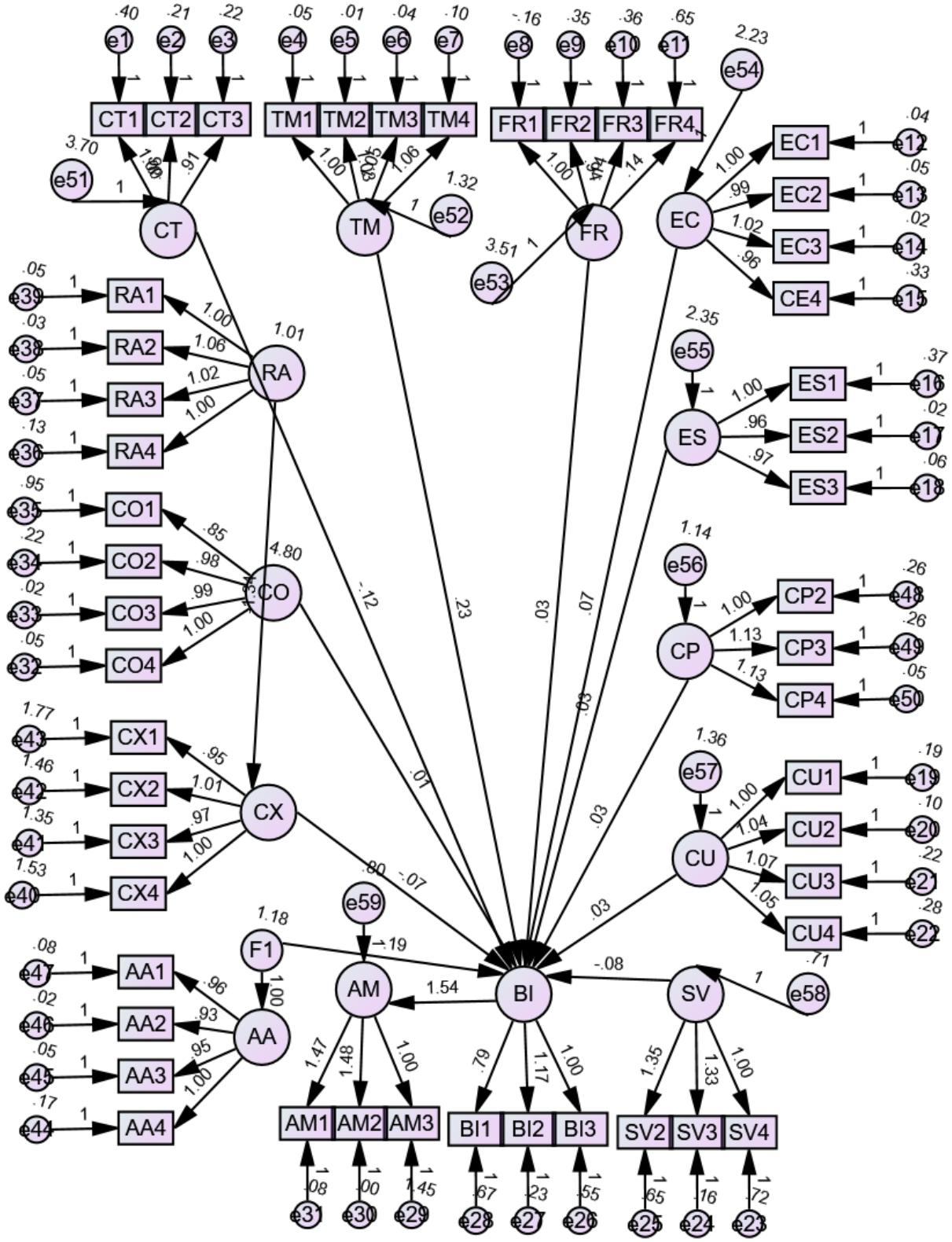


FIGURE 6.19: STRUCTURAL PATH MODEL

© University of Venda

The structural path model in Figure 6.19 shows the latent variables (CT, TM, FR, EC, ES, CP, CU, RA, CO, SV, AA, CX, CU), their allied observed variables, and error terms. The unidirectional arrows between the latent constructs are the structural paths that were tested in this study, and the figures attached are the path coefficients; for example, the path coefficient between AA and BI is .190.

6.12 PATH ANALYSIS

Path analysis is a method used in social sciences to examine and understand the relationships between variables within a hypothesized model. It allows researchers to identify the direct and indirect causal linkages among variables, as well as break down correlations into causal and non-causal components. In this study, path analysis was used to test the hypotheses and establish their validation or non-validation based on the results obtained from SEM. The results from path analysis are displayed in Table 6.36

Table 6.36 Findings of Structural Equation Modelling

Structural Paths			Hyp	Path Coefficient	Significance (p)
Behavioral int	<---	Perceived usefulness	H1	.110	***
Behavioral int	<---	Perceived ease of use	H2	.099	***
Perceived ease of use	<---	Perceived usefulness	H3	.348	***
Behavioral int	<---	Perceived Beh Cntrl	H4	.087	***
Behavioral int	<---	Compatibility	H5	-.017	.065
Behavioral int	<---	Cost	H6	-.185	***
Behavioral int	<---	Firm size	H7	.048	***
Behavioral int	<---	Employee capability	H8	-.113	***
Behavioral int	<---	Top management Sup	H9	.095	***
Behavioral int	<---	Financial resources	H10	.033	***
Behavioral int	<---	Competitive Pressure	H11	-.034	.010
Behavioral int	<---	DM Adoption	H12	.233	***
Perceived Value	<---	Behav Int & Adoption	H13	-.058	.016

6.12.1 Interpretation of Results

This section presents the results of the hypotheses testing obtained in structural equation modelling (SEM). In a Structural Equation Modeling (SEM) study, the "two key criteria" employed to validate and confirm hypotheses are structural path coefficients (representing the strength of the relationship between variables) and p-values (indicating the statistical significance of those relationships) (Dash and Paul, 2021). This study adopted the two mentioned criteria. The first

© University of Venda

criterion is the structural coefficient. Hair et al. (2021) point out that path coefficients should fall between −1 and +1 to be considered significant, thus, path coefficients can be either positive or negative. The second spectrum is the p-values. In SEM, the p-values are also denoted by asterisks (*). The p-values with at least three stars (***) signify p-values less than 0.001, two stars (**) signify p-values less than 0.05, and one star (*) represents a p-value less than 0.1. Kock (2016) suggests that p-values less than 0.05 indicate support for the hypothesis.

6.12.1 Hypothesis H1: Perceived usefulness has a significant positive relationship with the behavioral intention to use digital marketing.

The results in Table 6.36 indicate perceived usefulness has a significant strong relationship with behavioral intention to use digital marketing. This is revealed by a positive path coefficient (β= .110; p< 0.001), and the p-value is less than 0.005, suggesting that a strong positive relationship exists between perceived usefulness and behavioral intention to adopt digital marketing. Hypothesis H1 was supported and significantly positive. The results also show that if perceived usefulness is improved, behavioral intention to use digital marketing's margin increases by 48%. Nadka (2023) argues that perceptions of non-usefulness are the key challenges impeding the adoption of digital technologies among SMEs in South Africa. The results obtained in this study indicate that if perceived usefulness is improved, the behavioral intention to use digital marketing will also increase among SMEs in the Tshwane Metropolitan Municipality. Korff (2021) maintains that most South African SMEs fail to adopt digital marketing strategies due to inadequate financial resources and a lack of awareness about its possible benefits, making it problematic for SMEs to implement effective digital marketing approaches. Challenges such as limited financial resources and a lack of awareness of the key benefits of digital marketing, demotivate SMEs, despite this, they can make use of organizations such as the Small Enterprise Development Agency (SEDA). SEDA in South Africa mainly supports SMEs in digital marketing through offering training programs that equip them with the essential skills to efficiently exploit online platforms for promoting their businesses, including website development, social media management, search engine optimization (SEO), and online advertising, while also offering access to business information and mentorship to guide their digital marketing strategies (SME South Africa, 2022). The results obtained in this study are consistent with the findings of a survey conducted by Putri et al. (2023), who conducted a similar study and found that perceived usefulness has a positive relationship with behavioral intention toward E-commerce adoption in SMEs using the Technology Acceptance Model.

© University of Venda

6.12.2 Hypothesis H2: Perceived ease of use of digital marketing has a significant positive relationship with behavioral intention to use digital marketing.

The results in Table 6.36 denote that perceived ease of use of digital marketing has a significant positive relationship with behavioral intention to use digital marketing. This is revealed by the structural path coefficient (β= .099), p-value < 0.001). The p-value is less than 0.005, signifying a strong positive correlation between perceived ease of use and behavioral intention to use digital marketing, therefore, H2 is significant, positive, and accepted. The results also show that SMEs in the Tshwane Metropolitan Municipality can adopt digital if they perceive it as being easy to use and user-friendly. Hossain et al. (2023) posit that 'perceived ease of use" is reflected as one of the critical factors inducing a person's behavioral intention to embrace digital marketing strategies, as it directly impacts how readily someone believes he/she can exploit and navigate the technology, eventually affecting his/her preparedness to adopt it. Extant research shows that many SMEs in South Africa perceive digital marketing as challenging because of factors such as limited technical knowledge, financial constraints, rapid technological changes, and a lack of skilled personnel to implement digital marketing strategies effectively (Mbatha et al., 2024). There are various methods which can be employed to improve the perception of 'ease of use' of digital marketing among South African SMEs, including - offering accessible and custom-made training programs, streamlining multifaceted digital marketing techniques, localized support, leveraging readily available digital platforms, stressing success stories from similar businesses in other countries, and encouraging a culture of continuous learning and adaptation to evolving digital technologies, as well as tackling possible obstacles like inadequate digital literacy and access to dependable internet connectivity. In addition, government agencies, such as - the Small Enterprise Finance Agency (SEFA), Small Enterprise Development Agency (SEDA), and Department of Small Business Development - should conduct feasibility studies on challenges affecting the adoption of digital technologies among SMEs and provide recommendations and alternative financing. The results obtained in this study are consistent with the findings obtained by Ilyas (2023), showing that ease of use directly influences behavioral intention to adopt digital technologies among entrepreneurs.

6.12.3 Hypothesis H3: Perceived ease of use of digital marketing has a significant positive relationship with the perceived usefulness of digital marketing.

The results of the significance of the relationship between perceived ease of use and perceived use of digital marketing are displayed in Table 6.36. The results indicate a significant positive relationship between the two variables. According to the results in Table 6.36 there is statistically significant positive relationship between perceived ease of use and perceived usefulness of using digital marketing is denoted by structural path coefficient (β= .348; p-value < 0.001), therefore, H3 is supported and accepted. Sharabati et al. (2024) claim that "perceived ease of use" and

© University of Venda

"perceived usefulness" are considered crucial aspects that significantly influence the adoption of digital marketing strategies among Small and Medium Enterprises (SMEs), as they directly impact how likely an SME owners are to exploit digital marketing tools based on their understanding of how easy and beneficial the tools will be to their business operations; essentially, if an SME owners perceive a digital marketing tool as simple to use and likely to provide valuable results, they are more likely to adopt it. To enhance the perception of ease of use and usefulness of digital marketing among SMEs, effort should be driven towards offering affordable and tailored training, indicating concrete benefits through case studies, streamlining platform interfaces, providing dedicated support, and actively tackling concerns related to technical complexity; essentially, making digital marketing tools user-friendly and communicating their value proposition to small businesses. The results obtained in this study align with the findings obtained by Suroso and Rafinda (2021), who found that the perceived ease of use of digital marketing has a significant positive relationship with the perceived usefulness of digital marketing among SMEs.

6.12.4 Hypothesis H4: Perceived behavior control has a significant positive impact on the behavioral intention to use digital marketing.

Hypothesis testing was performed based on the structural paths from the exogenous latent variable of perceived behavioral control to the endogenous latent of behavioral intention to use digital marketing. The results analysis in Table 6.36 reveals a statistically proven significant and positive relationship between behavior control and behavioral intention to use digital marketing (β= .087; p-value < 0.001), therefore, H4 is supported and accepted. The results obtained in this study are consistent with the findings observed by Bruce et al. (2023), who found that behavioral control significantly impacts behavioral intention to use digital marketing among SMEs. Extant research reveals a low adoption rate of digital marketing among SMEs in South Africa. The following measures can be implemented to stimulate the implementation of digital marketing among SMEs in South Africa:

- ✓ **Training and development programs**: Providing SMEs in the Tshwane Metropolitan Municipality with affordable training and development programs that motivate and focus on digital marketing skills and behavior control might enhance their adoption of digital marketing approaches.
- ✓ **Access to adequate resources:** Ensuring that SMEs in South Africa have access to crucial resources, including funding, evolving technology, and expertise, could also aid in supporting their digital marketing endeavors.
- ✓ **Policy support:** The government of South Africa and regulatory bodies could develop and provide policy support to promote the adoption of digital marketing among SMEs, such as tax incentives or subsidies for digital marketing initiatives.

© University of Venda

6.12.5 Hypothesis H5: Perceived compatibility has a significant negative effect on behavioral intention to digital marketing adoption by decision-makers of SMEs.

According to Hypothesis H5, perceived compatibility has a significant negative effect on the behavioral intention to adopt digital marketing by decision-makers of SMEs, however, the results of the structural equation modelling (SEM) analysis presented in Table 6.36 indicate there is a negative relationship between compatibility and behavioral intention to adopt digital marketing by decision-makers of SMEs (β= -017; p-value > 0.005). The results show that a p-value of .065 was derived, which is greater than the recommended value of 0.005. Therefore, the relationship is insignificant, and the hypothesis is not supported and, consequently, rejected. The results obtained in this study are consistent with the findings observed by Amoah et al. (2023), who found no significant link between perceived compatibility and behavioral intention to adopt social media marketing among SMEs. Faiz and Masli (2024) suggest that compatibility of digital marketing technology can profoundly enhance the behavioral intention to adopt digital marketing approaches, as it means the technology aligns well with existing business practices and operations, making it simple to integrate and increase the perceived usefulness and ease of use, which are significant aspects prompting adoption decisions. Digital-marketing vendors or agencies should user friendly digital gadgets that can be easily integrated in different platforms and tools, allowing SMEs to market their products and services, streamline data analysis tools, and provide a more personalized customer experience; these initiatives ultimately lead to increased user engagement and positive perceptions of the technology, thus, making businesses more likely to adopt and exploit digital marketing strategies.

6.12.6 Hypothesis H6: Perceived cost of accessing digital marketing tools has a significant negative relationship with behavioral intention to use digital marketing.

Hypothesis H6 stated that the perceived cost of accessing digital marketing tools has a significant negative relationship with the behavioral intention to use digital marketing. The results from the Structural Equation Modelling (SEM) analysis reveal a strong significant negative correlation between perceived cost and behavioral intention to use digital marketing, denoted by structural path coefficient (β= -185; p-value < 0.001), therefore, hypothesis H6 is supported and accepted. Extant research consistently shows that a high perceived cost of digital marketing negatively affects the behavioral intention of SMEs to adopt digital marketing strategies, meaning that the higher the perceived cost, the less likely an SME is to implement digital marketing strategies (Abbasi et al., 2022; Faiz and Masli, 2024). To improve the perceptions of cost and support SMEs in Tshwane Metropolitan Municipality to adopt digital marketing, require strategies, such as - the cost-effectiveness of digital marketing channels, delivering affordable and accessible entry points with low initial investments, highlighting the probability of high Return on Investment (ROI), and providing free or low-cost digital marketing tools. In addition, government agencies, such as SEDA

© University of Venda

and SETA, must educate SMEs in South Africa on ways to boost their digital marketing budgets to maximize digital marketing results, thereby proving the value proposition beyond initial costs.

6.12.7 Hypothesis H7: Firm size has a significant positive relationship with the behavioral intention to use digital marketing.

The results from the Structural Equation Modelling SEM displayed in Table 6.36 indicate that the structural path from firm size to behavioral intention to use digital marketing is positive and statistically significant (β= .048; p-value < 0.001). The p-value is less than the recommended value of .005, therefore, H7 is positive, supported, and accepted. Extant research shows that firm size has a substantial relationship with the behavioral intention to adopt digital marketing among SMEs. Mostly, larger SMEs tend to express a higher proclivity to adopt digital marketing approaches compared to smaller ones, often due to factors like, greater financial resources, access to skilled personnel, and a higher perceived need to compete online (Khoa, 2023). Khoa (2023) points out that a firm size can positively influence the behavioral intention to adopt digital marketing among SMEs by providing greater access to resources like dedicated marketing personnel, larger budgets, and the ability to invest in advanced digital marketing tools, which allows for more sophisticated strategies and wider reach, ultimately leading to a higher likelihood of adopting digital marketing practices, effectively. Research, however, shows that a substantial majority of SMEs in South Africa, between 70% and 80%, fail within the first five years of operation, indicating a high failure rate compared to other countries (NSBC Editorial Team, 2024). The high failure rate of SMEs in South Africa significantly hinders their ability to grow, leading to a lack of stability and credibility. This, in turn, hinders SMEs from accessing adequate resources, such as funding, talent, and technology, which are essential for digital marketing adoption.

To expand SME growth and sizes in South Africa and fight their high failure rate, the government must focus on - providing better access to finance, streamlining regulations, investing in business skills training, fostering public-private partnerships, encouraging innovation, and implementing targeted support programs tailored to specific industries and regions - while actively working to reduce bureaucratic hurdles that hinder SME growth.

6.12.8 Hypothesis H8: Perceived employee capability has a significant positive relationship with behavioral intention to use digital marketing.

According to Table 6.36 the correlation between perceived employee capability and behavioral intention to use digital marketing is statistically significant, however, the direction of the relationship is negative. A significant negative relationship between perceived employee capability and behavioral intention to use digital marketing is observed (β= -.113; p-value < 0.001), therefore, H8 is partially accepted. The results obtained in this study, however, are inconsistent with the findings obtained by Abbasi et al. (2022), who found that perceived employee capability

© University of Venda

has no significant relationship with behavioral intention to adopt social media marketing among SMEs. Employee capability is critical to increasing behavioral intention to use digital marketing among SMEs, however, Fu et al. (2024) argue that low employee skills and knowledge often hinder technology adoption in SMEs. SME owners and managers in Tshwane Metropolitan Municipality, therefore, can employ the following strategies to enhance employee capability and boost digital marketing adoption:

- **Training and Development**: SME owners or managers can offer regular training sessions, workshops, and webinars on digital marketing concepts, tools, and best practices. This will help employees develop critical skills to exploit digital marketing channels.
- **Digital Literacy:** Ensure that employees have a good understanding of digital technologies, including social media, email marketing, search engine optimization (SEO), and pay-per-click (PPC) advertising.
- **Mentorship Programs**: Pair employees with experienced digital marketing professionals who can guide and mentor them in developing their skills.
- **Feedback and Evaluation:** Regularly evaluate employee performance and provide constructive feedback to help them improve their digital marketing skills.
- **Recognize and Reward**: Recognize and reward employees who demonstrate excellence in digital marketing.

6.12.9 Hypothesis H9: Top management support has a significant positive relationship with behavioral intention to use digital marketing.

According to the findings in Table 6.36, top management has a significant positive relationship with the behavioral intention to use digital marketing. This was indicated by a positive structural path coefficient of beta (β = .095; p = .0001), and the p-value is less than 0.05, implying that hypothesis H9 is supported, significant, and thus accepted. The results obtained in this study align with the findings obtained in a survey conducted by Faiz and Masli (2024), who found that top management support has a significant relationship with behavioral intention to adopt digital technologies in innovative SMEs. Top management support can profoundly enhance behavioral intention to adopt digital marketing strategies among SMEs in the Tshwane Metropolitan Municipality, by forming a conducive organizational culture that promotes innovation; assigning essential and adequate resources; delivering clear strategic direction, and proving a commitment to digital transformation. This in turn will motivates employees to embrace and actively participate in digital marketing initiatives, eventually leading to a higher possibility of adopting digital marketing approaches within SMEs.

© University of Venda

6.12.10 Hypothesis H10: Perceived availability of financial resources has a significant positive relationship with behavioral intention toward digital marketing use

H10 stated that the perceived availability of financial resources has a significant positive relationship with behavioral intention toward digital marketing use. Results from structural equation modelling (SEM) analysis displayed in Table 6.36 indicate that the structural path from financial resources is positive and statistically significant, denoted by a structural path coefficient (β= .095; p-value < 0.001), therefore, H10 was supported and accepted. Extant research reveals a strong positive relationship between the perceived availability of financial resources and SMEs' behavioral intention to embrace and exploit digital marketing techniques. Fundamentally, the more supplementary financial resources an SMEs have, the more chances they are to vigorously engage in digital marketing approaches due to their capability to finance essential digital marketing tools and expertise (Abbasi et al., 2022). Mazibuko (2023) therefore, points out that inadequate financial resources and constraints pose significant obstacles to SMEs' adoption of digital marketing. Due to the financial challenges facing SMEs, Tlhagale and Ndou (2024) argue that the government of South Africa should provide financial and non-financial support to SMEs in South Africa. Tlhagale and Ndou (2024), however, point out that SMEs are not aware of financial and non-financial support provided by the government, therefore, the government of South Africa should improve awareness of financial and non-financial support for SMEs through strategies as:

- The government of South Africa can play a starring role in supporting and implementing the national SME financial literacy strategy.
- The government must improve the sustainability of SMEs by enhancing their access to formal financial services.
- The government can implement mentorship programs that include skills transfer.
- The government can also partner with the private sector to provide adequate financing to SMEs.

6.12.11 Hypothesis H11: Competitive pressure has a significant positive relationship with the behavioral intention to use digital marketing.

The results displayed in Table 6.36 for the structural equation modeling (SEM) analysis, revealed that competitive pressure has no significant effect on the behavioral intention to use digital marketing. This was shown by a negative coefficient of beta (β = -.034; p = .010), and the p-value is greater than 0.05, indicating that hypothesis H11 is not supported, is insignificant, thus, it is rejected. The results obtained in this study, however, are inconsistent with the findings obtained by Sechabe and Fatoki (2021), who assert that competitive pressure has a significant relationship with the behavioral intention to adopt Electronic Marketing by SMEs in South Africa. Numerous reasons could explain why competitive pressure might not directly correlate with SMEs' behavioral

© University of Venda

intention to use digital marketing; these could comprise: lack of knowledge and understanding about digital marketing benefits, financial resource constraints, resistance to change within the organization, industry norms, market maturity, and a perception that traditional marketing methods are still sufficient in certain situations (Hu, et al., 2024. Given a situation where there is intense rivalry in the industry where SMEs are conducting businesses, SMEs can respond to competitive pressure by leveraging digital marketing approaches, like - search engine optimization (SEO), social media marketing, content marketing, email campaigns, and data analytics - to increase online visibility, reach a broader audience, engage with customers directly, and build brand loyalty. This will allow SMEs to compete effectively even against larger businesses, even with limited resources and this can be achieved by - creating high-quality content relevant to their target market, optimizing their online presence for search engines, engaging with customers on social media platforms, and utilizing targeted email campaigns to nurture leads and drive sales.

6.12.12 Hypothesis H12: Behavioral intentions to use digital marketing have a significant positive relationship with digital marketing adoption.

H12 stated that behavioral intentions to use digital marketing have a significant positive relationship with digital marketing adoption. Results obtained from the structural equation modelling (SEM) analysis illuminated in Table 6.36 indicate that the structural path from behavioral intention to digital marketing adoption is positive and statistically significant, denoted by (β = .233; $p < .001$), therefore, H12 is accepted. Extant research reveals a strong positive relationship between behavioral intentions and digital marketing adoption among SMEs (Phuong Dung et al., 2023). Douani, Graa, and Bechelaghem (2023) suggest that the higher the behavioral intention of SME owners or managers to adopt digital marketing, the higher their actual use of digital marketing. This means that most SME owners and managers in Tshwane Metropolitan Municipality who possess a positive behavioral intention to use digital marketing tools are more likely to adopt and implement them in their business practices. To steer behavioral intention towards increased digital marketing adoption among SMEs in South Africa, digital-marketing vendors or agents should - focus on strategies that have feasible benefits from digital marketing; disclose potential barriers to adoption; offer affordable and accessible training and support; showcase successful case studies from similar businesses in other countries; leverage social influence by highlighting industry trends and peer adoption - all the while tailoring messaging to the specific needs and concerns of SME owners and decision-makers.

6.12.13 Hypothesis H13: The perceived value of digital marketing plays a mediating role between behavioral intentions and the adoption of digital marketing.

The results in Table 6.36 show that the moderating effect of perceived value between behavioral intentions and the adoption of digital marketing had a path coefficient (β = -.058; p = .016). The

© University of Venda

results show that the p-value is greater than 0.005, which is the recommended threshold, therefore, H13 was not supported and was rejected. This result is consistent with the findings by Abbas and Mehmood (2021), who found that there is no role for perceived value on the adoption of digital marketing.

6.13 MULTIGROUP MODELLING

Multigroup modelling was performed to assess whether there was a significant difference in the perceptions toward the behavioral intention to use digital marketing and the actual adoption of digital marketing between digital marketing adopters and non-adopters. Portland State University (2023) points out that a chi-square can be used to measure invariance between the unconstrained (original) model and the constrained (equal factor loadings) model when conducting multigroup modeling. This study adopted this model to assess if there were any significant differences between digital marketing adopters and non-adopters. Regression weights of the adopters of digital marketing were assumed to be equal to those of non-adopters, hence, the weights were constrained. According to Laura (2023), to test for differences in parameters across groups, researchers usually fit SEMs with and without equality constraints across groups. Then, the two resulting models are compared using a likelihood ratio test (equivalently, a chi-square difference test) to assess whether imposing constraints produces a statistically significant worsening of model fit. If the fit of the model does not worsen significantly, then the model with equality constraints is retained, and one concludes that the populations under consideration do not differ significantly on the parameter(s) tested. In contrast, if the fit of the model worsens significantly, the model without constraints (that is, where each group is allowed to have its estimate(s)) is retained, and one concludes that the populations under consideration differ significantly in the parameter(s) tested. The goodness-of-fit of the two models is presented in Table 6.37

Table 6.37: Model fit indices for multigroup analysis

Model Fit Indicators	Original Model Indices	Equal Loadings Model Indices
RMSEA	.038	.046
CFI	.936	.927
IFI	.903	.894
TLI	.968	.953

The results in Table 6.37 Indicate that the original (unconstrained) model and the equal loadings model (constrained) fit the data well. Laura (2023) points out that if the fit of the model does not worsen significantly, then the model with equality constraints is retained, and one concludes that the populations under consideration do not differ significantly in the parameter(s) tested. Based on these facts, it can be concluded that there are no significant differences in the perceptions of

© University of Venda

adopters and non-adopters of digital marketing towards the behavioral intention to use digital marketing. It can be concluded, therefore, that the factors influencing the behavioral intention to use digital marketing are the same between adopters and non-adopters of digital marketing.

6.14 A LINK BETWEEN THE HYPOTHESES TEST RESULTS AND THE RESEARCH THEORIES

This section discusses a link between the hypotheses test results and research theories employed in this study, including the Theory of Planned Model (TAM), Theory of Planned Behavior, and the Technology-Organization-Environment (TOE) framework.

6.14.1 Theory of Acceptance Model (TAM)

The Technology Acceptance Model (TAM) has been extensively used in information technology research to investigate the acceptance of new e-technology or e-services (Liao et al., 2022). The Technology Acceptance Model (TAM) was developed by Fred Davis in 1986 for his doctorate research (O'Dea, 2024). The TAM proposes that two key factors determine an individual's behavioral intention to adopt and exploit digital technologies: Perceived Usefulness (PU) and Perceived Ease of Use (PEU) (O'Dea, 2024). Perceived Usefulness refers to the degree to which individuals believe that using a particular technology will improve their job performance or achieve a specific goal. On the other hand, Perceived Ease of Use refers to the degree to which an individual believes that using a particular technology will be free from effort (O'Dea, 2024). In this study, three hypotheses were derived from this theory, and they are as follows:

H1: Perceived usefulness has a significant positive relationship with behavioral intention to use digital marketing.

H2: Perceived ease of use of digital marketing has a significant positive relationship with behavioral intention to use digital marketing adoption.

H3: Perceived ease of use of digital marketing has a significant positive relationship with the perceived usefulness of using digital marketing.

The results of the hypothesis testing are consistent with the predictions of the TAM. Specifically, the findings suggest that:

- Perceived Usefulness (PU) is significantly related to Behavioral Intention to use (BI) digital marketing.
- Perceived Ease of Use (PEU) is significantly related to Behavioral Intention to Adopt (BIA) digital marketing.
- Perceived ease of use (PEU) is significantly related to the perceived usefulness (PU) of using digital marketing.

© University of Venda

These findings support the TAM's projections and imply that perceived usefulness (PU) and perceived ease of use (PEU) are critical factors in determining an individual's decision to adopt and use digital marketing. The results also imply that digital marketing vendors or agents in Tshwane Metropolitan Municipality seeking to promote the adoption of digital marketing should focus on demonstrating its usefulness and ease of use to SME owners or managers.

6.14.2 Theory of Planned Behavior (TBP)

The Theory of Planned Behavior (TPB) is mainly used in psychology to clarify how people form attitudes and intentions to perform specific behaviors (Kan and Fabrigar, 2017). The theory of planned behavior (TPB) was developed by Icek Ajzen (1985) and postulates that an individual's behavior is influenced by three main factors:

- Attitude towards the behavior: The individual's positive or negative evaluation of the behavior.
- Subjective norm: The individual's perception of social pressure to perform or not perform the behavior.
- Perceived behavioral control: The individual's perceived ability to control the behavior.

According to the TPB, these factors influence an individual's behavioral intention, which is the immediate precursor to the actual behavior. In other words, if an individual has a positive attitude towards a behavior, perceives social pressure to perform it, and believes he/she has control over it, he/she is more likely to form a positive behavioral intention and ultimately perform the behavior. In this study, the hypothesis used concerning TBP is as follows:

H4: Perceived behavior control has a significant positive impact on the behavioral intention to use digital marketing.

The results of the hypothesis testing are consistent with the predictions of the TBP. Specifically, the findings suggest that perceived behavioral control has a significant positive relationship with behavioral intention to use digital marketing. In other words, the results support the TPB by demonstrating that behavioral control is a key factor in shaping behavioral intentions to use digital marketing. The results support the Theory of Planned Behavior, suggesting that the theory can be used to predict and explain behavioral intention.

6.14.3 Technology-Organization-Environment (TOE) framework.

The TOE comprises aspects such as - technology context factors (that is, perceived relative advantage, perceived compatibility, perceived complexity, and perceived costs), organizational context factors (that is, top management support, perceived availability of financial resources, and perceived employee capability), and the environmental context factors (that is competitive pressure, customer influence, and availability of technical support) - influence digital marketing

© University of Venda

adoption by SMEs. The hypotheses were tested on all the factors of the TOE framework. Most of the factors had a positive relationship with the behavioral intention to use digital marketing, except for compatibility and competitive pressure.

6.15 CHAPTER SUMMARY

This chapter presented the empirical findings obtained from analysis of the raw/primary data gathered from SME owners or managers conducting business activities in Tshwane Metropolitan Municipality in the Gauteng Province of South Africa. Explicitly, the chapter presented the response rate, firm characteristics, demographic information, descriptive statistics of the variable items, reliability and validity of the measuring instrument or questionnaire, and confirmatory factor analysis (CFA). Additionally, the chapter presented the results obtained from the structural equation modelling (SEM) that was used to test the hypotheses proposed for this study. The study had thirteen proposed hypotheses, however, Hypotheses H5, H11, and H13 were not supported and hence were rejected. Finally, the chapter presented a link between the hypotheses test results and the research theories. The next chapter presents the conclusions and recommendations from this study.

© University of Venda

CHAPTER SEVEN

CONCLUSIONS, RECOMMENDATIONS, LIMITATIONS, AND AREAS OF FURTHER RESEARCH

7.1 INTRODUCTION

The previous chapter discussed the data analysis and interpretations of the research findings obtained from the empirical data analysis. The main aim of this chapter is to present a concluding analysis of the study conducted to develop a framework for digital marketing adoption among small and medium enterprises (SMEs) in the City of Tshwane Metropolitan Municipality. This chapter commences by presenting a brief overview of the entire study, concluding each theoretical objective set for the study. The chapter then presents conclusions confirmed by the empirical objectives and provides recommendations that SMEs in the City of Tshwane Metropolitan Municipality can implement to increase their use of digital marketing. Furthermore, the chapter delves into both theoretical and practical contributions from the study. The chapter concludes by outlining the limitations of the study, areas of further research, and the study's comprehensive conclusion.

7.2 BRIEF OVERVIEW OF THE STUDY

The principal aim of this study was to develop/establish a framework for digital marketing adoption among SMEs in the City of Tshwane Metropolitan Municipality. This thesis is structured into seven (7) chapters. Each chapter contributes to an understanding and development of the proposed framework, granting a comprehensive exploration of the research topic. The first chapter unpacked the introduction and background to the study, specified the problem statement, research objectives, contributions of the study, delimitations of the study, chapter outline, preliminary literature review, theories of digital marketing adoption and innovation, summary of the study's hypotheses, research methodology, data analysis approach, ethical considerations and the chapter's summary.

The second chapter of the study discussed the literature review on the development and significance of small, medium, and micro enterprises (SMEs). The chapter was demarcated into fourteen main sections. The first section comprised the introduction, which deliberated the chapter synopsis. The second section examined several definitions of small, medium, and micro enterprises (SMEs). The third section assessed the impact of SMEs on local and global economies. The fourth section addressed the role of SMEs in attaining the millennium development goals (MDGs). The fifth section reviewed the development and promotion of the SME sector in South Africa. The sixth section presented the barriers hindering the growth and development of SMEs in South Africa. The seventh section discussed determinants of SME survival, growth, and development. The eighth section reviewed the impact of the COVID-19

© University of Venda

pandemic on the South African economy. The ninth section explored the South African fiscal response to the pandemic. The tenth section discussed the economic recovery recommendations. The eleventh section deliberated the impact of COVID-19 on South African SMEs. The twelfth section covered COVID-19 pandemic-related challenges for small and medium-sized enterprises. The thirteenth section addressed strategies to mitigate small and medium-sized enterprise -in relation to specific COVID-19 challenges. The fourteenth section provided the summary of the chapter.

Chapter three of the study reviewed the literature on digital marketing resources and capabilities. The chapter was divided into nine main sections. Section one presented an introduction to the chapter, covering literature on digital marketing resources and capabilities and a brief overview of the chapter. The second section explored the concept of digital marketing. The third section presented types and strategies for digital marketing. The fourth section discussed reasons businesses should adopt digital marketing. The fifth section identified digital marketing adoption and challenges faced by SMEs. The sixth section presented key resources for digital marketing success. The seventh section highlighted marketing resources. The eighth section explored digital marketing adoption by SMEs in South Africa. The ninth and final section presented the chapter summary discussing the synopsis of the chapter.

Chapter four, which discussed the literature review on theoretical and conceptual framework development, was segmented into four main sections. The first section presented an introduction to the chapter, which provided an overview of the chapter's outline. The second section discussed the theoretical background. The third section presented conceptual and hypotheses development, and the fourth section covered the chapter's summary.

Chapter five of the study deliberated on the methodology and design applied in this study in detail. The chapter comprised of eighteen main sections. The first section presented the introduction to the chapter. The research reasoning was presented in the second section. Section three outlined the research philosophy and paradigm. Section four discussed the research approach, and section five unpacked the research design. Section six presented the research strategies. In section seven, the time horizon for the study was briefly discussed. Section eight explored the secondary data collection, and section nine narrated the literature review. Section ten discussed the empirical research conducted. In section eleven, the data collection procedure was discussed in detail. Section twelve addressed questionnaire administration, while section thirteen discussed the data analysis procedures. Section fourteen presented the reliability of the questionnaire, and section fifteen addressed validity. Section sixteen explored the model fit test, while section seventeen outlined the ethical considerations. Section eighteen provided the chapter's summary.

© University of Venda

Chapter six of the study focused on data analysis and interpretation of the research findings. The chapter comprises fifteen sections. Section one of the study outlined the introduction and a synopsis of the chapter contents. The second section presented results on the response rate. The third section discussed demographic information, while the fourth section addressed company profiles or characteristics. The fifth section outlined the research participants' background information. The sixth section presented the results of the adoption of digital marketing. In Section seven, descriptive statistics for the measured variables are assessed. Section eight discussed exploratory factor analysis. Section nine evaluated tests for the normality of data. Section ten presented the inferential statistics. In section eleven, the model fit was assessed. Path analysis was presented in section twelve. Section thirteen assessed multigroup modelling, while section fourteen presented a link between hypotheses test results and research theories. Finally, section fifteen, presented the chapter's summary.

Chapter seven focuses on conclusions, recommendations, limitations, and areas of further research. The chapter consists of eight main sections. First section provides the introduction to the chapter, while section two addresses a brief overview of the study. Section three presents' conclusions on the attainment of the proposed research objectives. Section four provides the model developed, while section five presented recommendations to enhance behavioral intention and digital marketing adoption among SMEs in the City of Tshwane Metropolitan Municipality. The sixth section details contributions to the study and section seven focuses on limitations and areas of further research. The chapter concludes by providing a brief summary of the chapter.

7.3 CONCLUSIONS ON THE ATTAINMENT OF PROPOSED RESEARCH OBJECTIVES

This section deliberates on the conclusions centered on the proposed or theoretical objectives outlined in chapter one of the study. The objectives outlined in Chapter One are as follows:

- To establish the level of SME owners'/managers' awareness of digital marketing in the City of Tshwane Metropolitan Municipality.
- To determine the extent to which participating SMEs have adopted digital marketing.
- To determine the factors that promote the adoption of digital marketing among SMEs in the City of Tshwane Metropolitan Municipality.
- To establish the factors influencing SME owners'/managers' behavioral intention to adopt digital marketing.
- To determine the factors influencing non-adopters' behavioral intention to adopt digital marketing.
- To propose and test an integrated conceptual model that could guide policymakers and SME owners on digital marketing adoption in the City of Tshwane Metropolitan Municipality.

7.3.1 SME owners or managers' awareness of digital marketing

© University of Venda

The study found that most SME owners or managers are aware of digital marketing, hence, most SME owners and managers agreed to the statement that using digital marketing is/would be a good idea. While the level of awareness of digital marketing is increasing among South African SME owners and managers, extant research indicate that not all SMEs fully comprehend or exploit its potential, with most SMEs still lacking the prowess and skills to efficiently implement digital marketing approaches, revealing that not "most" are fully conscious and vigorously employing it to its full capacity (Mazibuko, 2023). The author adds states that many SMEs in South Africa are aware of digital marketing but struggle with applying it effectively due to limited understanding of tools and strategies and lack of technical expertise. To enhance SME owners and managers' awareness of digital marketing, strategies can include - organizations such as SEDA, SETA, and SEFA providing affordable educational workshops and training programs, highlighting success stories from analogous businesses in other countries, leveraging online resources and industry publications, promoting hands-on involvement with important digital marketing tools; collaborating with digital marketing vendors or agencies for consultations and strategy development; focusing on the practical applications and benefits relevant to their specific business operations and target audience.

7.3.2 The extent of digital marketing adoption among SMEs

Figure 7.1 presents the findings on the extent of digital marketing among SMEs in the Tshwane Metropolitan Municipality.

Adopted Digital Marketing

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	136	43.9	43.9	43.9
	No	174	56.1	56.1	100.0
	Total	310	100.0	100.0	

FIGURE 7.1 DIGITAL MARKETING ADOPTION AMONG SMES

The results in Figure 7.1 denote that most SME owners or managers in the Tshwane Metropolitan Municipality (56.1%, n=174) had not adopted digital marketing, while 43.9% (n=136) agreed that they had adopted digital marketing. The results showed that there is a low level of digital marketing among SMEs in the Tshwane Metropolitan Municipality which are consistent with the findings by Chapman et al (2019), that there are low levels of digital marketing among SMEs in South Africa. To increase digital marketing adoption among SMEs in South Africa, significant strategies that can be utilized by the government or government agencies such as SEDA, SEFA, and SETA include - raising consciousness and education about digital marketing benefits, offering accessible training programs, digital marketing vendors or agents should offer reasonably-priced digital marketing tools, fostering government support and partnerships with industry experts,

© University of Venda

tackling digital literacy gaps, and tailoring initiatives to meet explicit industry needs, within the South African context or market.

7.3.3 Factors determining the adoption of digital marketing among SMEs

The results of the study revealed that behavioral intention has a significant positive relationship with digital marketing adoption. Extant research constantly revealed that "behavioral intention" has a significant and positive relationship with the adoption of digital marketing (Bruce et al., 2023). These results are also supported by the Theory of Planned Behavior, which speculates that intention is a key factor influencing behavior. To increase behavioral intention towards digital marketing adoption among SMEs requires that - digital marketing agents or vendors should focus on showcasing the benefits of digital marketing, making user-friendly digital marketing tools (emphasizing on ease of use), and tackling perceived barriers through targeted training; showcasing success stories from similar businesses in other countries; providing adequate resources, and promoting a shift from awareness to proactive digital marketing implementation.

7.3.4 Factors influencing SME owners'/managers' behavioral intention to adopt digital marketing.

The factors influencing SME owners or managers were derived from the results of the hypothesis testing. These factors are presented below:

- **Conclusions relating to perceived usefulness influencing behavioral intention to use digital marketing.**

The hypothesis test for H1 indicates that perceived usefulness has a significantly strong relationship with behavioral intention to use digital marketing. This is revealed by a positive path coefficient (β= .110; p< 0.001), and the p-value is less than 0.005, suggesting a strong positive relationship exists between perceived usefulness and behavioral intention to adopt digital marketing. Perceived usefulness, therefore, is a significant factor for behavioral intention to use digital marketing among SMEs in the Tshwane Metropolitan Municipality.

- **Conclusions relating to perceived ease of use influencing behavioral intention to use digital marketing.**

Hypothesis H2 states that perceived ease of use of digital marketing has a significant positive relationship with behavioral intention to use digital marketing. The results indicated a structural path coefficient (β= .099), p-value < 0.001). The p-value is less than 0.005, signifying a strong positive correlation between perceived ease of use and behavioral intention to use digital marketing. The results also show that SMEs in the Tshwane Metropolitan Municipality can adopt digital if they perceive it as being easy to use and user-friendly, therefore, perceived ease of use is a significant factor for behavioral intention.

© University of Venda

Conclusions relating to perceived behavior control influencing the behavioral intention to use digital marketing.

Regarding H4, the results obtained indicated a statistically proven significant and positive relationship between behavior control and behavioral intention to use digital marketing (β= .087; p-value < 0.001). This indicates that most SME owners or managers who participated in the study had a perception that behavioral control influences behavioral intention to use digital marketing. Behavioral control, therefore, is a significant factor for behavioral intention.

- **Conclusions relating to the perceived cost of accessing digital marketing tools influencing behavioral intention to use digital marketing.**

Hypothesis H6 stated that the perceived cost of accessing digital marketing tools has a significant negative relationship with the behavioral intention to use digital marketing. The results from the Structural Equation Modelling (SEM) analysis revealed a strong significant negative correlation between perceived cost and behavioral intention to use digital marketing, denoted by structural path coefficient (β= -185; p-value < 0.001); therefore, hypothesis H6 is supported and accepted. The perceived cost of accessing digital marketing tools, hence, is a substantial factor of behavioral intention to use digital marketing among SMEs in Tshwane Metropolitan Municipality.

- **Conclusions relating to firm size influencing the behavioral intention to use digital marketing.**

The results from the Structural Equation Modelling SEM regarding H7 indicate that the structural path from firm size to behavioral intention to use digital marketing is positive and statistically significant (β= .048; p-value < 0.001). The p-value is less than the recommended value of .005, therefore, H7 is positive, supported, and accepted. Firm size, hence, is a significant factor influencing behavioral intention to use digital marketing.

- **Conclusions relating to perceived employee capability influencing behavioral intention to use digital marketing.**

According to the hypothesis testing results of H8, the results show that the correlation between perceived employee capability and behavioral intention to use digital marketing is statistically significant, however, the direction of the relationship is negative. A significant negative relationship between perceived employee capability and behavioral intention to use digital marketing, hence, is observed (β= -.113; p-value < 0.001). Therefore, Perceived employee capability, therefore, is a substantial factor for behavioral intention to use digital marketing.

- **Conclusions relating to top management support influencing behavioral intention to use digital marketing.**

© University of Venda

Regarding H9, the findings show that top management has a significant positive relationship with the behavioral intention to use digital marketing. This was indicated by a positive structural path coefficient of beta (β = .095; p = .0001), and the p-value is less than 0.05, implying that hypothesis H9 is supported, significant, and thus accepted. Given these results, it can be concluded that top management support is a significant determinant for behavioral intention to use digital marketing.

- **Conclusions relating to the perceived availability of financial resources having a significant positive relationship with behavioral intention toward digital marketing use**

H10 stated that the perceived availability of financial resources has a significant positive relationship with behavioral intention toward digital marketing use. Results from structural equation modelling (SEM) analysis indicate that the structural path from financial resources is positive and statistically significant, denoted by a structural path coefficient (β= .095; p-value < 0.001). H10, therefore, was supported and accepted. Based on these findings, it can be concluded that the perceived availability of financial resources is a substantial determinant of the behavioral intention toward digital marketing use among SMEs in the Tshwane Metropolitan Municipality.

7.4 MODEL DEVELOPED

The model depicted in Figure 7.2 reveals that several key factors significantly influence the behavioral intention to use digital marketing. Specifically - perceived usefulness, perceived ease of use, perceived behavioral control, cost, firm size, employee capability, top management support, and financial resources - all have a substantial impact on SME's intention to adopt digital marketing strategies. Furthermore, the model suggests that behavioral intention to use digital marketing, in turn, has a direct influence on the actual adoption of digital marketing. This implies that when SMEs perceive digital marketing as useful, easy to use, and within their control, and when they have the necessary resources and support, they are more likely to intend to use digital marketing, which ultimately leads to its adoption**.**

© University of Venda

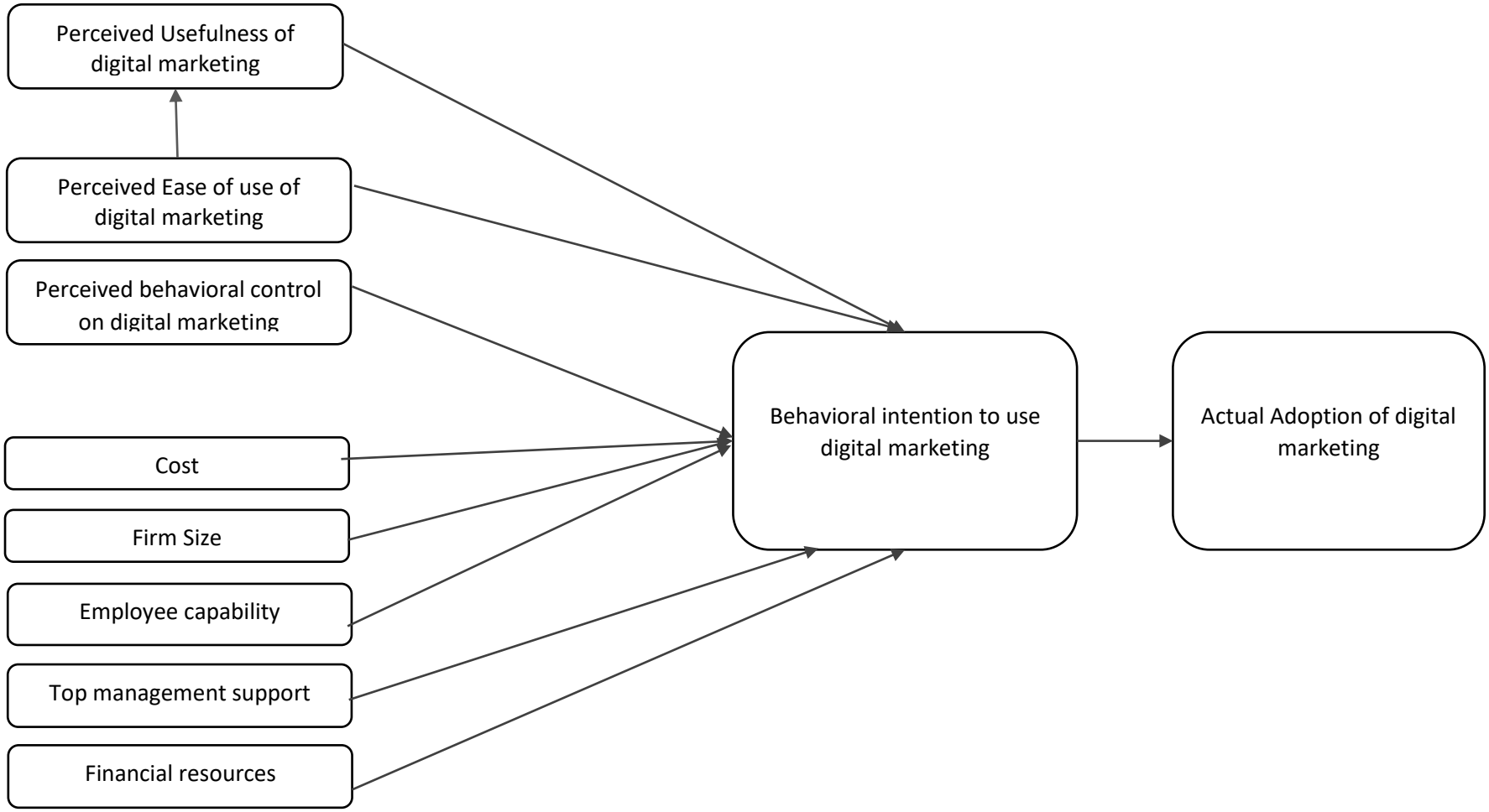


FIGURE 7.2 MODEL DEVELOPED

© University of Venda

7.5 RECOMMENDATIONS TO ENHANCE BEHAVIORAL INTENTION AND DIGITAL MARKETING ADOPTION AMONG SMES IN SOUTH AFRICA

- ✓ **Perceived usefulness**: The results from the hypothesis testing revealed that perceived usefulness is a significant factor in behavioral intention to use digital marketing. Nadkar (2023) found that perceived usefulness is one of the key factors of behavioral intention in exploiting social media marketing among SMEs in South Africa. Similarly, Sharabati et al. (2024) found that perceived usefulness is a significant factor for embracing digital marketing among SMEs. Digital-marketing agents or vendors, therefore, should develop strategies to boost digital marketing and behavioral intention among SMEs in the City of Tshwane Metropolitan Municipality by focusing on providing affordable digital marketing courses and tailored strategies, showcasing success stories on similar businesses from other countries, and stressing the perceived usefulness of digital marketing tools through practical examples and training programs.
- ✓ **Perceived ease of use**: The results of the hypothesis testing indicated that perceived ease of use has a significant relationship with the behavioral intention to use digital marketing among SMEs in the Tshwane Metropolitan Municipality. Extant research consistently indicates that perceived ease of use has a significant relationship with behavioral intention to use digital marketing (Widiarg, Yuniarintom, and Yulianti, 2023; Peng and Yan, 2022). To enhance digital marketing engagement among SMEs in the City of Tshwane Metropolitan Municipality, digital marketing agents should prioritize emphasizing the perceived ease of use. In addition, digital marketing agents should simplify complex digital marketing strategies, leveraging user-friendly tools and providing accessible and affordable training and support to develop confidence and skill in digital marketing technologies
- ✓ **Behavioral control:** The results revealed a significant relationship between perceived behavioral control and the behavioral intention to use digital marketing. Bruce et al. (2023) also found that perceived behavior control affects individuals' intentions to use digital marketing among SMEs. SME owners or managers should provide adequate resources to employees to implement digital marketing initiatives effectively. In addition, digital markets should boost digital marketing usage by offering resources, digital marketing skills training, and mentorship, showcasing successful SME digital marketing examples, and emphasizing the positive outcomes of digital marketing strategies.
- ✓ **Perceived cost**: The perceived cost emerged as one of the significant factors influencing behavioral intention to use digital marketing among SMEs in the Tshwane Metropolitan Municipality. Similarly, Nirmawan and Astiwardhani (2021) found that perceived cost

© University of Venda

influences behavioral intention to use digital marketing among small traders. To encourage digital marketing adoption and enhance behavioral intentions among South African SMEs, digital marketing agents must address the perceived cost by providing access to affordable digital tools and resources, offering free or low-cost training and support, and showcasing successful digital marketing case studies from SMEs in the same line of business, and demonstrating return on investment (ROI).

- ✓ **Firm size**: The results from the hypothesis testing indicated that firm size influences behavioral intention to use digital marketing among SMEs in the City of Tshwane Metropolitan Municipality. Sechabe and Fatoki (2021) also found that firm size influences behavioral intention to adopt electronic marketing by small and medium enterprises in South Africa. Most SMEs perceive that digital marketing is a strategy for large and established businesses, however, digital marketing can be employed by any business firm, regardless of size. To enhance behavioral intention and digital marketing adoption among SMEs in South Africa, digital marketing vendors must focus on indicating the tangible benefits of digital marketing through case studies, providing targeted training, and offering accessible resources and support.
- ✓ **Employee capabilities**: The hypothesis test results revealed that employee capabilities influence behavioral intention to use digital marketing. Fu et al. (2024) support that employee capabilities are significant factors for behavioral intention and digital marketing among SMEs, however, Khumbule (2022) argues that SME employees in South Africa lack the necessary skills to comprehend and implement effective digital marketing strategies. To leverage employee capability to increase digital marketing exploitation among South African SMEs, SME owners and managers must invest in skill development and digital literacy, empower employees to take ownership and actively participate in strategy development, and create a supportive environment that fosters innovation and knowledge sharing.
- ✓ **Top management support**: The hypothesis test results showed that top management influences behavioral intention to use digital marketing. A study by Matikiti et al. (2018) suggests that managerial support affects attitudes toward the adoption of social media marketing, which is a key aspect of digital marketing. Top management plays a significant role in the distribution of finances and personnel during digital marketing transformation. This implies that when top management is supportive of digital marketing initiatives, it can positively influence the behavioral intention of SMEs to adopt and utilize digital marketing strategies.
- ✓ **Availability of financial resources**: The results obtained from the hypothesis testing indicate that the perceived availability of financial resources influences the behavioral intention to use digital marketing. Gupta et al. (2024) also note that the availability of

© University of Venda

financial resources influences the behavioral intention to use digital marketing, however, Mazibuko (2023) argues that the impact of financial resources on behavioral intention and digital marketing among SMEs in South Africa is a significant concern. Restrepo-Morales et al. (2024) state that the lack of sufficient financial resources has consistently emerged as a significant hindrance to digital adoption. It is crucial, therefore, for SME owners or managers to explore cost-effective digital marketing strategies and for policymakers to provide support and resources to help SMEs overcome financial constraints and adopt digital marketing effectively.

7.6 CONTRIBUTIONS FROM THE STUDY

This study contributes to the prevailing body of knowledge in a threefold approach, providing both theoretical and practical or scientific contributions and managerial practices and perspectives. Vinz (2023) points out that theoretical contributions imply the development of existing theories, frameworks, and concepts, establishing new insights and perspectives that can be manipulated to further comprehend the research topic. Practical contributions, on the other hand emphasize the implementation of the research outcomes or findings to provide solutions and recommendations that can be implemented in real-world settings (Charlesworth Author Services, 2024). The subsequent sections present the specific theoretical and practical contributions from this study.

7.6.1 Theoretical Contribution

Prince George's Community College (2020) argues that digital marketing is a new concept of marketing that has brought about a new wave of communication through advertising and relationship-building tools such as online advertising, video sharing tools, web apps, and social networks. Several studies that have been conducted in both local and international countries submit that SMEs are generally at an early stage of adopting information and communication technology (ICT) in their marketing strategies (Bermeo-Girado, Valencia-Arias, Ramos de Rosas, Benjumea-Arias, and Calderon, 2022; Korff, 2021). Chapman et al. (2019) advocate the need to conduct studies to develop greater awareness and understanding of the benefits of digital marketing, tracking marketing leads, and the role of digital marketing agencies in implementing digital marketing strategies for SMEs. Several scholars have conducted studies on digital marketing adoption in developed countries (Emini and Merovci, 2021; Eze, Chinedu-Eze, and Okike, 2020). These scholars investigated other factors influencing digital marketing adoption among SMEs in developed countries, however, the findings of studies on SMEs in developed countries should not be generalized to SMEs in developing countries. The results of this study, hence, would not only contribute by extending the understanding of the determinants of digital marketing adoption to SME owners or managers in the City of Tshwane Metropolitan Municipality but also contribute extensively to the existing literature on digital marketing in developing

© University of Venda

countries. To the researcher's knowledge, no specific study has been conducted in the City of Tshwane Metropolitan Municipality investigating the role of digital marketing adoption amongst SMEs, therefore, this study has attempted to bridge the existing gap in existing literature.

Extant research reveals that several studies have been conducted on digital marketing among SMEs in South Africa (Korf, 2021; Khambule, 2022), however, the outcomes from these studies constantly disclose a low level of digital marketing adoption among SMEs in South Africa. There is abundance of existing research, despite this, there is a growing call for researchers and academics to provide a more holistic approach to comprehending the intricacies of digital marketing adoption among SMEs, given the situation that the existing body of knowledge still falls short of delivering an inclusive understanding of this phenomenon (Evans and Price, 2020). Several studies that have been conducted in South Africa utilized only two theoretical frameworks to develop a holistic integrated model (Evans and Price, 2020; Matikiti, Mpinganjira, and Roberts-Lombard, 2018). This study is the first one in the City of Tshwane to incorporate three theoretical frameworks (theory of planned behavior, Technology-Organization-Environment (TOE) framework, and Theory of Acceptance Model) into a holistic model in investigating digital marketing adoption among SMEs.

7.6.2 Scientific or practical contributions of the study

Eze et al. (2020) point out that more studies should be conducted to develop awareness and understanding of the role of adoption of digital marketing by SMEs, therefore, this study offers a broad guide to understanding SME owners' or managers' behavior toward digital marketing and its adoption. This understanding provides crucial insights to governments, economists, policymakers, innovators, and technology vendors responsible for designing and promoting the faster adoption of digital marketing among SMEs in South Africa. For instance:

- **For Policymakers**: Develop targeted digital upskilling programs for SMEs based on the study's identified barriers (e.g., cost, employee capability).
- **For SME Support Institutions**: Create incentive mechanisms for early adoption of digital tools, especially in sectors with lagging digital maturity.
- **For Future Researchers**: Replicate this model across provinces and conduct longitudinal studies to assess digital marketing sustainability.

7.6.3 Managerial practice and perspective

Mattos, Pellegrini, Hagellar, and Dolfsma (2023) note that the major obstacle impeding the adoption of digital transformation in most SMEs is a lack of resources and the complexity of technological transformation, which require technology assimilation and business model innovation. Mattos et al. (2023) further highlights that most studies recognize the complementarity

© University of Venda

of technology assimilation and business model innovation (BMI) for benefiting from technology, however, the literature is fragmented, and the technological transformation phenomenon remains abstract, especially in the SMEs' context. Issues involving digital transformation and the use of information and communication technology (ICT) in SMEs are continuously gaining recognition in developed and developing countries, however, much of the research focuses on the barriers to adoption, identifying external and internal factors likely to cause slow uptake and use of this new technology. In addition, several studies conducted on digital marketing adoption focused on large and established companies, hence, only limited research has focused on the role of the owner-manager in its adoption (Suroso and Rafinda, 2021). The result of this study enlightens the role of the owner or manager in the adoption of digital marketing.

7.7 LIMITATIONS AND AREAS OF FURTHER RESEARCH

Dhanya (2023) posits that the limitation of a study creates an opportunity to provide suggestions on areas of further research. The study's limitations comprise challenges encountered during the execution of the study and the supplementary study perspectives established or developed, creating an opportunity to help improve knowledge in the particular field (Dhanya, 2023). Sirisilla (2023) claims that each research study, regardless of its quality, has limitations, which are inherent flaws affecting its validity or generalizability. This study's limitations and areas of further research are presented in the following paragraphs.

- The study was conducted among SME owners or managers conducting business activities in the Tshwane Metropolitan Municipality in the Gauteng Province only. In addition, the Tshwane Metropolitan Municipality is in the center of Pretoria and surrounded by towns. South Africa has eight Metropolitan Municipalities located in the City of Pretoria. In addition, some Metropolitan Municipalities consist of functionally rural areas. Ochoa-Rico et al. (2023) argue that perceptions of people in cities and rural areas differ, therefore, the results obtained in this study should not be generalized to all SMEs in South Africa. The researcher suggests that future studies should be conducted comparing perceptions of SMEs owners in cities and rural areas.
- The results of this study may have been affected by time constraints, as the study employed a cross-sectional design. The cross-sectional design involves collecting data from a sample of participants at a single 'point' in time. This could have affected longitudinal changes or trends that could have been noticed; therefore, future studies should implement a longitudinal design to capture changes and trends among SME participants.
- The researcher had insufficient funding, which could have affected the study's outcomes significantly.

© University of Venda

- The study mainly focused on the behavioral intention to use digital marketing and perceptions toward the adoption of digital marketing among SMEs. Future studies should focus on the actual adoption of digital marketing and investigate its impact on the financial performance of SMEs in South Africa.
- This study collected data from SME owners and managers conducting businesses in the Tshwane Metropolitan Municipality, irrespective of nationality. Studies, however, suggest immigrant-owned and locally-owned SMEs might have different perceptions regarding the adoption of digital marketing, therefore, future studies may conduct comparative studies between immigrant-owned and locally-owned SMEs.

7.8 CHAPTER SUMMARY

Chapter Seven is marked as the concluding chapter of this study. It presented a general overview, conclusions and recommendations grounded on the theoretical and empirical findings. The study revealed that there is a high failure rate of SMEs in South Africa as compared to other countries. Digital marketing adoption is identified as one of the key strategies to curb the high failure rate of SMEs, however, extant literature and this study's results revealed that there is a low level of digital marketing adoption among SMEs in South Africa. The results of the study revealed that - perceived usefulness, perceived ease of use, perceived behavioral control, cost, firm size, employee capability, top management support, and financial resources - significantly influence behavioral intention to use digital marketing. The results also indicated that behavioral intention is a significant determinant of digital marketing adoption. The study also provided various recommendations to enhance SMEs' behavioral intention to use digital marketing and digital marketing adoption. In addition, the chapter addressed the limitations to the study and provided areas for further research.

© University of Venda

REFERENCES

Abbadia, J. 2022. *Research Paradigm: An Introduction with Examples.* Retrieved from https://mindthegraph.com/blog/researchparadigm/#:~:text=A%20research%20paradigm%20is%20a,research%20methodologies%3A%20positivism%20or%20interpretivism. [Accessed on: 1 August 2023].

Abbas, T. 2022. *How to Introduce New Technology to Employees.* Available at: https://changemanagementinsight.com/how-to-introduce-new-technology-to-employees/. (Accessed 28 July 2024).

Abbasi, A.G., Abdul Rahim, N. F., Wu, H., Iranmanesh, M., & Chee Keong, B. N. 2022. *Determinants of SME's Social Media Marketing Adoption: Competitive Industry as a Moderator.* SAGE Open. Available at: https://doi.org/10.1177/21582440211067220. (Accessed 26 July 2024).

Abdul, A.P.J. 2018. *Sampling Design.* Available at: https://theintactone.com/2018/04/12/brm-u3-topic-1-sampling-design/. (Accessed 22 August 2024).

Abimbola, A. 2024. *How to Create Engaging and Relevant Content for Your Target Audience.* Available at: https://mauconline.net/how-to-create-engaging-and-relevant-content-for-your-target-audience/. (Accessed 20 July 2024).

Abiola, M. 2023. Digital Marketing vs. Traditional Marketing: Boost Your Business Performance. Available at: https://hostadvice.com/blog/digital-marketing/digital-marketing-vs-traditional-marketing/. (Accessed 6 June 2024).

Abouzeedan, A., Klofsten, M., & Hedner, T. 2013. Internetization Management as a Facilitator for Managing Innovation in High-Technology Smaller Firms. *Global Business Review,*14(1): 121-136

AbuAkel, S. A., & Ibrahim, M. 2023. The Effect of Relative Advantage, Top Management Support and IT Infrastructure on E-Filing Adoption. *Journal of Risk and Financial Management,* 16(6): 295.

Acal, C. 2020. *New Modeling Approaches Based on Varimax Rotation of Functional Principal Components.* Available at: https://typeset.io/questions/how-is-the-use-of-pca-with-varimax-rotation-for-simplifying-450us5oox3. (Accessed 20 September 2024).

Achchuthan, S. 2015. *Can we perform EFA before we confirm the model via CFA?* Available at: https://www.researchgate.net/post/Can_we_perform_EFA_before_we_confirm_the_model_via_CFA. (Accessed 20 September 2024).

© University of Venda

Achieng, M.S., & Malatji, M. 2022. Digital transformation of small and medium enterprises in sub-Saharan Africa: A scoping review. *Journal for Transdisciplinary Research in Southern Africa*, 18(1): 1-13.

Acuto. 2023. *10 Best PPC & Google Ads Automation Tools* (2023). Available at: https://acuto.io/blog/google-ads-automation-tools/. (Accessed 15 July 2024).

Addict, M. 2023. *How many samples allow its distributions to pass the normality tests?* Available at: https://medium.com/@snp.kriss/is-this-really-normal-distribution-beb77495b906. (Accessed 19 September 2024).

Adobe Communications Team. 2022. *Using paid, owned, and earned media in your digital marketing strategy.* Available at: https://business.adobe.com/blog/basics/paid-earned-owned-media. (Accessed 9 July 2024).

Adobe Experience Cloud Team. 2018. *Why Digital Marketing is Crucial No Matter the Size of Your Business.* Available at: https://business.adobe.com/blog/basics/why-digital-marketing-is-crucial-no-matter-the-size-of-your-business. (Accessed 28 July 2024).

Adobe Experience Cloud Team. 2023. *What is digital marketing? A complete guide.* Available at: https://business.adobe.com/blog/basics/digital-marketing. (Accessed 16 May 2024).

Adocera. 2022. *How COVID-19 Has Changed Organizational Culture.* Available at: https://www.linkedin.com/pulse/how-covid-19-has-changed-organizational-culture-adocera-1c/. (Accessed 19 July 2024).

African Business. 2023. *Unlocking SME potential through the power of emerging technology*. Available at: https://african.business/2022/04/technology-information/unlocking-sme-potential-through-the-power-of-emerging-technology. (Accessed 25 March 2024).

African Union. 2022. *2nd Annual Micro, Small, and Medium-sized Enterprises Forum "Start-up Acts: Fostering Development and Innovation in Africa*. Available at: https://au.int/en/2ndAnnualMSME. (Accessed 25 March 2024).

Aggarwal, R., & Ranganathan, P. 2019. Study Designs- Part 2 – Descriptive studies. *Perspectives in Clinical Research,* 10(1): 34-36.

Ahmad, N., & Rasheed, H. M. W. 2024. SMEs and digital marketing: A perspective of behavioral reasoning theory. *Tourism and Hospitality Research,* 0(0). Available at: https://doi.org/10.1177/14673584241300600. (Accessed 1 March 2025).

© University of Venda

Ahmed, I., & Ishtiaq, S. 2021. Reliability and validity: Importance in Medical Research. *Journal of the Pakistan Medical Association*, 71(10): 2401-2406.

AIContefy Team. 2023. *The role of customer education in driving acquisition and engagement.* Available at: https://aicontentfy.com/en/blog/role-of-customer-education-in-driving-acquisition-and-engagement. (Accessed 21 July 2024).

Ainin, S., Parveen, F., Moghavvemi, S., Jaafar, N.I., & Mohd Shuib, N.L. 2015. Factors influencing the use of social media by SMEs and its performance outcomes. Industrial Management & Data Systems, 115(3): 570-588.

Ajibo, C.C. 2023. *Micro, Small and Medium-Sized Enterprises and Non-Tariff Barriers in African Trade.* African International Economic Law Network. Retrieved from https://www.afronomicslaw.org/category/analysis/micro-small-and-medium-sized-enterprises-and-non-tariff-barriers-african-trade. [Downloaded 18 February 2023].

Ajmal, V. 2024. *The 7 Ps of marketing mix model*. Available at: https://www.onlinemanipal.com/blogs/the-7ps-of-marketing-mix#:~:text=The%20Price%20element%20of%20the,more%20likely%20to%20be%20successful. (Accessed 9 July 2024).

Ajzen I. 1991. The Theory of planned behavior. *Organizational Behavior and Human Decision Processes,* 50:179–211.

Ajzen, I. 1988. *Attitudes, personality, and behavior.* Dorsey Press.

Ajzen, I., & Fishbein, M. 1980. *Understanding attitudes and predicting social behavior.* Englewood-Cliffs, NJ: Prentice-Hall.

Akinci, C., & Saunders, M. 2015. Using questionnaire surveys to gather data for within organisation HRD research. in M Saunders & P Tosey (eds), *Handbook of Research Methods on HRD*. Edward Elgar, Cheltenham.

AIContefy Team. 2023. *The role of content marketing in startups.* Available at: https://aicontentfy.com/en/blog/role-of-content-marketing-in-startups. (Accessed 12 July 2024).

Ali Abbasi, G., Abdul Rahim, N. F., Wu, H., Iranmanesh, M., & Keong, B. N. C. 2022. Determinants of SME's Social Media Marketing Adoption: Competitive Industry as a Moderator. *Sage Open,* 12(1). Available at: https://doi.org/10.1177/21582440211067220. (Accessed 25 February 2025).

© University of Venda

Ali, S. 2023. *The importance of a digital marketing strategy to small businesses?* Available at: https://www.linkedin.com/pulse/importance-digital-marketing-strategy-small-businesses-shahed-ali/. (Accessed 28 July 2024).

Alkahtani, A., Nordin, N., & Khan, R. U. 2020. Does government support enhance the relation between networking structure and sustainable competitive performance among SMEs? *Journal of Innovation and Entrepreneurship,* 9(1), 1-16.

Al-Khatib, A.W. 2023. Drivers of generative artificial intelligence to fostering exploitative and exploratory innovation: A TOE framework. *Technology in Society,* 75: 102403.

Almemam, A. 2024. The digital transformation in pharmacy: embracing online platforms and the cosmeceutical paradigm shift. *Journal of Health, Population and Nutrition,* 43(60): 1-22.

Alojairi, A., Akhtar, N., Ali, M.H., & Basiouni, A.F. 2019. Assessing Canadian business IT capabilities for online selling adoption: a net-enabled business innovation cycle (NEBIC) perspective. *Sustainability,* 11(13): 3662.

Alqasa, K. M. A., & Afaneh, J. A. A. 2022. A Study on Digital Marketing and SME Performance

Alrousan, M., Al-Adwan, A.S., AlMadadha, A., & Khasawneh, M.H. 2020. Factors Affecting the Adoption of E-Marketing by Decision Makers in SMEs: Evidence from Jordan. *International Journal of E-Business Research,* 16(1):1-27.

Alrousan, M.K., Al-Adwan, A.S., Al-Madadha, A., & Al Khasawneh, M.H. 2021. Factors affecting the adoption of E-Marketing by decision-makers in SMEs: evidence from Jordan, in Research Anthology on Small Business Strategies for Success and Survival. *IGI Global,* 887-915.

Al-Sharafi, M. A., Iranmanesh, M., Al-Emran, M., Alzahrani, A. I., Herzallah, F., & Jamil, N. 2023. Determinants of cloud computing integration and its impact on sustainable performance in SMEs: An empirical investigation using the SEM-ANN approach. *Heliyon,* 9(5), article E16299. Available at: https://doi.org/10.1016/j.heliyon.2023.e16299. (Accessed 26 July 2024).

Amadasun, E.O.D., & Mutezo, A.T. 2023. Factors of market-driven strategies and access to finance effect on SMEs competitive performance in Lesotho. *The Southern African Journal of Entrepreneurship and Small Business Management,* 15: 1-12.

American Marketing Association. 2024. *Digital Marketing.* Available at: https://www.ama.org/topics/digital-marketing/. (Accessed 16 May 2024).

© University of Venda

Amesho, K., Edoun, E., Naidoo, V., & Pooe, S. 2022. Sustainable competitive advantage through technology and innovation systems in the local government authorities. *Africa's Public Service Delivery & Performance Review,* 10(1), a573.

Amoah, J., Bruce, E., Shurong, Z., Bankuoru Egala, S., & Kwarteng, K. 2023. Social media adoption in SMEs sustainability: evidence from an emerging economy. *Cogent Business & Management,* 10(1).

An analysis on the unified theory of acceptance and use of technology theory (UTAUT): Acceptance of electronic document management system (EDMS). *Computers in Human Behavior Reports,* 2(1): 1-7.

Analysis INN. 2020. *Discriminant Validity through Fronell-Larcker Criterion*. Available at: https://www.analysisinn.com/post/discriminant-validity-through-fronell-larcker-criterion/#:~:text=The%20Fronell%2DLarcker%20criterion%20is,construct%20and%20any%20other%20construct. (Accessed 3 September 2024).

Anastasiei, B., Dospinescu, N., Dospinescu, O. 2022. The impact of social media peer communication on customer behaviour – Evidence from Romania. *Argumenta Oeconomica,* 1(48): 247-264.

Andersen, D. 2023. *45 Statistics Retail Marketers Need to Know in 2024.* Available at: https://www.invoca.com/blog/retail-marketing-statistics. (Accessed 27 February 2025).

Arellamo, L., Alcubilla, P., & Leguizamo, L. 2023. *Ethical Considerations in Informed Consent.* Available at: https://www.intechopen.com/chapters/1123544. (Accessed 28 August 2024).

Arghya, R., Pradip, K.B. & Shilpee, A.D. 2020. *Psychological analytics-based technology adoption model for effective educational marketing in digital and social media marketing, emerging applications and theoretical development*. Springer, Switzerland AG, 2020.

Arnold, C. 2019. *The Foundation for Economies Worldwide Is Small Business*. Available at: https://www.ifac.org/knowledge-gateway/discussion/foundation-economies-worldwide-small-business-0. (Accessed 25 April 2024).

Arobo, A. T. 2022. *The Effect of Digital Marketing on SMEs: A Case Study of Swedish And Nigerian Companies*. Unpublished Dissertation. Available at: https://urn.kb.se/resolve?urn=urn:nbn:se:ltu:diva-91753. (Accessed 16 July 2024).

© University of Venda

Aronson, A. 2020. *Five Reasons Why Affiliate Marketing Keeps On Growing.* Available at: https://www.linkedin.com/pulse/five-reasons-why-affiliate-marketing-keeps-growing-adam-aronson/. (Accessed 20 July 2024).

Arora, B. 2024. *Why digital marketing is cost-effective form of marketing?* Available at: https://www.netscapeindia.com/digital-marketing-cost-effective. (Accessed 28 July 2024).

Arturki, R. 2021. Research Onion for Smart IoT-Enabled Mobile Applications. *Scientific Programming,* (1). Available at: https://onlinelibrary.wiley.com/doi/10.1155/2021/4270998. (Accessed 6 September 2024).

Asian Development Bank Institute. 2016. A *COMPARATIVE ANALYSIS OF TAX ADMINISTRATION IN ASIA AND THE PACIFIC 2016 EDITION*. Available at: https://www.adb.org/sites/default/files/publication/193541/tax-admin-asia-pacific-2016.pdf. (Accessed 23 January 2023).

Asista Software Solutions Pvt.Ltd. 2023. *5 Ways Customer Engagement Can Benefit Your Business.* Available at: https://www.linkedin.com/pulse/5-ways-customer-engagement-can-benefit-your-business/. (Accessed 20 July 2024).

Ates, A. 2022. *Small and medium enterprises' resilience and viability in turbulent times.* Available at: https://iap.unido.org/articles/small-and-medium-enterprises-resilience-and-viability-turbulent-times. (Accessed 25 March 2024).

Austin, Z., & Sutton, J. 2014. Qualitative Research: Getting Started. *The Canadian Journal of Hospital Pharmacy,* 67(6), 436-440.

Awa, H.O., Ojiabo, O.K., & Emecheta, B.C. 2015. Integrating TAM, TPB and TOE frameworks and expanding their characteristic constructs for e-commerce adoption by SMEs. *Journal of Science & Technology Policy Management,* 6(1), 76-94.

Ayanyemi, T. 2022. Probability Sampling: Definition, Types, Examples, Pros & Cons. Retrieved from https://www.formpl.us/blog/probability-sampling. [Accessed on: 3 August 2023].

Azare, A.Y. & Uduji, J.I. 2023. Effects of digital marketing on SMEs performance in North-East Nigeria. *Global Scientific Journals,* 11(5): 730-741.

Azevedo, A., & Almeida, A. 2021. Grasp the challenges of digital transition in SMEs. A training course geared towards decision-makers. *Education Sciences,* 11(4): 157.

© University of Venda

Aznar, E. 2022. *Mobile Marketing in Africa: Everything Advertisers Need to Know.* Available at: https://blog.optickssecurity.com/mobile-marketing-in-africa. (Accessed 15 July 2024).

Baird, A., Davidson, E., & Mathiassen, L. 2017. Reflective technology assimilation: facilitating electronic health record assimilation in small physician practices. *J Manage Inf Syst,* 34(3): 664-694.

Baker, E.W., Al-Gahtan, S.S., & Hubona, G. 2007. The effects of gender and age on new technology implementation in a developing country: Testing the theory of planned behavior (TPB). *Information Technology and People,* 20(4): 352-375.

Baker, N. 2023. *What is the main purpose of data collection?* Available at: https://savanta.com/us/knowledge-centre/view/what-is-the-main-purpose-of-data-collection/#:~:text=The%20main%20purpose%20of%20data%20collection%20is%20to%20gather%20relevant,data%20you%20have%20got%20nothing! (Accessed 12 September 2024).

Ballards LLP. 2023. *How Digital Transformation Can Lead To Cost Savings For SMEs*. Available at: https://ballardsllp.com/insights/digital-transformation-lead-to-cost-savings-for-smes/. (Accessed 28 July 2024).

Baloch, A. 2023. *The Power of Social Media Advertising: Targeting Your Ideal Audience.* Available at: https://www.linkedin.com/pulse/power-social-media-advertising-targeting-your-ideal-audience-baloch/. (Accessed 17 July 2024).

Baporikar, N. 2018. Innovation and Sustainability in SMEs. In book: *Handbook of Research on Intrapreneurship and Organizational Sustainability in SMEs* (pp.163-181).

Barben, J. 2025. *Why do small businesses struggle with digital marketing?* Available at: https://www.mayple.com/resources/digital-marketing/why-do-small-businesses-struggle-with-digital-marketing. (Accessed 23 February 2025).

Barik, T. 2023. What is the range of acceptable values of structural equation modeling? Available at: https://www.researchgate.net/post/What_is_the_range_of_acceptable_values_of_structural_equation_modeling#:~:text=The%20range%20of%20acceptable%20values%20of%20structural%20equation%20modeling%20(SEM,CFI)%3A%200.95%20or%20more. (Accessed 3 September 2024).

© University of Venda

Barney, J. 1991. Firm Resources and Sustained Competitive Advantage. *Journal of Management,* 17 (1), 99-120.

Barroga, E., & Matanguihan, G. J. 2022. A Practical Guide to Writing Quantitative and Qualitative Research Questions and Hypotheses in Scholarly Articles. *Journal of Korean Medical Science,* 37(16).

Barroga, E., & Matanguihan, G.J. 2022. A Practical Guide to Writing Quantitative and Qualitative Research Questions and Hypotheses in Scholarly Articles. *J Korean Med Sci,* 37(16): 1-18.

Baseline Study. 2018. *The number of formal micro, small & medium businesses in South Africa*. Available at: https://www.smallbusinessinstitute.co.za/wp-content/uploads/2018/10/SBIbaselineAlert1final.pdf. (Accessed 13 March 2024).

Bazen, A., Barg, F. K., & Takeshita, J. 2021. Research Techniques Made Simple: An Introduction to Qualitative Research. *Journal of Investigative Dermatology,* 141(2): 241-247.

Beck, T., Demirguc-Kunt, A., & Levine, R. 2005. *Smes, Growth, and Poverty*. Available at: https://www.researchgate.net/publication/228315177_Smes_Growth_and_Poverty. (Accessed 25 March 2023).

Beckman, 2024. *Key 2023 Mobile Marketing Statistics: 20+ Insights You Can't Miss.* Available at: https://techreport.com/statistics/finance-marketing/mobile-marketing-statistics/. (Accessed 15 July 2024).

Bedi, H.S., & Bhale, U.A. 2023. *SEM model fit indices meaning and acceptance of model fit literature support.* Available at: https://www.researchgate.net/publication/376305141_SEM_MODEL_FIT_INDICES_MEANING_AND_ACCEPTANCE_OF_MODEL_FIT_LITERATURE_SUPPORT. Accessed 12 March 2025.

Bellamy, N. 2015. *Principles of clinical outcome assessment; Rheumatology* (Sixth Edition), 9-19. Available at: https://doi.org/10.1016/B978-0-323-09138-1.00002-4. (Accessed 2 September 2024).

Belle Wong, J.D. 2023. *Top Social Media Statistics And Trends Of 2024*. Available at: https://www.forbes.com/advisor/business/social-media-statistics/. (Accessed 15 July 2024).

Benchmark Team. 2023. *The Evolution of Email Marketing: From Plain Text to Interactive Experiences.* Available at: https://www.benchmarkemail.com/blog/the-evolution-of-email-marketing/. (Accessed 15 July 2024).

© University of Venda

Benitez, G.B., Ayala, N.F., & Frank, A.G. 2020. Industry 4.0 innovation ecosystems: An evolutionary perspective on value cocreation. *International Journal of Production Economics,* 2020; 228.

Bermeo-Girado, M.C., Valencia-Arias, A., Ramos de Rosas, J. D., Benjumea-Arias, M. & Calderon, J. A. 2022. Factors Influencing the Use of Digital Marketing by Small and Medium-Sized Enterprises during COVID-19. *Informatics,* 9(4), 86.

Bermingham, R. 2020. *Interpreting research evidence.* Available at: https://post.parliament.uk/interpreting-research-evidence/. (Accessed 4 September 2024).

Bhandari, P. 2020. *How to Calculate Standard Deviation (Guide)* Calculator & Examples? Available at: https://www.scribbr.com/statistics/standard-deviation/#:~:text=Standard%20deviation%20is%20a%20useful,further%20away%20from%20the%20center. (Accessed 19 September 2024).

Bhandari, P. 2020. *What Is Qualitative Research? Methods & Examples.* Available at: https://www.scribbr.com/methodology/qualitative-research/. (Accessed 18 August 2024).

Bhandari, P. 2021. *Correlational Research: When & How to Use.* Available at: https://www.scribbr.com/methodology/correlational-research/. (Accessed 21 August 2021).

Bhandari, P. 2021. *Ethical Consideration in Research, Type and Examples.* Retrieved from https://www.scribbr.com/methodology/research-ethics/. [Accessed on: 3 August 2023].

Bhandari, P. 2021. *Ethical Considerations in Research: Types & Examples.* Available at: https://www.scribbr.com/methodology/research-ethics/. (Accessed 28 August 2024).

Bhandari, P. 2021. *Questionnaire Design : Methods, Question Types & Examples.* Available at: https://www.scribbr.com/methodology/questionnaire/. (Accessed 6 September 2024).

Bhandari, P. 2021. Questionnaire Design : Methods, Question Types & Examples. Available at: https://www.scribbr.com/methodology/questionnaire/. (Accessed 13 September 2024).

Bhandari, P. 2021. *What Is Data Cleansing? Definition, Guide & Examples.* Available at: https://www.scribbr.com/methodology/data-cleansing/. (Accessed 28 August 2024).

Bhandari, P. 2022. *Construct Validity : Definition, Types, & Examples.* Available at: https://www.scribbr.com/methodology/construct-validity/. (Accessed 2 September 2024).

© University of Venda

Bhandari, P. 2022. *What Is Deductive Reasoning? : Explanation & Examples.* Available at: https://www.scribbr.com/methodology/deductive-reasoning/. (Accessed 14 August 2024).

Bhandari, P. 2022. *What Is Face Validity? Guide, Definition & Examples.* Available at: https://www.scribbr.com/methodology/face-validity/#:~:text=Face%20validity%20is%20important%20because,seems%20useful%20at%20first%20glance. (Accessed 8 March 2025).

Bhandari, P. 2023. *Levels of Measurement: Nominal, Ordinal, Interval and Ratio*. Available at: https://www.scribbr.com/statistics/levels-of-measurement/. (Accessed 16 March 2025).

Bhasin, H. 2020. *The Four Types of Resources to Boost Your Business.* Available at: https://www.businessbrights.com/resources/the-four-types-of-resources-to-boost-your-business/. (Accessed 17 July 2024).

Bhasin, H. 2023. *Descriptive Research – Characteristics, Methods, Examples, Advantages.* Available at: https://www.marketing91.com/descriptive-research/. (Accessed 21 August 2024).

Bhat, A. 2024. *Research Design: What it is, Elements & Types.* Available at: https://www.questionpro.com/blog/research-design/. (Accessed 20 August 2024).

Bhattacherjee, A. 2021. *What is validity?* Available at: https://socialsci.libretexts.org/Courses/Orange_Coast_College/SOC_200%3A_Introduction_to_Sociology_Research_Methods_(Ridnor)/04%3A_Conceptualization_Operationalization_and_Measurement/4.06%3A_Validity#:~:text=For%20adequate%20convergent%20validity%2C%20it,all%20other%20factors%20(cross%2Dfactor. (Accessed 8 March 2025).

Bhayani, T. 2023. *Developing Policies and Procedures: A Guide to Successful Implementation.* Available at: https://blog.airmason.com/a-guide-to-successful-implementation-of-policies-and-procedures/. (Accessed 28 July 2024).

BigCommerce Essentials. 2024. *What is owned media and how to capitalize on it?* Available at: https://www.bigcommerce.com/glossary/owned-media/. (Accessed 9 July 2024).

Binzari, A. 2023. *Digital vs Traditional Marketing Unveiling the Key Differences.* Available at: https://www.linkedin.com/pulse/digital-vs-traditional-marketing-unveiling-key-andrian-binzari/. (Accessed 15 July 2024).

© University of Venda

Bisht, R. 2023. *What are Sampling Methods? Techniques, Types, and Examples*. Available at: https://researcher.life/blog/article/what-are-sampling-methods-techniques-types-and-examples/. (Accessed 18 September 2024).

Bisht, R. 2024. *What is Inductive Reasoning? Definition, Types, and Examples.* Available at: https://researcher.life/blog/article/what-is-inductive-reasoning-definition-types-examples/. (Accessed 14 August 2024).

Biswal, A. 2024. *The Ultimate Guide to Qualitative vs. Quantitative Research.* Available at: https://www.simplilearn.com/tutorials/data-analytics-tutorial/qualitative-vs-quantitative-research. (Accessed 18 August 2024).

Bizcommunity. 2023. *South Africa's small businesses are struggling in digital progression, report* finds. Available at: https://www.bizcommunity.com/Article/196/846/244322.html. (Accessed 16 July 2024).

Blees, J., Kemp, R., Maas, J., & Mosselman, M. 2003. Barriers to entry, Differences in barriers to entry for SMEs and large enterprises. In: *Scientific analysis of Entrepreneurship and SMEs*. EIM, Business & Policy Research, Zoetermeer.

Boateng, G. O., Neilands, T. B., Frongillo, E. A., Melgar-Quiñonez, H. R., & Young, S. L. 2018. Best practices for developing and validating scales for health, social, and behavioral research: a primer. *Frontiers in Public Health*, 6:149.

Bodoine, T. ***YEAR??*** *Digital marketing impact on the growth of small and medium-sized enterprises in Cameroon case study Jumia*. Unpublished Thesis: Central University of Applied Science.

Bold Online Marketing. 2023. *Demystifying Digital Marketing Meaning: Strategies, and Impact in South Africa.* Available at: https://boldonline.co.za/demystifying-digital-marketing-meaning-strategies-and-impact-in-south-africa/#:~:text=In%20today's%20fast%2Dpaced%20digital,thrive%20in%20the%20digital%20landscape. (Accessed 24 June 2024).

Bollen, K. A. 1989. *Structural equations with latent variables.* Wiley series in probability and mathematical statistics. John Wiley & Sons, Inc.

© University of Venda

Boluwatife, B. 2023. *Technology Acceptance Model.* Available at: https://medium.com/@topsticksam/understanding-technology-acceptance-model-a-key-to-successful-technology-adoption-2c83c1cdf8a4. (Accessed 24 July 2024).

Booker, S.Q., Austin, J.D., & Balasubramanian, B.A. 2021. Survey strategies to increase participant response rates in primary care research studies. *Family Practice,* 38(5): 699-702.

Borgen Project. 2022. *How SMEs Reduce Poverty*. Available at: https://www.borgenmagazine.com/smes-reduce-poverty-2/. (Accessed 25 March 2024).

Bothma, M., & Mostert, L. 2023. Adopting the technology acceptance model: A Namibian perspective. *South African Journal of Information Management,* 25(1): a1624.

Bouchrika, I. 2022. *The Impact of Digital Marketing on Customer Engagement and Business Growth.* Available at: https://research.com/business/the-impact-of-digital-marketing-on-customer-engagement-and-business-growth. (Accessed 22 February 2025).

Bouchrika, I. 2023. *Types of Research Design: Perspective and Methodological Approaches.* Retrieved from https://research.com/research/types-of-research-design. [Accessed on: 3 August 2023].

Bouchrika, I. 2024. *How to Write Research Methodology in 2024: Overview, Tips, and Techniques.* Available at: https://research.com/research/how-to-write-research-methodology. (Accessed 13 August 2024).

Bouchrika, I. 2024. *What Is Empirical Research? Definition, Types & Samples in 2024*. Available at: https://research.com/research/what-is-empirical-research. (Accessed 22 August 2024).

Bozkus, K. 2023. *Organizational Culture Change and Technology: Navigating the Digital Transformation.* Available at: https://www.intechopen.com/chapters/88132. (Accessed 28 July 2024).

Bradford, A., & Gordon, J. 2022. *Empirical evidence: A definition.* Available at: https://www.livescience.com/21456-empirical-evidence-a-definition.html. (Accessed 22 August 2022).

Bradford, A., Weisberger, M., & Lanese, N. 2024. *What's the difference between deductive reasoning and inductive reasoning*? Available at: https://www.livescience.com/21569-deduction-vs-induction.html. (Accessed 14 August 2024).

© University of Venda

Bradford, M., Earp, J.B., and Grabski, S. 2014. Centralized end-to-end identity and access management and ERP systems: A multi-case analysis using the technology organization environment framework. *International Journal of Accounting Information Systems,* 15(2), 149-165.

Brodowicz, M. 2024. *Steps in Data Collection.* Available at: https://aithor.com/essay-examples/steps-in-data-collection. (Accessed 13 September 2024).

Brown, S. 2023. *10 Challenges Marketers Face & How Digital Marketing Solve Them*. Available at: https://www.roionline.com/blog/digital-marketing-for-business. (Accessed 21 July 2024).

Brown, T.A. 2015. *Confirmatory Factor Analysis for Applied Research,* Second Edition. Guilford Publications.

Bruce, E., Sharong, Z., Ying, D., Yaqi, M., Amoah, J., & Egala, S.B. 2023. The Effect of Digital Marketing Adoption on SMEs Sustainable Growth: Empirical Evidence from Ghana. *Sustainability*, 15(6), 4760.

Bruce, E., Shurong, Z., Ying, D., Yaqi, M., Amoah, J., & Egala, S. B. 2022. The Effect of Digital Marketing Adoption on SMEs Sustainable Growth: Empirical Evidence from Ghana. Sustainability, 15(6), 4760.

Brunner, M., & Süß, H. 2005. *Analyzing the Reliability of Multidimensional Measures: An Example from Intelligence Research*. Available at: http://citeseerx.ist.psu.edu/viewdoc/download?doi=10.1.1.856.4612&rep=rep1&type=pdf. (Accessed 5 September 2024).

Bruwer, P.A. 2020. Source document usage and the financial sustainability of South African small, medium and micro retailers. *Expert Journal of Business and Management*, 8(1): 110-119.

Buhl, N. 2023. *Mastering Data Cleaning & Data Preprocessing.* Available at: https://encord.com/blog/data-cleaning-data-preprocessing/#:~:text=it%20trains%20faster.-,Data%20Cleaning%20Process,the%20performance%20of%20the%20models. (Accessed 18 September 2024).

Bureau for Economic Research. 2016. *The small, medium and micro enterprise sector of South Africa* Note Research 1, Small Enterprise Development Agency.

Burtan, A. 2023. *What is Content Marketing?* Available at: https://www.dealfront.com/blog/what-is-content-marketing/. (Accessed 20 July 2024).

© University of Venda

Busetto, L., Wick, W., & Gumbinger, C. 2020. How to use and assess qualitative research methods. *Neurological Research and Practice,* 2(14): 1-10.

Butte College. 2021. *Deductive, Inductive and Abductive Reasoning.* Available at: https://www.studocu.com/en-za/document/north-west-university/introduction-to-law/5-deductive-inductive-and-abductive-reasoning-tip-sheet-butte-college/31891780. (Accessed 14 August 2024).

Buvar, A., & Gati, M. 2023. Digital marketing adoption of microenterprises in a technology acceptance approach. *Management & Marketing,* 18(2): 127-144.

BuzzBoard. 2024. *How Can I Prove that Digital Marketing Is Cost Effective for Small Businesses?* Available at: https://www.buzzboard.ai/how-can-i-prove-that-digital-marketing-is-cost-effective-for-small-business/#:~:text=According%20to%20a%20report%20by,effectively%20broadening%20their%20market%20boundaries. (Accessed 25 February 2025).

BuzzBoard. 2024. *The Importance of Digital Marketing for Local Businesses.* Available at: https://www.buzzboard.ai/the-importance-of-digital-marketing-for-local-businesses/#:~:text=Customer%20Engagement%3A%20Digital%20marketing%20enables,customers%20and%20encourage%20repeat%20business. (Accessed 28 February 2025).

BuzzBoard. 2024. *Why Small Business Owners are Skeptical About Digital Marketing.* Available at: https://www.buzzboard.ai/why-the-skepticism-understanding-small-business-owners-concerns-about-digital-marketing/. (Accessed 25 February 2025).

Bvuma, S. 2024. *Opinion: Limited digital infrastructure in rural regions is a major impediment to economic development.* Available at: https://news.uj.ac.za/news/opinion-limited-digital-infrastructure-in-rural-regions-is-a-major-impediment-to-economic-development/. (Accessed 28 July 2024).

Bvuma, S., & Marnewick, C. 2020. An information and communication technology adoption framework for small, medium and micro-enterprises operating in townships South Africa. *The Southern African Journal of Entrepreneurship and Small Business Management*, 12(1).

Bvuma, S., & Marnewick, C. 2020. An information and communication technology adoption framework for small, medium and micro-enterprises operating in townships South Africa. *The Southern African Journal of Entrepreneurship and Small Business Management,* 12(1), 1-12. Available at: https://doi.org/10.4102/sajesbm.v12i1.318. (Accessed 28 July 2024).

© University of Venda

Call, C.C., Eckstrand, K.L., Kasparek, S.W., Boness, C.L., Blatt, L., Jamal-Orozco, N., Novacek, D.M., Foti, D. 2023. Scholars for Elevating Equity and Diversity (SEED). An Ethics and Social-Justice Approach to Collecting and Using Demographic Data for Psychological Researchers. *Perspect Psychol Sci,* 18(5): 979-995.

Campaign Monitor. 2021. *Small Business Marketing: Trends to refine your marketing efforts.* Available at: https://www.campaignmonitor.com/resources/guides/the-state-of-small-business-marketing/. (Accessed 15 July 2024).

Canovi, M., & Pucciarelli, F. 2019. Social media marketing in wine tourism: Winery owners' perceptions. *Journal of Travel & Tourism Marketing,* 36 (6): 653-664.

Cant, M.C., & Wiid, J.A. 2016. The use of traditional marketing tools by SMEs in an emerging economy: a South African perspective. *Problems and Perspectives in Management,* 14(1), 64-70.

Cappelli, S. 2023. *SEO and Content Marketing: How to Combine Them Effectively.* Available at: https://www.semrush.com/blog/seo-and-content-marketing/. (Accessed 20 July 2024).

Caraballo, A., Luna, J., & Carbal, A., 2023. Digital Marketing adoption in Small and Medium-sized Enterprises (SMEs). *Panorama Económico,* 31(4): 360-374.

Carroll, K. 2023. *Validity & Reliability in Research: Definition & Importance.* Available at: https://study.com/academy/lesson/validity-and-reliability-how-to-assess-the-quality-of-a-research-study.html#:~:text=Reliability%20in%20research%20is%20a,time%20and%20reliable%20across%20samples. (Accessed 4 September 2024).

Cascade Team. 2023. *VRIO Framework Overview: Analysis, Template & Examples.* Available at: https://www.cascade.app/blog/vrio-framework. (Accessed 17 July 2024).

Cenamor, J., Parida, V., & Wincent, J. 2019. How entrepreneurial SMEs compete through digital platforms: The roles of digital platform capability, network capability and ambidexterity. *Journal of Business Research,* 100, 196-206. Available at: https://doi.org/10.1016/j.jbusres.2019.03.035. (Accessed 29 July 2024).

CFI Team. 2020. *Small and Medium-sized Enterprises (SMEs)*. Available at: https://corporatefinanceinstitute.com/resources/accounting/small-and-medium-sized-enterprises-smes/. (Accessed 11 March 2024).

© University of Venda

Chaffey, D. 2016. *Global social media research summary*. Smart Insights: Social Media Marketing.

Chaffey, D. 2023. *What is digital marketing? Our visual summary of 18 key techniques.* Available at: https://www.smartinsights.com/digital-marketing-strategy/what-is-digital-marketing/. (Accessed 6 June 2024).

Chaffey, D. 2024. *The difference between paid, owned and earned media*. Available at: https://www.smartinsights.com/digital-marketing-strategy/customer-acquisition-strategy/new-media-options/. (Accessed 28 June 2024).

Chaitanya, G., Prabhuling T., & Hanumanthappa, D. 2024. Path analysis: An overview and its application in social sciences. *Int J Agric Extension Social Dev,* 7(4): 299-303.

Chakhap, K. 2024. *What is Face Validity? Definition, Guide and Examples.* Available at: https://www.entropik.io/blogs/what-is-face-validity-definition-guide-and-examples. (Accessed 2 September 2024).

Chandran, S. 2023. *Ensuring Credibility and Trustworthiness: Promoting Best Practices for Research Integrity.* Available at: https://www.straive.com/blogs/ensuring-credibility-and-trustworthiness-best-practices-for-research-integrity/. (Accessed 13 September 2024).

Chanpreet, S. 2023. A Study on Direct Marketing as the Most Effective Form of Marketing. *International Journal of Research in Engineering and Science,* 11(1): 6-10.

Chapman, G. & Chapman, D. 2019. *An investigation into the barriers experienced by small and medium enterprises (SMES) in Durban when adopting digital marketing strategies*. Special Issue for International Conference on Business Research. Dept. of Commerce, Faculty of Science and Humanities SRM Institute of Science & Technology, Kattankulathur, Tamilnadu.

Chapman, H., & Gillespie, S. M. 2019. The Revised Conflict Tactics Scales (CTS2): A review of the properties, reliability, and validity of the CTS2 as a measure of partner abuse in community and clinical samples. *Aggression and Violent Behavior,* (44): 27-35.

Charlesworth Author Services. 2024*. Applied Research Essentials: Types, examples, and writing tips.* Available at: https://www.cwauthors.com/article/Applied-Research-Essentials. (Accessed 12 March 2025).

© University of Venda

Chatterjee, S., & Kar, A.K. 2020. Why do small and medium enterprises use social media marketing and what is the impact: Empirical insights from India. *International Journal of Information Management,* 53:102103.

Chaturvedi, R. & Karri, A. 2021. Entrepreneurship in the Times of Pandemic: Barriers and Strategies. *Sage Journals,* 11(1).

Chaturvedi, R., & Karri, A. 2023. Entrepreneurship in the Times of Pandemic: Barriers and Strategies. *FIIB Business Review*, 1-15.

Chaudhary, R. 2023. *MSME Digital Marketing: A Guide for Micro, Small, and Medium Enterprises.* Available at: https://www. linkedin.com/pulse/msme-digital-marketing-guide-micro-small-medium-rohan-chaudhary. (Accessed 15 May 2024).

Chavez, J.S.B., Magsino, N.A.G., Madrilejos, F.A. 2022. Effectiveness of Digital Marketing Strategies of Coffee Shops in Tagaytay amidst Covid-19 Pandemic. *International Journal of Management and Commerce Innovations,* 9(2): 467-479.

Check J., & Schutt R. K. 2012. Survey research. In: J. Check, R. K. Schutt., editors. *Research methods in education*. Thousand Oaks, CA: Sage Publications.

Chen, C., Lin, Y., Chen, W., Chao, C., & Pandia, H. 2021. Role of Government to Enhance Digital Transformation in Small Service Business. *Sustainability,* 13(3), 1028. Available: https://doi.org/10.3390/su13031028. (Accessed 28 July 2024).

Cherry, K. 2023. *How the Experimental Method Works in Psychology.* Available at: https://www.verywellmind.com/what-is-the-experimental-method-2795175. (Accessed 6 September 2024).

Cherry, K. 2023. *What Is Reliability in Psychology?* Available at: https://www.verywellmind.com/what-is-reliability-2795786. (Accessed 8 March 2025).

Cheung, G.W., Cooper-Thomas, H.D., & Lau, R.S. 2023. Reporting reliability, convergent and discriminant validity with structural equation modeling: A review and best-practice recommendations. *Asia Pac J Manag,* 41: 745–783.

Chhabra, M., & Rathole, M. 2022. Introduction to data collection instruments. *International Journal of Creative Research Thoughts* (IJCRT). 10(5): 9-13.

© University of Venda

Chigubu, U.E., Atiku, S.O., & Du Plessis, C. 2023. The Science of Literature Reviews: Searching, Identifying, Selecting, and Synthesising. *Publications,* 11(1): 1-16.

Chinakidzwa, M., & Phiri, M. 2020. Impact of digital marketing capabilities on market performance of small to medium enterprise agro-processors in Harare, Zimbabwe. *Journal of Business Theory and Practice,* 21(2): 746–757.

Chipangura, A. & Kaseke, N. 2012. Growth constraints of small and medium enterprises (SMEs) at Glenview Furniture Complex (GFC) in Harare (Zimbabwe). *International Journal of Marketing and Technology*, 2(6): 40-83.

Choudhary, M., Sodani, P. R., & Das, S. 2020. Effect of Covid-19 on economy in India: Some reflections for policy and programme. *Journal of Health Management,* 22(2):169–180.

Christ, S. L., Lee, D. J., Lam, B. L., & Diane, Z. D. 2014. Structural Equation Modeling: A Framework for Ocular and Other Medical Sciences Research. *Ophthalmic Epidemiology,* 21(1), 1.

Chugh, S. 2023. *Advantages of Digital Marketing: Top 10 Reasons to Invest in It*. Available at: https://emeritus.org/in/learn/advantages-of-digital-marketing/. (Accessed 15 July 2024).

Chugh, S. 2023. *What is Pay Per Click Advertising? How is it Useful in Digital Marketing?* Available at: https://emeritus.org/blog/digital-marketing-pay-per-click-advertising/. (Accessed 20 July 2024).

Clark, L. A., & Watson, D. 2019. Constructing Validity: New Developments in Creating Objective Measuring Instruments. *Psychological Assessment,* 31(12):1412.

Clark, L.A., & Watson, D. 1995. Constructing validity: Basic issues in objective scale development. *Psychological Assessment*, 7, 309-319.

Coffee Biz Basix. 2023. *Unlocking Success: The Power of Data-Driven Decision Making for Small Business Owners*. Available at: https://www.linkedin.com/pulse/unlocking-success-power-data-driven-decision-making-small-arnott/. (Accessed 21 July 2024).

Cognite. 2023. *The Benefits of Digital Marketing for Entrepreneurs in South Africa.* Available at: https://www.cognite.co.za/the-benefits-of-digital-marketing-for-entrepreneurs-in-south-africa/. (Accessed 16 July 2024).

© University of Venda

Cohen, R. J., & Swerdlik, M. E. 2005. *Psychological testing and assessment: An introduction to tests and measurement* (6th ed.). New York: McGraw-Hill.

Cole, D. 2023. *Realism in Philosophy*. Retrieved from https://study.com/academy/lesson/realism-overview-practical-teaching-examples.html. [Accessed on: 3 August 2023].

Columbia University. 2025. *Exploratory Factor Analysis*. Available at: https://www.publichealth.columbia.edu/research/population-health-methods/exploratory-factor-analysis. (Accessed 16 March 2025).

Comrey, A. L., & Lee, H. B. 1992. *A first Course in Factor Analysis.* Hillsdale, NJ: Erlbaum.

Connelly, L. M. 2008. Pilot studies. *Medsurg Nursing,* 17(6): 411-412.

Conner, B. 2017. Descriptive statistics. *American Nurse Today,* 12(11): 52-55.

Content Marketing Institute. 2024. *What Is Content Marketing?* Available at: https://contentmarketinginstitute.com/what-is-content-marketing/ . (Accessed 12 July 2024).

Conti, E., Camillo, F., & Pencarelli, T. 2023. The impact of digitalization on marketing activities in manufacturing companies. *The TQM Journal,* 35(9): 59-82.

Cooksey, R. W. 2020. Descriptive Statistics for Summarising Data. *Illustrating Statistical Procedures: Finding Meaning in Quantitative Data*, 61-139.

Cooper, D. R. & Schindler, P.S. 2014. *Business research methods.* The McGraw-Hill/Irwin Series in Operations and Decision Sciences. 12th ed. USA: Sage.

Corporate Finance Institute Team. 2024. *5 P's of Marketing.* Available at: https://corporatefinanceinstitute.com/resources/management/5-ps-marketing/ . (Accessed 9 July 2024).

Cote, C. *What is Marketing Analytics?* Havard Business School Online. Available at: https://online.hbs.edu/blog/post/what-is-marketing-analytics. (Accessed 15 July 2024).

Cotter, N. 2024. *What is an Affiliate Partnership and Why You Need Them!* Available at: https://www.growann.com/post/what-is-an-affiliate-partnership#:~:text=In%20simple%20terms%2C%20an%20affiliate,for%20both%20affiliates%20and%20merchants . (Accessed 12 July 2024).

Coursera Staff. 2023. *What Is Sample Size?* Available at: https://www.coursera.org/articles/what-is-sample-size. (Accessed 23 August 2024).

© University of Venda

Coursera Staff. 2024. *What Is Digital Marketing? Types, Skills, and Careers.* Available at: https://www.coursera.org/articles/digital-marketing . (Accessed 6 June 2024).

Coursera Staff. 2024. *What Is Email Marketing? Definition, Tips, and Tools.* Available at: https://www.coursera.org/articles/email-marketing . (Accessed 15 July 2024).

Cowling, N. 2024. *Mobile internet user penetration in South Africa from 2020 to 2029.* Available at: https://www.statista.com/statistics/972866/south-africa-mobile-internet-penetration/ . (Accessed 25 June 2024).

Crabtree, M., & Nehme, A. 2023. *What is Data Analysis? An Expert Guide With Examples*. Available at: https://www.datacamp.com/blog/what-is-data-analysis-expert-guide . (Accessed 26 August 2024).

Cresswell, J.W. 2007. *Qualitative inquiry and research design: Choosing among five quantitative* approaches. Thousand Oaks, CA: Sage.

Creswell, J. W., & Creswell, J. D. 2018. *Research design: qualitative, quantitative, and mixed methods approaches.* Fifth edition. Los Angeles: SAGE.

Cronbach, L. J. 1951. Coefficient alpha and the internal structure of tests. *Psychometrika,* 16(3): 297-334.

Crowther, D., & Lancaster, G. 2008. *Research methods: A concise introduction to research in management and business consultancy*. Routledge.

Cuncic, A. 2022. *Internal Validity vs. External Validity in Research.* Retrieved from https://www.verywellmind.com/internal-and-external-validity-4584479 . [Accessed on: 1 August 2023].

Dabbagh, A., Seens, H., Fraser, J., & MacDermid, J. C. 2023. Construct validity and internal consistency of the Home and Family Work Roles Questionnaires: A cross-sectional study with exploratory factor analysis. *BMC Women's Health,* 23.

Danzen, B.O. 2022. Measuring the level of Digital Marketing Capabilities, Digital Marketing Strategies and Challenges and Issues of SMEs in adopting Digital Marketing. Journal of Marketing Advances and Practices, 4(1): 79-96. Eze SC, Chinedu-Eze VC, Awa HO, Alharthi RHE (2021) Factors stimulating value micro-businesses attribute to digital marketing technology (DMT) adoption. *PLoS ONE*, 16(12): e0260145. Available at: https://doi.org/10.1371/journal.pone.0260145. (Accessed 16 July 2024).

© University of Venda

Dash, G., & Paul, J. 2021. CB-SEM vs PLS-SEM methods for research in social sciences and technology forecasting. *Technological Forecasting and Social Change,* 173: 1-11.

Dasmarinas, C. 2023. The impact of digital marketing barriers on the performance of micro and small online businesses. *International Journal of Management and Commerce Innovations,* 11(2): 174-183.

Davcik, N.S., & Sharma, P. 2016. Marketing resources, performance, and competitive advantage: A review and future research directions. *Journal of Business Research,* 69 (2016): 5547–5552.

Davis, F. D. 1986. *A technology acceptance model for empirically testing new end-user information systems: Theory and results.* Doctoral dissertation, Cambridge, MA: Massachusetts Institute of Technology.

Davis, F. D. 1989. Perceived Usefulness, Perceived Ease of Use, and User Acceptance of Information Technology. *MIS Quarterly,* 13(3): 319-339.

Davis, F. D., & Venkatesh, V. 2004. Toward pre-prototype user acceptance testing of new information systems: Implications for software project management. *IEEE Transactions on Engineering Management,* 51(1): 31-46.

Dawer, N. 2024. *Closed-Ended Questions: Types, Examples, and Best Practices.* Available at: https://www.zonkafeedback.com/blog/closed-ended-questions . (Accessed 13 September 2024).

de Mattos, C.S., Pellegrini, G., Hagelaar, G., & Dolfsma, W. 2023. Systematic literature review on technological transformation in SMEs: a transformation encompassing technology assimilation and business model innovation. *Management Review Quarterly,* 74: 1057-1095.

De Sordi, J.O., Paulo, W.L.d., Santos, A.R.d.R., Nelson, R.E., de Azevedo, M.C., Hashimoto, M. & Cavallari Filho, R. 2024. Small businesses are not necessarily “small and medium-sized enterprises. *Journal of Small Business and Enterprise Development,* 31(1)-1-30.

De Souza, D.E.S., & Baldanza, R.F. 2018. The e-consumer in light of the perceived value theory: A study on the acceptance of mobile commerce. *Base Revista de Administração e Contabilidade da UNISINOS*, 15(3): 238-253.

De Vaal, L. 2023. *The Importance of Content in Social Media Marketing.* Available at: https://www.oviond.com/the-importance-of-content-in-social-media-marketing/#:~:text=The%20right%20content%20in%20social,a%20stronger%20overall%20online%20presence . (Accessed 24 June 2024).

© University of Venda

DeCarlo, M., Cummings, C., & Agnelli, K. 2024. Inductive and deductive reasoning. Available at: https://socialsci.libretexts.org/Under_Construction/Graduate_research_methods_in_social_work_(DeCarlo_Cummings_and_Agnelli)/08%3A_Conceptualizing_your_research_project_-_Reasoning_and_causality/8.01%3A_Inductive_and_deductive_reasoning . (Accessed 14 August 2024).

DeFranzo, S.E. 2024. *4 Main Benefits of Survey Research.* Available at: https://www.snapsurveys.com/blog/4-main-benefits-survey-research/#:~:text=Surveys%20are%20useful%20in%20describing,conclusions%20and%20make%20important%20decisions . (Accessed 21 August 2024).

Delve, H.L., & Limpaecher, A. 2022. *Ethnographic Research.* Available at: https://delvetool.com/blog/ethnography . (Accessed 6 September 2024).

Deng, L., Li, D., & Chen, J. 2023. *Compatibility as a Prerequisite: Research on the Factors Influencing the Continuous Use Intention of In-vehicle Games Based on Diffusion of Innovations Theory.* SAGE Open. Available at: https://doi.org/10.1177/21582440231217909. (Accessed 28 July 2024).

Denga, E.M., Vajjhala, N.R., Rakshit, S. 2022. *The Role of Digital Marketing in Achieving Sustainable Competitive Advantage*. Available at: https://www.researchgate.net/publication/357490346_The_Role_of_Digital_Marketing_in_Achieving_Sustainable_Competitive_Advantage . (Accessed 16 July 2024).

Denison, G. 2023. *Ethical considerations in research: Best practices and examples.* Available at: https://www.prolific.com/resources/ethical-considerations-in-research-best-practices-and-examples . (Accessed 29 August 2024).

Department of Small Business Development. 2033. *Request for public comments on the draft South African SMMEs and co-operatives funding policy*. Available at: https://www.dsbd.gov.za/sites/default/files/Final%20Gazetted%20SMMEs%20and%20Co-operatives%20Funding%20Policy .pdf. (Accessed 20 February 2025).

Desai, S., & Patel, N. 2020. ABC of face validity of a questionnaire. *International Journal of Pharmaceutical Sciences Review and Research,* 65(1): 164-168.

Desai, V. 2019. Digital Marketing: A Review. *International Journal Trend in Scientific Research and Development,* ISSN: 2456-6470.

© University of Venda

Deshpande, I. 2021. *What Is Digital Marketing? Definition, Types, Best Practices with Examples*. Available at: https://www.spiceworks.com/marketing/content-marketing/articles/what-is-digital-marketing/ . (Accessed 16 May 2024).

Desta, N.T. 2015. *Networking as a growth initiative for small and medium enterprises in South Africa.* Master's thesis. University of the Free State. South Africa.

Devin, F. 2024. *Affordances: are you aware of its importance?* Available at: https://dorve.com/blog/affordances-are-you-aware-of-its-importance/ . (Accessed 20 June 2024).

Dey, A.K. 2022. *Approaches to theorizing.* Available at: https://www.linkedin.com/pulse/approaches-theorizing-ajoy-k-dey /. (Accessed 24 July 2024).

Dhanunjaya, M. 2022. *FAQs on Measures of Central Tendency.* Available at: https://medium.com/@tvsdhanan009/faqs-on-measures-of-central-tendency-49d1e1bb5445 . (Accessed 19 September 2024).

Dhanya, A. 2023. *How to Present the Limitations of a Study in Research?* Available at: https://researcher.life/blog/article/what-are-limitations-of-study-in-research/ . (Accessed 12 March 2025).

Dhanya, A. 2024. *What is a Literature Review? How to Write It (with Examples).* Available at: https://paperpal.com/blog/academic-writing-guides/what-is-a-literature-review-how-to-write-it-with-examples . (Accessed 11 September 2024).

Dibekulu, D.A. 2020. An Overview of Data Analysis and Interpretations in Research*. International Journal of Academic Research in Education and Review,* 8(1): 1-27.

Dickson B.U., Oby B.O., Samuel N.N., Udoka S.O. 2021. Integrating Trust into Technology Acceptance Model (TAM), the Conceptual Framework for E-Payment Platform Acceptance. *British Journal of Management and Marketing Studies*, 4(4): 34-56.

Diez-Martin, F., Gonzalez, A.B., & Prado-Roman, C. 2019. Research Challenges in Digital Marketing: Sustainability. *Sustainability,* 11(10):2839.

Diggity, M. 2024. *Top Types Of Digital Marketing: The Different Channels That Get Results*. Available at: https://diggitymarketing.com/types-of-digital-marketing/ . (Accessed 12 July 2024).

© University of Venda

Digital School of Marketing. 2021. *Digital marketing for SMEs – How to thrive in 2021*. Available at: https://digitalschoolofmarketing.co.za/digital-marketing-blog/digital-marketing-for-smes-how-to-thrive-in-2021/ . (Accessed 24 June 2024).

Digital School of Marketing. 2024. *Why does Digital Marketing Improve Customer Relationships?* Available at: https://digitalschoolofmarketing.co.za/social-media-marketing-blog/why-does-digital-marketing-improve-customer-relationships/ . (Accessed 28 February 2025).

Digital Zest. 2023. *What Is the Impact of Digital Marketing on Your Sales?* Available at: https://digitalzest.co.uk/impact-of-digital-marketing-on-sales/ . (Accessed 21 July 2024).

Digitally Driven 2021. *European Small businesses find a digital safety net during Covid-19.* Report. Retrieved from https://digitallydriven.connectedcouncil.org/europe/ . Accessed 15 May 2023.

Discovery, R. 2025. *What is Discriminant Validity? Definition and Examples.* Available at: https://researcher.life/blog/article/what-is-discriminant-validity-definition-and-examples/ . (Accessed 8 March 2025).

Distanont, A., & Khongmalai, O. 2022. *The Adoption of Digital Technology in SMEs.* Proceedings of the 18th European Conference on Management Leadership and Governance, ECMLG.

Dixon, S.J. 2024. *Social media - statistics & facts.* Available at: https://www.statista.com/topics/1164/social-networks/#editorsPicks . (Accessed 15 July 2024).

Donga, G., & Kadyamatimba, A. 2020. The influence of marketing-related mobile activities on the adoption of mobile marketing transactions: a uses and gratification perspective. *Journal of Entrepreneurial Innovations,*1 (2): 83-98.

Dougherty, S. 2023. *What is affiliate marketing and how does it work?* Available at: https://funnel.io/blog/what-is-affiliate-marketing . (Accessed 20 July 2024).

Doullah, T. 2023. *Social Media Enables Direct and Immediate Interaction with Customers.* Available at: https://www.linkedin.com/pulse/social-media-enables-direct-immediate-interaction-touhid-doullah/ . (Accessed 17 July 2024).

Doval, E., Viladrich, C., & Angulo-Brunet, A. 2023. Coefficient Alpha: The Resistance of a Classic. *Psicothema,* 35(1): 5-20.

© University of Venda

Dovetail Editorial Team. 2023. *How to find the mean score of a set of numbers?* Available at: https://dovetail.com/research/mean-score/#:~:text=What%20is%20a%20mean%20score,representative%20value%20in%20a%20dataset . (Accessed 19 September 2024).

Dovetail Editorial Team. 2023. *Validity in research: a guide to measuring the right things.* Available at: https://dovetail.com/research/validity-in-research/#:~:text=Validity%20in%20research%20is%20the,be%20more%20of%20a%20challenge . (Accessed 2 September 2024).

Dovetail Editorial Team. 2023. *What is face validity?* Available at: https://dovetail.com/research/face-validity /. (Accessed 8 March 2025).

Du Plessis, S. 2023. *SMEs need support to thrive*. Available at: https://www.sun.ac.za/english/Lists/news/DispForm.aspx?ID=10014. (Accessed 25 March 2024).

Dubey, D. 2023. *The Impact of Mobile on Modern Marketing Strategies.* Retrieved from https://www.marketinginasia.com/the-impact-of-mobile-on-modern-marketing-strategies/ . [Accessed on: 1 August 2023].

Duc, D. T. V., & Nguyen, P. V. 2022. ICT impact and firm size: Empirical results from Vietnam. *African Journal of Science, Technology, Innovation and Development,* 15(3): 337-348.

Dudley, C.N. 2019. *Digital marketing and the inhibiting factors in adoption for microenterprises: The case of beauty salons operating in South Africa*. Unpublished Masters Dissertation: The University of Innsbruck School of Management.

Dudovskiy, J. 2024. *Interpretivism (interpretivist) Research Philosophy*. Available at: https://research-methodology.net/research-philosophy/interpretivism/ . (Accessed 18 September 2024).

Dunn, K. J., & McCray, G. 2020. The Place of the Bifactor Model in Confirmatory Factor Analysis Investigations Into Construct Dimensionality in Language Testing. *Frontiers in Psychology,* 11, 520666. Available at: https://doi.org/10.3389/fpsyg.2020.01357. (Accessed 2 September 2024).

During Covid-19: A Case of Saudi SMEs. International *Journal of eBusiness and eGovernment Studies,* 14 (1), 344-360.

© University of Venda

Ebohon, O.J., Ajayi, A.O. & Ganiyu, S. 2021. *Understanding Research Paradigm in Social Sciences: A critique of Two Papers on Critical Success Factors for BIM Implementation*. Retrieved fromhttps://www.researchgate.net/publication/354528534_Understanding_Research_Paradigm_in_Social_Sciences_A_critique_of_Two_Papers_on_Critical_Success_Factors_for_BIM_Implementation. [Accessed on: 1 August 2023].

Eckel, J. 2024. *Correlational Study: Design, Methods and Examples*. Available at https://studycrumb.com/correlational-research] . (Accessed 21 August 2024).

Elchanan, Y. 2024. *SEO vs. PPC Statistics: Which One is Better For You?* Available at: https://www.adcore.com/blog/seo-vs-ppc-statistics/ . (Accessed 20 July 2024).

Ellering, N. 2022. *What Is Marketing Resource Management? Definitions, Importance, How To, & Software.* Available at: https://coschedule.com/marketing/marketing-management/marketing-resource-management . (Accessed 17 July 2024).

Elliott, R. 2020. *Probability and Non-Probability Samples.* Available at: https://www.geopoll.com/blog/probability-and-non-probability-samples/ . (Accessed 18 September 2024).

Emini, A., & Merovci, S. 2021. Do-it-yourself Marketing and Digital Marketing Adoption: Evidence from a Developing Country. *Business Systems Research,* 12(2): 1-16.

Enaifoghe, A., & Ramsuraj, T. 2023. Examining the Function and Contribution of Entrepreneurship through Small and Medium Enterprises as Drivers of Local Economic Growth in South Africa. *African Journal of Inter/Multidisciplinary Studies,* 5(1): 1-11.

Enaifoghe, A., & Vezi-Magigaba, M.F. 2023. Conceptualizing the role of entrepreneurship and SME in fostering South Africa's local economic development. *International Journal of Research in Business and Social Science*, 12(4): 96-105.

Enfroy, A. 2024. *10 Reasons Why Small Businesses Should Use Affiliate Marketing*. Available at: https://www.business.com/articles/why-smbs-use-affiliate-marketing/ . (Accessed 20 July 2024).

Engler, S. 2020. *Lack of Skills Threatens Digital Transformation.* Available at: https://www.gartner.com/smarterwithgartner/lack-of-skills-threatens-digital-transformation . (Accessed 29 July 2024).

Erickson, S.R., & Chaudhary, R. 2023. *What are the advantages and disadvantages of using Cronbach's alpha as a measure of internal consistency?* Available at:

© University of Venda

https://www.linkedin.com/advice/1/what-advantages-disadvantages-using-cronbachs-alpha-measure . (Accessed 4 September 2024).

Etale, L.M. & Uranta, K.G. 2021. Digital Marketing and Consumer Behavioral Pattern of Fast-Food Business Enterprises in Yenagoa, Bayelsa State. *European Journal of Hospitality and Tourism Research,* 10(1): 1-13.

European Commission. 2020. *SME definition*. Available at: https://single-market-economy.ec.europa.eu/smes/sme-fundamentals/sme-definition_en. (Accessed 21 May 2024).

Evangelista, J. 2019. *Cronbach's Alpha: Simple Definition, Use and Interpretation.* Available at: https://www.scribd.com/document/418688343/Cronbach-Alpha . (Accessed 4 September 2024).

Evans, N., & Price, J. 2020. Development of a holistic model for the management of an enterprise's information assets. *International Journal of Information Management*, 54.

Everitt, B., & Skrondal, A. 2002. *The Cambridge Dictionary of Statistics.* Cambridge University Press, Cambridge.

Eze, S.C., Chinedu-Eze, V.C., Bello, A., Inegbedion, H.E., Nwanji, T.I., & Asamu, F. 2019. Mobile marketing technology adoption in service SMEs: a multi-perspective framework. *Journal of Science and Technology Policy Management,* 10(3): 5-29.

Eze, S.C., Chinedu-Eze, V.C.A., & Okike, C.K. 2020. Critical factors influencing the adoption of digital marketing devices by service-oriented micro-businesses in Nigeria: A thematic analysis approach. *Humanit Soc Sci Commun* 7, 90 (2020).

Faiz, F., Le, V., & Masli, EK. 2024. Determinants of digital technology adoption in innovative SMEs. *Journal of Innovation & Knowledge,* 9(4): 1-20.

Faiza, M. 2020. *Importance of Reasoning in Research.* Available at: https://bioinformaticsreview.com/20201114/importance-of-reasoning-in-research/ . (Accessed 14 August 2024).

Fajarika, D., Trapsilawati, F., & Sopha, B. M. 2024. *Influential factors of small and medium-sized enterprises growth across developed and developing countries: A systematic literature review.* International Journal of Engineering Business Management. Available at: https://doi.org/10.1177_18479790241258097 . (Accessed 13 March 2025).

© University of Venda

Faminu, G. 2022. *80% of businesses in Africa fail within five years of establishment – report*. Retrieved from https://businessday.ng/uncategorized/article/80-of-businesses-in-africa-fail-within-five-years-of-establishment-report/ [Downloaded 15 May 2023].

Farley, N. 2024. *What is PPC – Pay-Per-Click marketing?* Available at: https://searchengineland.com/guide/what-is-paid-search . (Accessed 15 July 2024).

Farmiloe, B. 2024. *12 Reasons Why Small Businesses Need a Website.* Available at: https://www.score.org/resource/blog-post/12-reasons-why-small-businesses-need-a-website . (Accessed 19 July 2024).

FasterCapital. 2024. *Adoption Resistance: Breaking Down Barriers to Implementation*. Available at: https://fastercapital.com/content/Adoption-Resistance--Breaking-Down-Barriers-to-Implementation.html . (Accessed 20 July 2024).

FatserCapital. 2023. *Improved Customer Loyalty.* Available at: https://fastercapital.com/keyword/improved-customer-loyalty.html . (Accessed 12 July 2024).

February, A. 2022. *Expert advice on how to grow a family business in South Africa.* Available at: https://www.bizcommunity.com/Article/196/841/232843.html . (Accessed 20 February 2025).

Ferreira, J. 2017. Demographic Data. In: Schintler L., McNeely C. (eds) *Encyclopedia of Big Data* Available at: http://dx.doi.org/10.1007/978-3-319-32001-4_67-1 . (Accessed 14 September 2024).

Fichman, R.G. 1992. "*Information Technology Diffusion: A Review of Empirical Research*," Proceedings of the Proceedings of the Thirteenth International Conference on Information Systems, Dallas, 195-206.

Fichman, R.G. 2004. "Real options and IT platform adoption: Implications for theory and practice," *Information Systems Research* (15):132-154.

Fife, S. T., & Gossner, J. D. (2024). *Deductive Qualitative Analysis: Evaluating, Expanding, and Refining Theory*. International Journal of Qualitative Methods. Available at: https://journals.sagepub.com/doi/epub/10.1177/16094069241244856 . (Accessed 15 August 2024).

Finch, J. 2021. *Mobile Marketing.* Available at: https://business.adobe.com/blog/basics/mobile-marketing . (Accessed 15 July 2024).

© University of Venda

Fink, A. 2010. Survey Research Methods*. International Encyclopedia of Education* (Third Edition), 152-160. Available at: https://doi.org/10.1016/B978-0-08-044894-7.00296-7. (Accessed 3 September 2024).

FireWater. 2021. *Why your business's 2021 digital transformation must be led by digital marketing.* Available: https://www.firewater.net/insights/why-your-business-s-2021-digital-transformation-must-be-led-by-digital-marketing . (Accessed 28 February 2025).

Fishbein, M., & Ajzen, I. 1975. *Belief, attitude, intention and behavior: An introduction to theory and research.* Reading, MA: Addison Wesley.

Fornell, C., & Larcker, D. 1981. Evaluating Structural Equation Models with Unobservable Variables and Measurement Error. *Journal of Marketing Research,* 18(1): 39-50.

Francis, A. 2022. *Sample Design – Meaning, Steps, Criteria and Characteristics.* Available at: https://www.mbaknol.com/research-methodology/sample-design/ . (Accessed 22 August 2024).

Freeman, S., Edwards, R., & Schroder, B. 2006. How smaller born-global firms use networks and alliances to overcome constraints to rapid internationalization. *Journal of International Marketing,* 14 (3): 33-63.

Freitas, I.M.B., & Corrocher, N. 2019. The use of external support and the benefits of the adoption of resource efficiency practices: An empirical analysis of European SMEs. *Energy Policy,* 132(1): 75-82.

Frost, J. 2023. *Cronbach's Alpha: Definition, Calculations & Example.* Available at: https://statisticsbyjim.com/basics/cronbachs-alpha/ . (Accessed 8 March 2023).

Frost, J. 2024. *Cronbach's Alpha: Definition, Calculations & Example*. Available at: https://statisticsbyjim.com/basics/cronbachs-alpha/ . (Accessed 4 September 2024).

Frost, J. 2025. *Content Validity: Definition, Examples & Measuring.* Available at: https://statisticsbyjim.com/basics/content-validity/ . (Accessed 8 March 2025).

Fryman, O. 2017. *The Line Between Online And Offline Shopping Is Blurring.* Available at: https://www.syte.ai/blog/ecommerce-trends/the-line-between-online-and-offline-shopping-is-blurring/ . (Accessed 9 July 2024).

Fu, C., Silahahi, A.D., Yang, L., & Eunike, I.J. 2024. Advancing SME performance: a novel application of the technological-organizational-environment framework in social media marketing

© University of Venda

adoption. *Cogent Business and Management,* 11(1). Available at: https://www.tandfonline.com/doi/full/10.1080/23311975.2024.2360509#d1e4027. (Accessed 25 February 2025).

Fu, Y., Wen, Z., & Wang, Y.A. 2022. Comparison of Reliability Estimation Based on Confirmatory Factor Analysis and Exploratory Structural Equation Models. *Educ Psychol Meas*, 82(2): 205-224.

Gabelaia, I., & Tchelidze, L. 2022. The Significance of Digital Marketing Strategies for Continuity of SMEs. *International Journal of Management, Knowledge, and Learning*. 11: 187-196.

Gaglio, C., Kraemer-Mbula, E., Lorenz, E. 2022. *Digitalisation, Innovation and Productivity in South African Micro- and Small Enterprises.* SARChI Industrial Development Working Paper Series WP 2022-09. SARChI Industrial Development, University of Johannesburg.

Ganesh, D., & Justin, P. 2021. CB-SEM vs PLS-SEM methods for research in social sciences and technology forecasting. *Technological Forecasting and Social Change*, 173: 1-11.

Garcia, J.L., Lizcano, D., Ramos, C.M.Q., & Matos, N. 2019. Digital Marketing Actions That Achieve a Better Attraction and Loyalty of Users: An Analytical Study. *Future Internet,* 11(6): 130-146.

Garcia-Aviles, J.A. 2020. Diffusion of Innovation. *The International Encyclopedia of Media Psychology,* (1-8). John Wiley & Sons

Garcia-Machado, J.J., Papa, M., Carrassi, M., & Barbadilla, E. 2023. *Discriminant Validity*. Available at: https://figshare.com/articles/dataset/_strong_Table_III_strong_Discriminant_validity_Fornell_Larcker_criterion_and_heterotrait_monotrait_ratio_HTMT_/23648901?file=41498934 . (Accessed 3 September 2024).

Garg, M., Dhull, H., Kalluri, N., & Agrawal, S. 2024. Understanding Sample Size Determination In Research: A Practical Guide. *Educational Administration Theory and Practice Journal*, 30(5): 13800-13810.

Gartner. 2022. *Gartner Survey Reveals Marketing Analytics are Only Influencing 53% of Decisions.* Available at: https://www.gartner.com/en/newsroom/press-releases/2022-09-15-gartner-survey-reveals-marketing-analytics-are-only-influencing-53-percent-of-decisions . (Accessed 21 July 2024).

© University of Venda

GEN. 2020. Impact of COVID-19 on South Africa SMMEs, Global Entrepreneurship Research Association, South Africa.

Geng, L., Hui, H., Liang, X., Yan, S., & Xue, Y. 2023. Factors Affecting Intention Toward ICT Adoption in Rural Entrepreneurship: Understanding the Differences Between Business Types of Organizations and Previous Experience of Entrepreneurs. *Sage Open,* 13(3). Available at: https://doi.org/10.1177/21582440231197112. (Accessed 24 July 2024).

George, E.C. 2024. *Empirical Research: A Comprehensive Guide for Academics*. Available at: https://paperpal.com/blog/researcher/empirical-research-a-comprehensive-guide-for-academics#:~:text=Empirical%20research%20is%20valuable%20because,accurate%20measurement%20and%20statistical%20analysis . (Accessed 22 August 2024).

George, T. 2023. *What Is Participant Observation? Definition & Examples.* Available at: https://www.scribbr.com/methodology/participant-observation/. (Accessed 18 August 2024).

Ghanad, A. 2023. An Overview of Quantitative Research Methods. *International journal of multidisciplinary research and analysis,* 6(8): 3794-3803.

Gibson, T., & Van Der Vaart, H.J. 2008. *Defining SMEs: A Less Imperfect Way of Defining Small and Medium Enterprises in Developing Countries*. Available at: https://www.brookings.edu/wp-content/uploads/2016/06/09_development_gibson.pdf. (Accessed 13 September 2024).

Gillis, A.S., & Yasar, K. 2024. *Definition: Digital Marketing.* Available at: https://www.techtarget.com/searchcustomerexperience/definition/digital-marketing#:~:text=Digital%20marketing%20is%20used%20as,that%20inbound%20marketing%20also%20uses . (Accessed 12 July 2024).

Gironda, J., & Korgaonkar, P. 2018. Tailored Versus Invasive Ads and Consumers' Perceptions of Personalized Advertising. *Electronic Commerce Research and Applications*, 29(5-6), 64-77.

Golzar, J., Noor, S., & Tajik, O. 2022. Sampling Method | Descriptive Research: Convenience Sampling. International *Journal of Education and Language Studies,* 1(2): 72-77.

Gontur, S., Seyi, A.O., Bakshak, Y.S., & Awoena, F.D. 2023. Do Digital Marketing Impact Business Performance? Emerging Views from Managers and Owners of Micro, Small and Medium Scales Enterprises in Nigeria. *Journal of Business & Management,* 1(3): 206-224.

Gopinath, G., Koeva Brooks, P. & Nabar, M. 2021. The long reach of COVID-19. Multilateral policy priorities to limit persistent divergences. *Ind,* 56:527–538.

© University of Venda

Goretzko, D., Siemund, K., & Sterner, P. 2023. Evaluating Model Fit of Measurement Models in Confirmatory Factor Analysis. *Educ Psychol Meas,* 84(1):123–144.

Goudarzian, A.H. 2023. Challenges and recommendations of exploratory and confirmatory factor analysis: A narrative review from a nursing perspective. *Journal of Nursing Reports in Clinical,* 1(3), 133-137.

Gqoboka, H., Anakpo, G., & Mishi, S. 2022. Challenges Facing ICT Use during COVID-19 Pandemic: The Case of Small, Medium and Micro Enterprises in South Africa. *American Journal of Industrial and Business Management*, 12, 1395-1401.

Granic, A. 2023. Technology adoption at individual level: toward an integrated overview. *Universal Access in the Information Society,* 23(2). Available at: https://doi.org/10.1007/s10209-023-00974-3 . (Accessed: 24 July 2024).

Grant, R. M. 1991. The resource-based theory of competitive advantage: Implications for strategy formulation. *California Management Review*, 33, 114-135.

Green, J. L., Manski, S. E., Hansen, T. A., & Broatch, J. E. 2023. Descriptive statistics. *International Encyclopedia of Education* (Fourth Edition), 723-733.

Gumpili, S.P., & Das, A.P. 2021. Sample size and its evolution in research. IHOPE *Journal of Ophthalmology,* 1(1): 9-13.

Gupta, O. 2023. *Using the Resource-based View Strategy for a Competitive Advantage.* Available at: https://www.saviom.com/blog/using-the-resource-based-view-strategy-for-competitive-advantage/ . (Accessed 17 July 2024).

Gupta, P., Zhang, F., Chauhan, S., Goyal, S., Bhardwaj, A.K. & Gajpal, Y. 2024. Understanding small and medium enterprises' behavioral intention to adopt social commerce: a perceived value perspective. *Journal of Enterprise Information Management*, ISSN: 1741-0398.

Gurría, A. 2020. Tackling coronavirus (COVID-19) contributing to a global effort. Organisation for Economic Co-operation and Development (OECD).

Gustavsen, A. 2023. *From SEO to Social Media: What Are the 8 Types of Digital Marketing?* Available at: https://www.snhu.edu/about-us/newsroom/business/types-of-digital-marketing . (Accessed 9 July 2024).

© University of Venda

Gutierrez, A., Boukrami, E. and Lumsden, R. 2015. Technological, Organisational and Environmental Factors Influencing Managers' Decision to Adopt Cloud Computing in the UK. *Journal of Enterprise Information Management,* 28, 788-807.

Hadi Putra, P. O., & Santoso, H. B. 2020. Contextual factors and performance impact of e-business use in Indonesian small and medium enterprises (SMEs). *Heliyon,* 6(3), e03568. Available at: https://doi.org/10.1016/j.heliyon.2020.e03568. (Accessed 26 July 2024).

Hadi, N.U., Abdullah. N., & Sentosa, I. 2016. An easy approach to exploratory factor analysis: marketing perspective. *J Educational Social Res*, 6(1): 215-223.

Hair, J. F., Howard, M. C., & Nitzl, C. 2020. Assessing measurement model quality in PLS-SEM using confirmatory composite analysis. *Journal of Business Research,* 109, 101–110.

Hair, J. F., Hult, G. T. M., Ringle, C. M., & Sarstedt, M. 2022. *A Primer on Partial Least Squares Structural Equation Modeling* (PLS-SEM) (3 ed.). Thousand Oaks, CA: Sage.

Hair, J. F., Risher, J. J., Sarstedt, M., & Ringle, C. M. 2019. When to use and how to report the results of PLS-SEM. *European Business Review,* 31(1): 2-24.

Hair, J.F., Hult, G.T.M., Ringle, C.M., Sarstedt, M., Danks, N.P., Ray, S. 2021. Evaluation of the Structural Model. In: *Partial Least Squares Structural Equation Modeling (PLS-SEM) Using R. Classroom Companion: Business*. Springer, Cham.

Halvadzija, M. 2023. Digital Transformation: The Key For Ensuring Business Viability, Effectiveness, and Market Relevance. Available at: https://www.linkedin.com/pulse/digital-transformation-key-ensuring-business-viability-effectiveness/. (Accessed 29 July 2024).

Hameed, M. A., Counsell, S. and Swift, S. 2012. A conceptual model for the process of IT innovation adoption in organizations. *Journal of Engineering and Technology Management,* 29(3): 358-390.

Hammarberg, K., Kirkman, M., & De Lacey, S. 2016. Qualitative research methods: When to use them and how to judge them. *Human Reproduction*, 31(3): 498-501.

Handoyo, S., Suharman, H., Ghani, E.K., & Soedarsono, S. 2023. A business strategy, operational efficiency, ownership structure, and manufacturing performance: The moderating role of market uncertainty and competition intensity and its implication on open innovation. *Journal of Open Innovation: Technology, Market, and Complexity,* 9(2): 1-14.

© University of Venda

Haradhan, N. 2020. Quantitative Research: A Successful Investigation in Natural and Social Sciences. *Journal of Economic Development, Environment and People*, 9(4), 52-79.

Harrison, M. 2024. *Ecommerce Email Marketing Mastery: Strategies for Building Lasting Customer Relationships and Referrals*. Available at: https://bullseyestrategy.com/blog/ecommerce-email-marketing-building-customer-relationships/#:~:text=Email%20marketing%20contributes%20to%20building,offers%2C%20fostering%20trust%20and%20loyalty . (Accessed 20 July 2024).

Hasbolah, F., Rosli, M.H., Omar, A. & Bhuiyan, A.B. 2021. The digital accounting entrepreneurship competency for sustainable performance of the rural micro, small and medium enterprises (MSMES): an empirical review. *International Journal of Small and Medium Enterprises* 4(1):12-25.

Hassan, M. 2023. *Research Objectives – Types, Examples and Writing Guide*. Retrieved from https://researchmethod.net/research-objectives/ . [Accessed on: 1 August 2023].

Hatem, G., Zeidan, J., Goossens, M., & Moreira, C. 2022. NORMALITY TESTING METHODS AND THE IMPORTANCE OF SKEWNESS AND KURTOSIS IN STATISTICAL ANALYSIS," BAU. *Journal of Science and Technology,* 3(7): 1-5.

Hayes, A. 2024. *Descriptive Statistics: Definition, Overview, Types, and Examples.* Available at: https://www.investopedia.com/terms/d/descriptive_statistics.asp . (Accessed 19 September 2024).

Hecker, J. & Kalkopas, N. 2024. *The Ultimate Guide to Qualitative Research - Part 2: Handling Qualitative Data.* Available: https://atlasti.com/guides/qualitative-research-guide-part-2/inductive-reasoning. (Accessed 14 August 2024).

Hela, D., Amel, G., & Bhechelaghem, K. 2023. Digital marketing adoption factors in Algerian small and medium enterprises: A TAM approach". *Management & Marketing,* 21(1):134-150.

Henderson, D., Sheetz, S. D. and Trinkle, B. S. 2012. The determinants of inter- organizational and internal in-house adoption of XBRL: A structural equation model. *International Journal of Accounting Information Systems*, 13(2):109-140.

Hesterberg, K. 2021. *A Brief History of Online Advertising.* Available at: https://blog.hubspot.com/marketing/history-of-online-advertising . (Accessed 20 July 2024).

© University of Venda

Hillary, C. 2024. *Understanding the basics: What is research philosophy?* Available at: https://techbullion.com/understanding-the-basics-what-is-research-philosophy/ . (Accessed 13 August 2024).

Hiller, W. 2022. *What Is Secondary Data? A Complete Guide.* Available at: https://careerfoundry.com/en/blog/data-analytics/what-is-secondary-data/ . (Accessed 7 September 2024).

Hirzallah, M.N.Y., & Alshurideh, T.R. 2023. The effects of the internal and the external factors affecting artificial intelligence (AI) adoption in e-innovation technology projects in the UAE? Applying both innovation and technology acceptance theories. *International Journal of Data and Network Science,* 7(2023): 1321-1332.

Hojnik, B.B., & Huđek, I. 2023. Small and Medium-Sized Enterprises in the Digital Age: Understanding Characteristics and Essential Demands. *Information,* 14(11): 606.

Holden, H., & Rada, R. 2011. Understanding the Influence of Perceived Usability and Technology Self-Efficacy on Teachers' Technology Acceptance. *Journal of Research on Technology in Education*, 43(4):343-367

Hooley, G., Greenley, G., Fahy, J., & Cadogan, J. 2005. Marketfocused resources, competitive positioning and firm performance. *Journal of Marketing Management,* 17(5/6), 503–520.

Horváth, D., & Szabó, R.Z., 2019. "Driving forces and barriers of Industry 4.0: Do multinational and small and medium-sized companies have equal opportunities?" Technological Forecasting and Social Change, *Elsevier,* 146(C), 119-132.

Hossain, M., Hussain, M. & Akther, A. 2023. E-Commerce Platforms in Developing Economies: Unveiling Behavioral Intentions through Technology Acceptance Model (TAM). *Open Journal of Business and Management,* 11, 2988-3020.

Hossain, M.B., Dewan, N., Senin, A.A., & Illes, C.B. 2023. Evaluating the utilization of technological factors to promote e-commerce adoption in small and medium enterprises. *Electron Commer Res,* 28:1–20.

Houston, K. 2024. *Quantitative data-collection methods*. Available at: https://www.jotform.com/blog/quantitative-data-collection-methods/ . (Accessed 18 August 2024).

© University of Venda

Hsu, H.Y., Liu, F.H., Tsou, H.T., & Chen, L.J. 2018. Openness of technology adoption, top management support and service innovation: a social innovation perspective. *Journal of Business and Industrial Marketing*, 34(2).

Hu, L., & Bentler, P.M. 1999. "Cutoff Criteria for Fit Indexes in Covariance Structure Analysis: Conventional Criteria Versus New Alternatives." *Structural Equation Modeling,* 6 (1): 1–55

Hu, Y., Pan, Y., Yu, M., & Chen, P. 2024. Navigating Digital Transformation and Knowledge Structures: Insights for Small and Medium-Sized Enterprises. *J Knowl Econ*, 15: 16311-16344.

Hussenoeder, F.S. 2023. *Lucky ones, socialites, bystanders, and sufferers: Using the Mental-Effort-Gratification Model to understand mental health effects of social media. Computers in Human Behavior Reports,* 9: 100260. Available: https://www.sciencedirect.com/science/article/pii/S245195882200094X. (Accessed 24 February 2025).

Hutterer, A., & Krumay, B. 2023. *Adoption of data spaces as multi-sided platforms: Towards a preliminary adoption framework*. ICEB 2023 Proceedings (Chiayi, Taiwan).

Hutton, P. 2023. *For 15 years digital has dominated, but consumers demand more brand experiences!* Available at: https://www.linkedin.com/pulse/15-years-digital-has-dominated-consumers-demand-more-brand-hutton/ . (Accessed 27 February 2025).

Iacurci, L. 2021. *A Study of the Technology Acceptance Model for Social Media Adoption in Small & Medium Enterprises*. Unpublished Honors Thesis: Bryant University.

IBM Support. 2020. *Kaiser-Meyer-Olkin measure for identity correlation matrix*. Available at: https://www.ibm.com/support/pages/kaiser-meyer-olkin-measure-identity-correlation-matrix . (Accessed 3 March 2025).

Iffort. 2023. *The Role of Digital Marketing in the Growth of UAE Businesses: Insights and Strategies*. Available at: https://www.iffort.com/blog/2023/06/20/the-role-of-digital-marketing-in-the-growth-of-uae-businesses/ . (Accessed 6 June 2024).

Ilyas, M., ud din, A., Haleem, M., & Ahmad, I. 2023. Digital entrepreneurial acceptance: an examination of technology acceptance model and do-it-yourself behavior. *J Innov Entrep,* 12:15.

IMM Institute. 2023. *From traditional to digital: Exploring the shift in marketing strategies.* Available at: https://imminstitute.co.za/from-traditional-to-digital-exploring-the-shift-in-marketing-strategies/ . (Accessed 17 July 2024).

© University of Venda

IMM Institute. 2023. *The impact of digital technology on modern marketing strategies*. Available at: https://imminstitute.co.za/the-impact-of-digital-technology-on-modern-marketing-strategies/ . (Accessed 6 July 2024).

Indeed Editorial Team. 2022. *How To Make a Conceptual Framework in 6 Steps.* Available at: https://www.indeed.com/career-advice/career-development/how-to-make-conceptual-framework . (Accessed 28 July 2024).

Indeed Editorial Team. 2023. 11 *Cost-Effective E-marketing Types.* Available at: https://www.indeed.com/career-advice/career-development/emarketing-types#:~:text=What%20is%20e%2Dmarketing%3F,digital%20marketing%20or%20web%20marketing . (Accessed 6 June 2023).

Indeed Editorial Team. 2023. *What is email marketing?* (Tips on how to launch a campaign). Available at: https://uk.indeed.com/career-advice/career-development/what-is-email-marketing . (Accessed 15 July 2024).

Indeed Editorial Team. 2024. *What Are ICT Skills? (And How To Highlight Them Effectively).* Available at: https://www.indeed.com/career-advice/resumes-cover-letters/ict-skills . (Accessed 28 July 2024).

Indeed Editorial Team. 2024. *7 Data Collection Tools (With Definition and Importance).* Available at: https://www.indeed.com/career-advice/career-development/data-collection-tools#:~:text=Data%20collection%20tools%20can%20protect,reference%20them%20for%20future%20projects . (Accessed 13 September 2024).

Indeed Editorial Team. 2025. *Reliability in Research: Definition and Assessment Types.* Available at: https://www.indeed.com/career-advice/career-development/reliability-in-research . (Accessed 8 March 2025).

Infoprotect. 2020. *The 4 biggest technology challenges for South African businesses in 2020.* Available at: https://www.infoprotect.co.za/blog/the-4-biggest-technology-challenges-for-south-african-businesses-in-2020/ . (Accessed 18 July 2024).

Informatics. 2017. *Digital Marketing: Then and Now.* Available at: https://www.informaticsinc.com/blog/july-2017/digital-marketing-then-and-now . (Accessed 25 June 2024).

© University of Venda

International Labor Organization. 2021. SKILLS DEMAND AND SUPPLY IN SOUTH AFRICA'S DIGITAL ECONOMY: A focus on youth not in employment, education or training. Available at: file:///C:/Users/01vin/AppData/Local/Temp/MicrosoftEdgeDownloads/c15fb382-44e8-4e12-938c-6ce3a7a8cf13/wcms_901443.pdf . (Accessed 26 February 2025).

Izah, S.C., Ligeiaziba, S., Hait, M. 2024. Cronbach's Alpha: A Cornerstone in Ensuring Reliability and Validity in Environmental Health Assessment. *ES Energy Environ*, 23(1057): 1-14.

Jaas, A. 2022. E-Marketing and Its Strategies: Digital Opportunities and Challenges. Open *Journal of Business and Management,* 10, 822-845.

Jadhav, G.G., Gaikwad, S.V., & Bapat, D. 2023. A systematic literature review: digital marketing and its impact on SMEs. *Journal of Indian Business Research,* 15(3/4). Available at: https://www.researchgate.net/publication/368662030_A_systematic_literature_review_digital_marketing_and_its_impact_on_SMEs. (Accessed 16 July 2024).

Jaime, H.M.S. 2011. *The Importance of Correlational Studies.* Available at: https://psychcentral.com/blog/the-importance-of-correlational-studies#1 . (Accessed 21 August 2024).

Jain, Y. 2022. *5 Types of Research Design- Elements, Needs and Characteristics.* Available at: https://emeritus.org/in/learn/types-of-research-design/ . (Accessed 13 August 2024).

Jakob, P. 2024. *Marketing Maturity in 2024: More than half of UK SMEs are marketing in the dark.* Available at: https://www.themarketingcentre.com/blog/marketing-maturity-in-2024 . (Accessed 23 February 2023).

James, C. 2024. *Mobile Marketing. Are you ready for next-generation marketing?* Available at: https://www.bluemagnet.co.za/resources/blog/what-is-mobile-marketing/ . (Accessed 15 July 2024).

Jansen, D. 2023. *Research Philosophy & Paradigms.* Available at: https://gradcoach.com/research-philosophy/ . (Accessed 13 August 2024).

Jenkins, A. 2022. *20 Inventory Management Challenges and Solutions for 2022 and Beyond.* Available at: https://www.netsuite.com/portal/resource/articles/inventory-management/inventory-management-challenges.shtml . (Accessed 20 July 2024).

© University of Venda

Jere, J.N., & Ngidi, N. 2022. A technology, organisation and environment framework analysis of information and communication technology adoption by small and medium enterprises in Pietermaritzburg. *South African Journal of Information Management,* 22(1): 1-9.

Jerome, J. 2024. *Why Digital Marketing Training is Essential for Small Medium Enterprises.* Available at: https://jeromejoseph.com/why-digital-marketing-training-is-essential-for-small-medium-enterprises/ . (Accessed 1 March 2025).

Jeza, S. & Lekhanya, L.M. 2022. The influence of digital transformation on the growth of small and medium enterprises in South Africa. *Problems and Perspectives in Management,* 20 (3)-297-309.

Jobillico, P. 2023. *The Evolution of Business: SMEs Succeed by Adapting to Changing Markets*. Available at: https://www.jobillico.com/blog/en/smes-succeed-by-adapting-to-changing-markets/. (Accessed 16 October 2023).

Johannesson, P., & Perjons, E. 2014. Research Strategies and Methods. Available at: https://link.springer.com/chapter/10.1007/978-3-319-10632-8_3. (Accessed 6 September 2024).

Johnston, R. 2024. *Confirmatory Factor Analysis (CFA): Encyclopedia of Quality of Life and Well-Being Research.* Available at: https://www.researchgate.net/publication/378163513_Confirmatory_Factor_Analysis_CFA . (Accessed 5 September 2024).

Jokubaitis, D. 2023. *The Impact of Mobile App Development on Digital Marketing Trends*. Available at: https://attentioninsight.com/the-impact-of-mobile-app-development-on-digital-marketing-trends/ . (Accessed 25 June 2024).

Jonck, P., & Nwosu, L. 2022. The influence of demographic variables on financial record-keeping in small- and medium-sized enterprises in the South African informal sector. *Journal of Economic and Financial Sciences,* 15(1), a681. Available at: https://doi.org/10.4102/jef.v15i1.681. (Accessed 14 September 2024).

Jones, D. 2023. *Why do small businesses fail at digital marketing?* Available at: https://www.quora.com/Why-do-small-businesses-fail-at-digital-marketing . (Accessed 21 July 2024).

© University of Venda

Jones, E. 2023. *Data Accuracy vs Data Integrity: Similarities and differences.* Available at: https://www.ibm.com/think/topics/data-accuracy-vs-data-integrity . (Accessed 18 September 2024).

Jordan, S. 2021. *28% of Small Businesses Don't Have a Website,* According to New Survey Data. Available: at https://www.prnewswire.com/news-releases/28-of-small-businesses-dont-have-a-website-according-to-new-survey-data-301226897.html . (Accessed 19 July 2024).

Joshi, A. 2022. *How To Choose The Right Methodology?* Available at: https://researcher.life/blog/article/choose-research-methodology/. (Accessed 13 August 2024).

Jotform Editorial Team. 2024. *A guide on primary and secondary data-collection methods*. Available at: https://www.jotform.com/blog/primary-and-secondary-data-collection-methods/ . (Accessed 7 September 2024).

Jovancic, N. 2023. 5 *Data Collection Methods for Obtaining Quantitative and Qualitative Data*. Available at: https://www.leadquizzes.com/blog/data-collection-methods/ . (Accessed 19 August 2024).

Jugessur, Y.S.M.F. 2022. Reliability and Internal Consistency of data: Significance of Calculating Cronbach's Alpha Coefficient in Educational Research. *International Journal of Humanities and Social Science Invention* (IJHSSI), 11(4): 19-14.

Julies, B., & Zuva, T. 2021. A Review on TAM and TOE Framework Progression and How These Models Integrate. *Advances in Science, Technology and Engineering Systems Journal,* 6(3):137-145.

Jung, S.-U.; Shegai, V. 2023. The Impact of Digital Marketing Innovation on Firm Performance: Mediation by Marketing Capability and Moderation by Firm Size. *Sustainability,* 15(7): 5711.

Kahlke, R., Sherbino, J., & Monteiro, S. 2022. *The Nature of Evidence: Inductive and Deductive Reasoning.* Available at: https://ecampusontario.pressbooks.pub/hperprimer/chapter/the-nature-of-evidence-inductive-and-deductive-reasoning/ . (Accessed 15 August 2024).

Kalidar, S., Mangwentshu, N. & Rajagopaul, 2020*. Here's how the public and private sectors can provide the right support to enable SME growth in South Africa, now and beyond the crisis.* McKinsey & Company.

Kalkbrenner, M.T. 2021. A Practical Guide to Instrument Development and Score Validation in the Social Sciences: The MEASURE Approach," *Practical Assessment. Research, and*

© University of Venda

Evaluation, 26(1). Available at: https://scholarworks.umass.edu/pare/vol26/iss1/1. (Accessed 2 September 2024).

Kallmuenzer, A., Mikhaylov, A., Chelaru, M., & Czakon, W. 2024. *Adoption and performance outcome of digitalization in small and medium-sized enterprises*. Review of Managerial Science (2024). Available at: https://doi.org/10.1007/s11846-024-00744-2 . (Accessed 18 July 2024).

Kan, M.P.H., & Fabrigar, L.R. 2017. Theory of Planned Behavior. In: Zeigler-Hill, V., Shackelford, T. (eds) *Encyclopedia of Personality and Individual Differences*. Springer, Cham.

Kang, E., & Hwang, H.E. 2023. The Importance of Anonymity and Confidentiality for Conducting Survey Research. *Journal of Research and Publication Ethics,* 4(1): 1-7.

Kang, H. & Ahn, J. 2021. Model Setting and Interpretation of Results in Research Using Structural Equation Modeling: A Checklist with Guiding Questions for Reporting. *Asian Nursing Research*, 15(3), 157-162.

Kankam, P.K. 2019. The use of paradigms in information research. *Library & Information Science Research*, 41(2): 85-92.

Kanwal, S. 2022. *History of digital marketing.* Available at: https://www.linkedin.com/pulse/history-digital-marketing-shamsa-kanwal/ . (Accessed 26 June 2024).

Kara, H. 2024. *How different are qualitative and quantitative research?* Available at: https://the-sra.org.uk/SRA/SRA/Blog/Howdifferentaregualitativeandquantitativeresearch.aspx . (Accessed 14 August 2024).

Karan, K., & Zai, I. 2022. Analyzing the effects of digital marketing on brand awareness among internet users. *Management and Business Review,* 6(2): 153-167.

Karnia, R. 2024. Importance of Reliability and Validity in Research. *Psychology and Behavioral Sciences,* 13(6): 137-141.

Kashyap, K. 2023. *5 Digital Customer Engagement Trends Brands Should Know This Year.* Available at: https://www.spiceworks.com/marketing/customer-experience/articles/digital-customer-engagement-trends/ . (Accessed 15 July 2024).

Katerina, M., Marcoulides, N.F., & Steffen, G. 2019. Assessing Model Fit in Structural Equation Modeling Using Appropriate Test Statistics. *Structural Equation Modeling: A Multidisciplinary*

© University of Venda

Journal, DOI: 10.1080/10705511.2019.1647785. Available at: https://doi.org/10.1080/10705511.2019.1647785. (Accessed 3 September 2024).

Kaushik, V. & Walsh, C.A. 2019. Pragmatism as a Research Paradigm and Its Implications for Social Work Research. *Social Sciences Journal,* 8(9), 255.

Kebalepile, M.M., & Chakane, P.M. 2022. Commonly used statistical tests and their application. *South Afr J Anaesth Analg*, 28(5 Suppl 1): S80-84.

Kelly, A.E., & Palaniappan, S. 2023. Using a technology acceptance model to determine factors influencing continued usage of mobile money service transactions in Ghana. *Journal of Innovation Entrepreneurship,* 12, 34 (2023). Available at: https://doi.org/10.1186/s13731-023-00301-3. (Accessed 24 July 2024).

Kemp, S. 2021. *Digital 2021: Global overview report*. Available at: https://datareportal.com/reports/digital-2021-global-overview-report . (Accessed 24 June 2024).

Kemp, S. 2023. *Digital 2023: Global overview report*. Available at: https://datareportal.com/reports/digital-2023-global-overview-report . (Accessed 24 June 2024).

Kemp, S. 2023. *Digital 2023: South Africa.* Available at: https://datareportal.com/reports/digital-2023-south-africa . (Accessed 15 May 2024).

Kench, R. 2023. *X-Bar in Statistics: Definition, Formula & Equation.* Available at: https://study.com/academy/lesson/x-bar-in-statistics-theory-formula.html#:~:text=X%2Dbar%20in%20statistics%20is,number%20of%20observations%20(n) . (Accessed 19 September 2024).

Kendall, D. 2020. *Sociology in Our Times: The Essentials* 12th Edition. Cengage Learning Inc: Boston.

Kergroach, S. 2021. *"SMEs Going Digital: Policy challenges and recommendations",* OECD Going Digital Toolkit Notes, No. 15, OECD Publishing, Paris. Available at: https://doi.org/10.1787/c91088a4-en . (Accessed 19 July 2024).

Khambule, L. 2022. *Digital marketing as a survival strategy of small businesses in Gauteng, South Africa*. Unpublished Master's Dissertation. University of the Witwatersrand.

Khan, F. 2024. *What Is Data Preparation? + 9 Steps For Effective Data Prep*. Available at: https://www.astera.com/type/blog/data-preparation/ . (Accessed 27 August 2024).

© University of Venda

Khanom, M.T. 2023. Using Social Media Marketing in the Digital Era: A Necessity or a Choice. *International Journal of Research in Business and Social Science*, 12(3): 88-98.

Khare, M. 2023. *Pay-Per-Click Advertising (PPC): Unlocking Its Potential for Your Business.* Available at: https://www.linkedin.com/pulse/pay-per-click-advertising-ppc-unlocking-its-potential-mohit-khare-pk6jf/ . (Accessed 15 July 2024).

Khatun, N. 2021. Applications of normality test in statistical analysis. *Open Journal of Statistics,* 11(01): 113-122.

Khoa, T.B. 2023. The role of self-efficacy and firm size in the online advertising services continuous adoption intention: Theory of planned behavior approach. *Journal of Open Innovation: Technology, Market, and Complexity*, 9(1): 1-12.

Khoza, T.K., Mabitsela, T., & Nel, P. 2024. Technology readiness, technology acceptance, and work engagement: A mediational analysis. *SA Journal of Industrial Psychology*/SA Tydskrif vir Bedryfsielkunde, 50(0): a2131. Available at: https://doi.org/10.4102/sajip.v50i0.2131. (Accessed 24 July 2024).

Khozaei, Fatemeh. 2022. *Should I write about my Standard deviation in a research paper?* Available at: https://www.researchgate.net/post/Should_I_write_about_my_Standard_deviation_in_a_research_paper . (Accessed 19 September 2024).

Khraim, H.S., & Alkrableigh, A.A. 2015. The Effect of Using Pay Per Click Advertisement on Online Advertisement Effectiveness and Attracting Customers in E-marketing Companies in Jordan. *International Journal of Marketing Studies,* 7(1): 180-189.

Khumar, R., Dhivakar, M.K., & Vashanavi, V. 2022. *A Study on Challenges and issues of SMEs in adopting Digital Marketing*. Virtual International Conference on Metamorphosis of Modern Management and Research. Available at: https://www.researchgate.net/publication/361262963_A_Study_on_Challenges_and_issues_of_SMEs_in_adopting_Digital_Marketing . (Accessed 21 July 2024).

Kibuacha, F. 2021. *How to Determine Sample Size for a Research Study.* Available at: https://www.geopoll.com/blog/sample-size-research/ . (Accessed 23 August 2024).

© University of Venda

Kijikasiwat, P. & Phuensane, P. 2020. Innovation and Firm Performance: The Moderating and Mediating Roles of Firm Size and Small and Medium Enterprise Finance. *Journal of Risk and Financial Management*, 13(5):97.

Kijkasiwat, P., & Phuensane, P. 2020. Innovation and Firm Performance: The Moderating and Mediating Roles of Firm Size and Small and Medium Enterprise Finance. *Journal of Risk and Financial Management*, 13-97.

Killowe, P.E., & Jenefa, L. 2023. A Study on the Assessment of Challenges Affecting Utilisation of Digital Marketing by Small & Medium and Enterprises (SMEs) in Malawi. *International Journal of Research Publication and Reviews*, 4(7): 856-861.

Kingsnorth, S. 2016. *Digital Marketing Strategy: An Integrated Approach to Online Marketing.* Kogan Page.

Kirana, L.P. 2021. *Positivism: Dominant Paradigm in Accounting and Business Research*. Available at: https://feb.ugm.ac.id/en/news/3228-positivism-dominant-paradigm-in-accounting-and-business-research . (Accessed 15 August 2024).

Kirk, E. 2022. *The Attention Economy: Standing Out Among The Noise.* Available at: https://www.forbes.com/sites/forbesbusinessdevelopmentcouncil/2022/03/23/the-attention-economy-standing-out-among-the-noise/ . (Accessed 21 July 2024).

Kirsch, K. 2023. *The Ultimate List of Email Marketing Stats for 2023.* Available at: https://blog.hubspot.com/marketing/email-marketing-stats . (Accessed 15 July 2024).

Knekta, E., Runyon, C., & Eddy, S. 2019. One Size Doesn't Fit All: Using Factor Analysis to Gather Validity Evidence When Using Surveys in Your Research. *CBE Life Sciences Education*, 18(1).

Kock, N. 2016. Hypothesis Testing with Confidence Intervals and P Values in PLS-SEM. *International Journal of e-Collaboration,* 12(3): 1-16.

Koehler, J. 2019. *A Guide to Organizational Resources and How to Manage Them.* Available at: https://www.uagrantham.edu/blog/a-guide-to-organizational-resources-and-how-to-manage-them/ . (Accessed 17 July 2024).

Kongolo, M. 2010. Job creation versus job shedding and the role of SMEs in economic development. *African Journal of Business Management*, 4(11): 2288-2295.

© University of Venda

Koob, C. 2021. Determinants of content marketing effectiveness: Conceptual framework and empirical findings from a managerial perspective. *PLoS ONE,* 16(4): e0249457. Available at: https://doi.org/10.1371/journal.pone.0249457. (Accessed 12 July 2024).

Korb, A.K. 2013. *Coding Data from the Instrument.* Available at: http://korbedpsych.com/R17aCode.html. (Accessed 28 August 2024).

Korff, E. 2021. *Exploring digital marketing maturity drivers in SMEs in South Africa.* Unpublished Master's Dissertation: University of the Witwatersrand.

Kotler, P. & Armstrong, G., M. H. 2009. *Principles of marketing.* Toronto: Pearson Prentice Hall.

Kotler, P. 1991. *Marketing Management.* 7th Edition, Prentice-Hall, Englewood Cliffs.

Kotler, P., & Keller, K. L. 2016. *Marketing Management.* Pearson Education Limited

Kotler, P., & Keller, K.L. 2012. *Marketing Management.* 14th Edition, Pearson Education.

Kotler, P., Kartajaya, H., & Setiawan, I. 2021. *Marketing 5.0: Technology for Humanity*. John Willey & Sons.

Kozlenova, I.V., Samaha, S.A., & Palmatier, R.W. 2013. Resource-based theory in marketing. *Journal of the Academy of Marketing Science*, DOI 10.1007/s11747-013-0336-7.

Krasnikov, A., & Jayachandran, S. 2008. The Relative Impact of Marketing, Research-and-Development, and Operations Capabilities on Firm Performance. *Journal of Marketing,* 72(4), 1-11.

Kraus, S., Jones, P., Kailer, N., Weinmann, A., Chaparro-Banegas, N., & Roig-Tierno, N. 2021. Digital Transformation: An Overview of the Current State of the Art of Research. *Sage Open*, 11(3).

Kumar, A., & Ayedee, D. 2021. Technology Adoption: A Solution for SMEs to Overcome Problems during COVID-19. *Forthcoming, Academy of Marketing Studies Journal*, 25(1): 1-16.

Kumar, P. 2023. *Steps in Sampling Design: A Guide to Conducting High-Quality Sampling in Research.* Available at: https://hmhub.in/3rd-4th-sem-research-methodology-notes/steps-in-sampling-design/ . (Accessed 22 August 2024).

Kumar, R., Dhivakar, M.K., & Vaishavi, V. 2022. *A Study on Challenges and issues of SMEs in adopting Digital Marketing*. Virtual International Conference on Metamorphosis of Modern Management and Research. Available at:

© University of Venda

https://www.researchgate.net/publication/361262963_A_Study_on_Challenges_and_issues_of_SMEs_in_adopting_Digital_Marketing . (Accessed 25 February 2025).

Kunene, L. 2020. *The impact of Covid-19 on small and micro businesses in SA.* [Online]. Retrieved from https://www.msn.com/en-za/news/other/the-impact-of-covid-19-on-small-and-micro-businesses-in-sa/ar-BB13Ov2Y . [Accessed on: 1 August 2023].

Kupanga, D. 2024. *Questionnaires in Research: Their Role, Advantages, and Main Aspects.* Available at: https://www.researchgate.net/publication/378868278_Questionnaires_in_Research_Their_Role_Advantages_and_Main_Aspects . (Accessed 12 September 2024).

Kurnia, S., Choudrie, J., Rahim, J., & Rahim, M.M. 2015. E-commerce technology adoption: A Malaysian grocery SME retail sector study. *Journal of Business Research,* 68(9): 1906-1918.

Kurniasari, F., Lestari, E. D., & Tannady, H. 2023. Pursuing Long-Term Business Performance: Investigating the Effects of Financial and Technological Factors on Digital Adoption to Leverage SME Performance and Business Sustainability—Evidence from Indonesian SMEs in the Traditional Market. *Sustainability,* 15(16): 12668.

Kuwornu-Adjaottar, E.T. 2020. *Research Philosophies and Approaches.* Retrieved from https://blog.noyam.org/research-philosophies-and-approaches/. [Accessed on: 3 August 2023].

Kwarteng, M.A., Ntsiful, A., Diego, L.F.P., & Novák, P. 2023. Extending UTAUT with competitive pressure for SMEs digitalization adoption in two European nations: a multi-group analysis. Aslib *Journal of Information Management,* Vol. ahead-of-print No. ahead-of-print. Available at: https://doi.org/10.1108/AJIM-11-2022-0482 . (Accessed 25 July 2024).

Laforet, S. 2011 A Framework of Organisational Innovation and Outcomes in SMEs. International *Journal of Entrepreneurial Behaviour and Research,* 17(4): 380-408.

Lai, P.C. 2017. The literature review of technology adoption models and theories for novelty technology. *Journal of Information Systems and Technology Management,* 14(1): 21-38.

Lazarevic-Moravcevic, M. 2019. Characteristics of Marketing Communication Strategy of a Small Enterprise". *Economic Analysis,* 52(2): 104-112

Le-Dain, MA., Benhayoun, L., Matthews, J., & Liard, M. 2023. Barriers and opportunities of digital servitization for SMEs: the effect of smart Product-Service System business models. *Service*

© University of Venda

Business, 17: 359-393. Available at: https://doi.org/10.1007/s11628-023-00520-4. (Accessed 19 July 2024).

Lee, H., & Pan, Y. 2021. Evaluation of the Nomological Validity of Cognitive, Emotional, and Behavioral Factors for the Measurement of Developer Experience. *Applied Sciences,* 11(17): 7805.

Lee, V. & Landers, R.N. 2022. *Sampling Strategies for Quantitative and Qualitative Business Research*. Retrieved from https://doi.org/10.1093/acrefore/9780190224851.013.216 . [Accessed on: 3 August 2023].

Legg, D., Cusmano, L., & Paunov, C. 2023. *What skills do SMEs need in a tech driven world – and how do they drive innovation?* Available at: https://oecdcogito.blog/2023/11/24/what-skills-do-smes-need-in-a-tech-driven-world-and-how-do-they-drive-innovation/#:~:text=Less%20than%2010%25%20of%20small,training%20and%20performance%2Drelated%20pay . (Accessed 28 July 2024).

Lertwongsatien, C., & Wongpinunwatana, N. 2003. E-commerce adoption in Thailand: An empirical study of small and medium enterprises (SMEs). *Journal of Global Information Technology Management*, 6(3): 67-83.

Levesque, A. 2023. *Digital Marketing ROI: Maximizing Your Returns on Investment.* Available at: https://www.banzai.io/blog/digital-marketing-roi. (Accessed 16 July 2024).

Li F. 2020. The digital transformation of business models in the creative industries: A holistic framework and emerging trends. *Technovation*, 92-93.

Li, L. 2022. *Reskilling and Upskilling the Future-ready Workforce for Industry 4.0 and Beyond.* Information Systems Frontiers. Available at: https://doi.org/10.1007/s10796-022-10308-y . (Accessed 19 July 2024).

Liao, Y.K., Wu, W.Y., Le, T.Q., & Phung, T.T.T. 2022. The Integration of the Technology Acceptance Model and Value-Based Adoption Model to Study the Adoption of E-Learning: The Moderating Role of e-WOM. *Sustainability,* 14: 815.

Liberto, D. 2024. *Small and Midsize Enterprise (SME): Definition and Types Around the World*. Available at: https://www.investopedia.com/terms/s/smallandmidsizeenterprises.asp. (Accessed 20 March 2024).

© University of Venda

Liberto, D. 2024. *Small and Midsize Enterprise (SME): Definition and Types Around the World.* Available at: https://www.investopedia.com/terms/s/smallandmidsizeenterprises.asp . (Accessed 13 September 2024).

Lieberman, M. 2023. *Deductive Reasoning and Effective Marketing Research.* Available at: https://www.greenbook.org/insights/research-methodologies/deductive-reasoning-and-effective-marketing-research . (Accessed 15 August 2024).

Lim, W.M. 2024. A typology of validity: content, face, convergent, discriminant, nomological and predictive validity. *Journal of Trade Science,* 12(3): 155.179.

Lin, J., & Liang, H. (2011). The influence of service environments on customer emotion and service outcomes. *Managing Service Quality*, 21(4), 350–372.

Lincoln, Y., Lynham, S.A. & Egon, G.G. 2011. Paradigms and perspectives in contention. In *The Sage Handbook of Qualitative Research*. Thousand Oaks: Sage Publications,

Liu, Y. & Qin, S.J. 2022. A Novel Two-step Sparse Learning Approach for Variable Selection and Optimal Predictive Modeling. *IFAC-Papers On-Line*, 55(7), 57-64.

Loktionova, M. 2023. *What Is Content Marketing? Your Complete 2023 Guide.* Available at: https://www.semrush.com/goodcontent/content-marketing-blog/content-marketing/ . (Accessed 12 July 2024).

Longe, B. 2024. *Cross-Sectional Studies: Types, Pros, Cons & Uses*. Available at: https://www.formpl.us/blog/cross-sectional-studies . (Accessed 7 September 2024).

Longe, B. 2024. *What's a Longitudinal Study? Types, Uses & Examples*. Available: https://www.formpl.us/blog/longitudinal-studies#:~:text=Longitudinal%20studies%20are%20primarily%20a,variables%20over%20an%20extended%20period . (Accessed 7 September 2024).

Loo, M. K., Ramachandran, S. and Raja Yusof, R. N. 2023. Unleashing the potential: Enhancing technology adoption and innovation for micro, small and medium-sized enterprises (MSMEs). *Cogent Economics & Finance,* 11(2).

Lopez-Munoz, J.F., & Escriba-Esteve, A. 2022. Executives' role in digital transformation. *International Journal of Information Systems and Project Management,* 10(3): 84-103.

© University of Venda

Lose, T., & Kapondoro, L. 2020. Diffusion of technological innovation among small business entrepreneurs in South Africa. *Journal of Critical Reviews,* 7(19): 8276-8281.

Louw, E. 2022. *Why only 21% of all formal South African SMEs are women-led*. Available at: https://www.bizcommunity.com/Article/196/841/229069.html#. (Accessed 20 February 2025). PCW MSME. 2020. Building to last: Nigeria Report. Available at: https://www.pwc.com/ng/en/assets/pdf/pwc-msme-survey-2020-final.pdf . (Accessed 20 February 2025).

Low, F. 2021. *Digital Skills for SMEs: Challenges and Opportunities.* Available at: https://www.digitalsme.eu/digital-skills-for-smes-challenges-and-opportunities/ . (Accessed 1 March 2025).

Lu, B., Guo, X., Luo, N., & Chen, G. 2015. Corporate blogging and job performance: Effects of work-related and nonwork-related participation. *Journal of Management Information Systems,* 32(4): 285-314.

Luft, J.A., Jeong, S., & Idsardi, R., Gardner, G. 2022. Literature Reviews, Theoretical Frameworks, and Conceptual Frameworks: An Introduction for New Biology Education Researchers. CBE- *Life Sciences Education*, 21(3): 1-10.

Ly, K. 2023. *What are the differences between confirmatory and exploratory factor analysis?* Available at: https://www.linkedin.com/advice/0/what-differences-between-confirmatory-exploratory-w8xwe . (Accessed 5 September 2024).

Lyons, J. 2024. *How to Legally Send Marketing Emails to People Who Haven't Subscribed.* Available at: https://blog.thebrokerlist.com/how-to-legally-send-marketing-emails-to-people-who-havent-subscribed/ . (Accessed 22 July 2024).

Mackeviciute, C. 2024. *What is Customer Engagement? Definition, Importance.* Available at: https://www.sender.net/blog/customer-engagement/ . (Accessed 15 July 2024).

Macwan, U. 2017. *Mobile Technology, Its Importance, Present And Future Trends.* Available at: https://www.finextra.com/blogposting/14000/mobile-technology-its-importance-present-and-future-trends. (Accessed 15 July 2024).

Maduku D. K., Mpinganjira M., 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.

© University of Venda

Maduku, D.K. 2021. Antecedents of mobile marketing adoption by SMEs: Does industry variance matter? *Journal of Organizational Computing and Electronic Commerce,* 31(3): 222-249.

Maduku, D.K., Mpinganjira, M., & 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.

Madurapperuma, K., & Wijayanayake, J. 2021. *Readiness Factors for SMEs in e-Business to Adapt Digital Marketing in Sri Lanka: A Systematic Literature Review*. Proceedings of the International Conference on Industrial Engineering and Operations Management Monterrey, Mexico, November 3-5. pp: 2023-2035.

Magash, T. 2024. *Data Science and Artificial Intelligence in Scientific Research Introduction to The Role of Data Science in Scientific Research.* Available at: https://www.researchgate.net/publication/380075282_Data_Science_and_Artificial_Intelligence_in_Scientific_Research_Introduction_to_The_Role_of_Data_Science_in_Scientific_Research . (Accessed 27 August 2024).

Magusiak, D. 2023. *Research strategy.* Available at: https://ceopedia.org/index.php/Research_strategy . (Accessed 6 September 2024).

Mahardika, H., Thomas, D., Ewing, M.T., & Japutra, A. 2019. Predicting consumers' trial/adoption of new technology: Revisiting the behavioral expectations – behavioral intentions debate. The *International Review of Retail, Distribution and Consumer Research,* 29(4): 1-19.

Maharjan, R. 2021. *Data processing, editing and coding.* Available at: https://www.slideshare.net/slideshow/data-processing-editing-and-coding/249220181 . (Accessed 28 August 2024).

Makhitha, K.M. 2020. The Effects of Years of Operation Business Training and Business Turnover On Marketing Communication Strategies of SMEs in Polokwane South Africa. *Academy of Entrepreneurship Journal,* 26(2S): 1528-2686.

Makiwa, P. 2018. *Developing and validating an ICT adoption framework for SMEs in developing countries: A case of Zimbabwe.* Available at: https://www.academia.edu/64263157/Developing_and_validating_an_ICT_adoption_framework_for_SMEs_in_developing_countries_a_case_of_Zimbabwe . (Accessed 26 July 2024).

© University of Venda

Maksimovic, J., & Evtimov, J. 2023. Positivism and post-positivism as the basis of quantitative research in pedagogy. *Research in Pedagogy,* 13(1):208-218.

Manandhar, N., & Joshi, S.K. 2020. Importance of consent in the research. *International Journal of Occupational Safety and Health,* 10(2): 89-91.

Manda, M. & Backhouse, J. 2018. *Inclusive digital transformation in South Africa: an institutional perspective.* In Proceedings of the 11th International Conference on Theory and Practice of Electronic Governance, Galway, Ireland, April 2018 (ICEGOV'18).

Mandal, P.C. 2023. Roles of Customer Databases and Database Marketing in Customer Relationship Management. *International Journal of E-Business Research*, 18(1): 1-12.

Marc, P. K., & Vecchia, M. D. 2020. The Digital Marketing Toolkit: A Literature Review for the Identification of Digital Marketing Channels and Platforms. *New Trends in Business Information Systems and Technology,* 251-265. doi:DOI: 10.1007/978-3-030-48332-6_17.

Marcoulides, K. M., Foldnes, N., & Gronneberg, S. 2020. Assessing Model Fit in Structural Equation Modeling Using Appropriate Test Statistics. *Structural Equation Modeling,* 27(3): 369-379.

Marikyan, D., Papagiannidis, S., & Stewart, G. 2023. Technology acceptance research: Meta-analysis. *Journal of Information Science,* 0(0). Available at: https://doi.org/10.1177/01655515231191177. (Accessed 24 July 2024).

Marino, S. 2024. *180+ Strategy-Changing Digital Marketing Statistics for 2024.* Available at: https://www.wordstream.com/blog/ws/2022/04/19/digital-marketing-statistics . (Accessed 9 July 2024).

Market Business News. 2024. *What is online marketing? Definition and examples.* Available at: https://marketbusinessnews.com/financial-glossary/what-is-online-marketing-definition-and-examples/ . (Accessed 19 June 2024).

Marthinusen, L 2025. *Top Digital Marketing Agencies in Johannesburg* [2025]. Available at: https://www.mo.agency/blog/best-digital-agencies-in-johannesburg . (Accessed 1 March 2025).

Marus, E., Mwosi, F., Okello-Obura, C., Turyehebwa, A., & Uwonda, G. 2021. Financial inclusion and the growth of small medium enterprises in Uganda: empirical evidence from selected districts in Lango sub-region. *Journal of Innovation and Entrepreneurship,* 10(1): 1-23.

© University of Venda

Masimba, F., & Zuva, T. 2021. Individual Acceptance of Technology: A Critical Review of Technology Adoption Models and Theories. *Indiana Journal of Humanities and Social Sciences,* 2(9): 37-48.

Masocha, R. 2018. Does Environmental Sustainability Impact Innovation, Ecological and Social Measures of Firm Performance of SMEs? Evidence from South Africa. *Sustainability*, 10(11): 3855.

Mastilo, Z. 2017). *Impact of Digital Growth in Modern Business. Business and Management Studies,* 3(4), 59-63. https://doi.org/10.11114/bms. v3i4.2650 . [Accessed on: 1 August 2023].

Mataruka, L.T., & Muzurura, J. 2023. *Enhancing Small and Medium Enterprises' Performance through Social Media Integration: Embedding the Diffusion of Innovation Theory in the Technology-Organization-Environment Framework*. Qeios: doi:10.32388/XEBM0E.5.

Mathabatha, M. 2024. Bridging the Gap - *Digital Marketing and Content Strategy Insights for South African SMEs.* Available at: https://www.linkedin.com/pulse/bridging-gap-digital-marketing-content-strategy-mathabatha-mba-bzwsf/ . (Accessed 21 July 2024).

Mathers N, Fox N., & Hunn, A. 2007. *Surveys and Questionnaires*. Trent RDSU.

Matikiti R., Mpinganjira M., Roberts-Lombard M. 2018. Application of the technology acceptance model and the technology–organisation–environment model to examine social media marketing use in the South African tourism industry. *South African Journal of Information Management,* 20(1), 1–12.

Matikiti, R., Mpinganjira, M., Roberts-Lombard, M. 2018. Application of the Technology Acceptance Model and the Technology–Organisation–Environment Model to examine social media marketing use in the South African tourism industry. *SA Journal of Information Management,* 20(1): 1-12.

Matshoba, A. 2023. *SA needs 40 000 new SMEs a year*. Available at: https://www.moneyweb.co.za/moneyweb-podcasts/small-business-conversations/sa-needs-40-000-new-smes-a-year/. (Accessed 28 February 2024).

Mattos, C.S., Pellegrini, G., Hagelaar, G. & Dolfsma, W. 2023. Systematic literature review on technological transformation in SMEs: a transformation encompassing technology assimilation and business model innovation. Management Review Quarterly Journal.

© University of Venda

Mauldin, R.L. 2020. *Foundations of Social Work Research.* Available at: https://uta.pressbooks.pub/foundationsofsocialworkresearch/chapter/7-3-types-of-surveys/ . (Accessed 12 September 2024).

Maydeu-Olivares, A., Fairchild, A.J. & Hall, A.G. 2017. Goodness of fit in item factor analysis: Effect of the number of response alternatives. *Structural Equation Modelling: A Multidisciplinary Journal,* 24(4): 495-505.

Mazengo, F., & Sengati, F. 2021. *The impact of IT knowledge on the adoption of digital marketing technology by SMEs*. Available at: chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj/http://repository.iaa.ac.tz:8080/xmlui/bitstream/handle/123456789/1903/Linda%20Mazengo%20%26%20Frank%20Sengati.pdf?sequence=1&isAllowed=y. (Accessed 29 July 2024).

Mazibuko, N.2023. *Barriers to the use of digital marketing by Small and Medium Enterprise in Soweto.* Unpublished Master's Thesis: University of the Witwatersrand.

Mazurchenko, A., & Zelenka, M. 2022. Employees' Digital Competency Development in the Construction and Automotive Industrial Sectors. *Central European Business Review,* 11(1): 41-63.

Mbatha, Z.L., Moodley, M., Nyika, F., & Ruzengwe, C. 2024. Investigating Marketing Challenges Faced by South African SMEs during Covid-19. *IJABS* Volume, 3(3): 24-38.

Mbengeni, N.V., Mavhungu, E.M., & John, M. 2021. THE EFFECTS OF SMALL AND MEDIUM ENTERPRISES ON ECONOMIC DEVELOPMENT IN SOUTH AFRICA. *International Journal of Entrepreneurship*, 25(1): 1-11.

Mbura, K.O. 2020. Social media marketing platforms use and effectiveness of marketing communication in the Tanzania's telecommunication industry: evidence from Vodacom Company. *University of Dar es Salaam Library Journal,* 15(2):39-56.

McCann, F., McGeever, N. & Yao, F. 2023. SME viability in the COVID-19 recovery. *Small Business Economics*, 61, 1053-1074. Available at: https://doi.org/10.1007/s11187-022-00723-5. (Accessed 28 July 2024).

McCann, M., & Barlow, A. 2015. Use and measurement of social media for SMEs. *Journal of Small Business and Enterprise Development*, 22(2): 273-287.

© University of Venda

McCombes, S. 2019. *Survey Research: Definition, Examples & Methods.* Available at: https://www.scribbr.com/methodology/survey-research/ . (Accessed 21 August 2024).

McCombes, S. 2021. *What Is a Research Design? Types, Guide & Examples.* Available at: https://www.scribbr.com/methodology/research-design/ . (Accessed 20 August 2024).

McCombes, S. 2023. *How to Write a Literature Review : Guide, Examples, & Templates.* Available at: https://www.scribbr.com/methodology/literature-review/#:~:text=Frequently%20asked%20questions-,What%20is%20a%20literature%20review%3F,in%20relation%20to%20existing%20knowledge . (Accessed 11 September 2024).

McCoy, J. 2023. *How to Craft a Content Marketing Strategy.* Available at: https://contenthacker.com/how-to-create-content-marketing-strategy/ . (Accessed 12 July 2024).

McDermott, A. 2023. *Why Safeguarding Customer Information Has Never Been More Critical.* Available at: https://www.forbes.com/sites/forbestechcouncil/2023/11/08/why-safeguarding-customer-information-has-never-been-more-critical/ . (Accessed 26 June 2024).

McGill, J. 2023. *Navigating the Evolution: The History of Marketing Uncovered.* Available at: https://www.leadfuze.com/history-of-marketing/#:~:text=IBM's%20introduction%20of%20personal%20computers,vast%20opportunities%20for%20targeted%20marketing . (Accessed 25 June 2024).

McKeller, B. 2024. *Partnerships in South Africa: Understanding the Legal and Financial Considerations.* Available at: https://www.bartermckellar.law/corporate-law-explained/partnerships-in-south-africa-understanding-the-legal-and-financial-considerations#:~:text=Partnerships%20are%20a%20common%20business,collaborate%20and%20grow%20their%20businesses . (Accessed 20 February 2025).

McInnes, K. 2024. *South African Digital & Social Media Statistics 2024.* Available at: https://www.meltwater.com/en/blog/social-media-statistics-south-africa . (Accessed 25 June 2024).

Melli, G. 2023. *D'Agostino's K-squared Test.* Available at: https://www.gabormelli.com/RKB/D%27Agostino%27s_K-squared_Test . (Accessed 19 September 2024).

© University of Venda

Melnikovas, A. 2018. Towards an Explicit Research Methodology: Adapting Research Onion Model for Futures Studies. *Journal of Futures Studies,* 23(2): 29-44.

Mena-Clerque, J., Mena-Clerque, S. 2021. Estrategias de marketing digital 2.0 para la generación de ingresos en pequeñas y medianas empresas, CIENCIAMATRIA Revista Interdisciplinaria de Humanidades, Educación, Ciencia y Tecnología.

Menguc, B., & Auh, S. 2006. Creating a firm-level dynamic capability through capitalizing on market orientation and innovativeness. *Journal of the Academy of Marketing Science,* 34(1), 63–73.

Menzies, D., & Erwin, R. 2020. *THE SA SMME COVID-19 IMPACT REPORT*. Available at: https://www.banking.org.za/wp-content/uploads/2021/05/SA-SMME-COVID-19-Impact-Report.pdf . (Accessed 26 February 2025).

Merkus, J. 2024. *What Is Content Validity? Definition & Examples.* Available at: https://quillbot.com/blog/research/content-validity/ . (Accessed 8 March 2025).

Meyer, J.2020. *First Steps in Structural Equation Modeling: Confirmatory Factor Analysis.* Available at: https://www.theanalysisfactor.com/structural-equation-modeling-first-step-confirmatory-factor-analysis-2/ . (Accessed 7 March 2025).

Mfazi, S., & Elliott, R.M. The Theory of Planned Behaviour as a model for understanding Entrepreneurial Intention: The moderating role of culture. *Journal of Contemporary Management,* 19(1): 1-29.

Mhlongo, T. & Daya, P. 2023. 'Challenges faced by small, medium and micro enterprises in Gauteng: A case for entrepreneurial leadership as an essential tool for success', Southern African *Journal of Entrepreneurship and Small Business Management,* 15(1), a591.

Mhlongo, T. & Daya, P. 2023. Challenges faced by small, medium and micro enterprises in Gauteng: A case for entrepreneurial leadership as an essential tool for success. Southern African *Journal of Entrepreneurship and Small Business Management*, 15(1): a591.

Mhlongo, T. & Daya, P. 2023. Challenges faced by small, medium and micro enterprises in Gauteng: A case for entrepreneurial leadership as an essential tool for success. *The Southern African Journal of Entrepreneurship and Small Business Management;* 15(1): a591.

© University of Venda

Middleton, F. 2023. *Reliability vs. Validity in Research: Difference, Types and Examples*. Available at: https://www.scribbr.com/methodology/reliability-vs-validity/ . (Accessed 2 September 2024).

Milenkovic, B. 2025. *Survey response rate: what is it and what influences it?* Available at: https://heartcount.com/blog/survey-response-rate/ . (Accessed 20 February 2025).

Miller, M. 2020. *Predicting Consumers Behavioral Intentions -The Theory of Planned Behavior.* Available at: https://www.melinakmiller.com/predicting-consumers-behavioral-intentions-the-theory-of-planned-behavior/ . (Accessed 28 July 2024).

Millers, M., & Gaile-Sarkane, E. 2021. Management Practice in Small and Medium-Sized Enterprises: Problems and Solutions from the Perspective of Open Innovation. *Journal of Open Innovation: Technology, Market, and Complexity,* 7(4): 1-14.

Mills, J.G. 2021. *Survey Research, A Simple Introduction Learn how to conduct research using online surveys.* Retrieved from https://www.supersurvey.com/Research . [Accessed on: 3 August 2023].

Mills, J.G. 2024. *What is Sampling in Research? Definition and Key Concepts.* Available at: https://www.supersurvey.com/Sampling . (Accessed 18 September 2024).

Mishra, P., Pandey, C. M., Singh, U., Gupta, A., Sahu, C., & Keshri, A. 2019. Descriptive Statistics and Normality Tests for Statistical Data. *Annals of Cardiac Anaesthesia,* 22(1): 67-72.

Mishrif, A., & Khan, A. 2023. Technology adoption as survival strategy for small and medium enterprises during COVID-19. *Journal of Innovation and Entrepreneurship,* 12(53). Available at: https://doi.org/10.1186/s13731-023-00317-9. (Accessed 25 July 2024).

Mitra, A. 2023. *D'Argostino's K-squared test for Normality using Python*. Available at: https://www.thesecuritybuddy.com/statistics-for-machine-learning/dagostinos-k-squared-test-for-normality-using-python/ . (Accessed 19 September 2024).

Mittal, A. 2023. *Paradigm Shifts in Marketing Strategy: The Evolution of Websites.* Available at: https://www.linkedin.com/pulse/paradigm-shifts-marketing-strategy-evolution-websites-anurag-mittal/ . (Accessed 26 June 2024).

Mittal, S., & Anushree, S. 2023. *What's New? Summit 2023: Navigating the new-age evolution of digital marketing from data to personalisation to privacy*. Available at: https://economictimes.indiatimes.com/small-biz/marketing-branding/marketing/whats-new-

© University of Venda

summit-2023-navigating-the-new-age-evolution-of-digital-marketing-from-data-to-personalisation-to-privacy/articleshow/103694723.cms . (Accessed 15 July 2024).

Mizrachi, S. 2024. *Overcoming the Digital Marketing Skills Gap in 2024.* Available at: https://www.semetrical.com/digital-marketing-skills-gap/ . (Accessed 18 July 2024).

Mlotshwa, S.H., & Msimango-Galawe, J. 2020. The risk of overvaluing networking on small and medium enterprises performance in Gauteng province, South Africa. The Southern African *Journal of Entrepreneurship and Small Business Management,* 12(1): 1-13.

Moatshe, R. 2024. *Tshwane may become the economic hub of Africa.* Available at: https://www.iol.co.za/pretoria-news/news/tshwane-may-become-economic-hub-of-africa-says-mayor-485e5286-1729-4b59-a4e0-7f44424859f6 . (Accessed 22 August 2022).

Mogale, J. 2023. *Bridging the gap: Addressing South Africa's shortage of IT professional skills.* Available at: https://insights.adcorpgroup.com/bridging-the-gap-addressing-south-africas-shortage-of-it-professional-skills . (Accessed 29 July 2024).

Moghavvemi, S.; Hakimian, F.; & Tengk Feissal, T.M.F. 2012. Competitive advantages through IT innovation adoption by SMEs. *Journal of Society and Technology,* 2, 24–39.

Mohajan, H.K. 2020. Quantitative Research: A Successful Investigation in Natural and Social Sciences. *Journal of Economic Development, Environment, and People,* 9(4): 52-79.

Mokofe, W.M. 2023. Digital Transformations of the South African Legal Landscape. *Journal of Digital Technologies and Law,* 4(1):1087-1104.

Monnappa, A. 2023. *The History and Evolution of Digital Marketing.* Available at: https://www.simplilearn.com/history-and-evolution-of-digital-marketing-article . (Accessed 26 June 2024).

Moorman, C., & Slotegraaf, R. 1999. The contingency value of complementary capabilities in product development. *Journal of Marketing Research,* 36(2), 239–257.

Moral-de La Rubia, J. 2022. Tests of Normality from the Seven-Number Parametric Summary. Seven-Number Parametric Summary. *Open Journal of Statistics,* 12, 118-154.

Morgan, D. 2020*. What is considered to be a good item-total correlation (item discrimination) value for a Likert scale?* Available at: https://www.researchgate.net/post/What-is-considered-to-

© University of Venda

be-a-good-item-total-correlation-item-discrimination-value-for-a-Likertscale/5e974ce4b7b6cf4b1420a119/citation/download .

Morgan, D. 2022. *What is the difference between Structural Equation Modelling, Confirmatory Factor Analysis, and Path Analysis?* Available at: https://www.researchgate.net/post/What_is_the_difference_between_Structural_Equation_Modelling_Confirmatory_Factor_Analysis_and_Path_Analysis#:~:text=SEM%20is%20a%20combination%20of,causal%20connections%20among%20latent%20variables . (Accessed 5 September 2024).

Morgan, N. A. 2012. Marketing and business performance. *Journal of the Academy of Marketing Science,* 40(1), 102-119.

Msomi, T.S., & Olarewaju, O.M. 2021. Factors Affecting Small and Medium Enterprises' Financial Sustainability in South Africa. *African Journal of Inter/Multidisciplinary Studies,* 3(1): 103-117.

Mueller R.O., & Hancock G.R. 2018. *The Reviewer's Guide to Quantitative Methods In The Social Sciences*. Routledge.

Mugera, A.W. 2012. Sustained Competitive Advantage in Agribusiness: Applying the Resource-Based Theory to Human Resources. *International Food and Agribusiness Management Review,* 15(4): 27-48.

Muhammad, H. 2023. *What is research study area?* Available at: https://researchmethod.quora.com/What-is-research-study-area . (Accessed 22 August 2024).

Müller, J.M., Buliga, O., & Voigt, K. 2021. The role of absorptive capacity and innovation strategy in the design of Industry 4.0 business Models - A comparison between SMEs and large enterprises. *European Management Journal,* 39(3): 333-343.

Mumba, B., & Alici, D. 2021. Quantitative Versus Qualitative Research Dichotomies: A Discussion from Educational Measurement and Evaluation Perspective. *Research Journal of Humanities and Social Sciences,* 11(24):1-10.

Mundra, L. 2024. *How Digital Marketing Affects Consumer Behavior – A Guide.* Available at: https://iimskills.com/how-digital-marketing-affects-consumer-behaviour/ . (Accessed 9 July 2024).

© University of Venda

Munyuki, T. 2019. *The implications of financial literacy on the success of Small and Medium Enterprises (SMEs) initiated by the youth in economically disadvantaged area of Cape Town*. Cape Town: University of the Western Cape.

Murtagh, R. 2014. *Mobile Now Exceeds PC: The Biggest Shift Since the Internet Began.* Available at: https://www.searchenginewatch.com/2014/07/08/mobile-now-exceeds-pc-the-biggest-shift-since-the-internet-began/ . (Accessed 26 June 2024).

Murthy, S. N., & Bhojanna, U. 2009. *Business Research Methods* (2nd ed.). New Delhi, India: Excel Books India.

Na, S., Heo, S., Choi, W., Han, S., & Kim, C. 2023. *Firm Size and Artificial Intelligence (AI)-Based Technology Adoption: The Role of Corporate Size in South Korean Construction Companies*. Buildings, 13(4): 1066. Available at: https://doi.org/10.3390/buildings13041066 . (Accessed 28 July 2024).

Nadka, A. 2023. *Importance of Social Media Marketing on SMEs in South Africa.* Unpublished Master's Dissertation: University of the Free State.

Naepi, G. 2023. *Understanding the importance of a literature review in research.* Available at: https://matadaresearch.co.nz/literature-review-in-research /. (Accessed 11 September 2024).

Nagpal, R. 2024. Digital Marketing-Revolutionizing Today's Businesses. *International Journal of Novel Research and Development,* 8(4): 2456-4184.

Nanziri, L.E., & Wamalwa, P.S. 2021. Finance for SMEs and its effect on growth and inequality: evidence from South Africa. *Transnational Corporations Review,* 13(4): 450-466.

Napitupulu, D. 2020. User-acceptance instrument development: a content validity study in the e-participation context. *Journal of applied research and technology*, 18(1). Available at: https://www.scielo.org.mx/scielo.php?script=sci_arttext&pid=S1665-64232020000100034 . (Accessed 2 September 2024).

National Youth Development Agency Unit. 2020. IMPACT OF COVID – 19 ON SMALL MEDIUM AND MICRO ENTERPRISES SINCE LOCKDOWN. Johannesburg.

Naushad, M., & Sulphey, M.M. 2020. Prioritizing Technology Adoption Dynamics among SMEs. *TEM Journal,* 9(3): 983-991.

© University of Venda

Naveed, R.T., Rehmani, M., Khokhar, M.N., Shah, S.R.U., Ali, A., Shahzadi, S., Irshad, H. 2022. Small and medium-sized enterprises failure in providing workers' rights concerning Sustainable Development Goals-2030 in Pakistan. *Front Psychol*, 13: 927707.

Nawi, F. A. M., Tambi, A. M. A., Samat, M. F., & Mustapha, W. M.W. 2020. A Review on the Internal Consistency of a Scale: The Empirical example of the Influence of Human Capital Investment on Malcom Baldridge Quality Principles in TVET Institutions. *Asian People Journal,* 3(1):19-29.

Needle, F. 2020. *8 Ways Marketers Can Leverage Social Media to Meet Business Objectives*. Available at: https://blog.hubspot.com/blog/tabid/6307/bid/30888/8-ways-to-leverage-social-media-beyond-social-networks.aspx . (Accessed 9 July 2024).

Netemeyer, R. 2003. *Scaling Procedures: Issues and Applications*. SAGE.

New Perspective Design. 2023. *Digital marketing agency in South Africa.* Available at: https://www.newperspectivestudio.co.za/digital-marketing-agency-in-south-africa/ . (Accessed 1 March 2025).

New Perspective Design. 2023. *Does my business need a website? 10 benefits of a website for small businesses*. Available at: https://www.newperspectivestudio.co.za/wp/does-my-business-need-a-website-10-reasons-to-get-a-website-for-your-business/ . (Accessed 19 July 2024).

Nexford University. 2023. *Role of Entrepreneurship in Economic Development 2024*. Available at: https://www.nexford.edu/insights/role-of-entrepreneurship-in-economic-growth. (Accessed 13 June 2024).

Ng'ang'a, R. 2023. *What Is Pay-Per-Click, How Does It Operate, and How Can You Maximise This Advertising Method?* Available at: https://www.linkedin.com/pulse/what-pay-per-click-how-does-operate-can-you-maximise-method-ng-ang-a/ . (Accessed 15 July 2024).

Nguyen, J. 2020. *Archie, the very first search engine, was released 30 years ago today*. Available at: https://mashable.com/article/first-search-engine-archie . (Accessed 26 June 2024).

Nguyen, T. H., Le, X. C., & Vu, T. H. 2022. An Extended Technology-Organization-Environment (TOE) Framework for Online Retailing Utilization in Digital Transformation: Empirical Evidence from Vietnam. *Journal of Open Innovation: Technology, Market, and Complexity*, 8(4), 200. Available at: https://doi.org/10.3390/joitmc8040200. (Accessed 28 July 2024).

© University of Venda

Nguyen, T. T., Thi Thu Truong, H., & Le-Anh, T. 2023. Online Purchase Intention Under the Integration of Theory of Planned Behavior and Technology Acceptance Model. *Sage Open,* 13(4). Available at: https://doi.org/10.1177/21582440231218814. (Accessed 25 July 2024).

Nhede, N.T., Mazenda, A. & Masiya, T. 2022. 'The South African public service and the Fourth Industrial Revolution'. *Africa's Public Service Delivery and Performance Review* 10(1), a420.

Nickerson, C. 2023. *Interpretivism Paradigm & Research Philosophy.* Retrieved from https://simplysociology.com/interpretivism-paradigm.html . [Accessed on: 3 August 2023].

Nickerson, C. 2024. *Interpretivism Paradigm & Research Philosophy.* Available at: https://www.simplypsychology.org/interpretivism-paradigm.html . (Accessed 14 September 2024).

Nicolas, T. Short-term financial constraints and SMEs' investment decision: evidence from the working capital channel. *Small Business Economics,* 58, 1885-1914.

Nikolopoulou, K. 2022. *What Is Convergent Validity? Definition & Examples.* Available at: https://www.scribbr.com/methodology/convergent-validity/ . (Accessed 2 September 2024).

Nikolopoulou, K. 2022. *What Is Discriminant Validity?* Definition & Example. Available at: https://www.scribbr.com/methodology/discriminant-validity/ . (Accessed 3 September 2024).

Nikolopoulou, K. 2022. *What Is Probability Sampling?* Types & Examples. Available at: https://www.scribbr.com/methodology/probability-sampling/ . (Accessed 18 September 2024).

Nikoloupoulou, N. 2022. *What Is Criterion Validity?* Definition & Examples. Available at: https://www.scribbr.com/methodology/criterion-validity/#:~:text=Criterion%20validity%20(or%20criterion%2Drelated,disease%2C%20behavior%2C%20or%20performance . (Accessed 3 September 2024).

Nirmawan, H.M., Astiwardhani, W. 2021. The Effect of Perceived Cost, Trust, Usefulness, And Customer Value Addition on Intention to Use of Go-Pay Mobile Payment Services In Small Traders. *Journal of Business Management Review,* 2(10): 715-732.

Nishat, A. 2024. *What is sample size determination and why is it important?* Available at: https://www.remesh.ai/resources/how-to-calculate-sample-size . (Accessed 23 August 2024).

Noor, S., Tajik, O., & Golzar, J. 2022. Sampling Method | Descriptive Research. *International Journal of Education & Language Studies, IJELS,* 1 (2).

© University of Venda

Noqayi, A. 2020. *Digital platform skills requirements for SMMEs and startups: A South African perspective*. Unpublished Thesis: University of Witwatersrand.

Nordin, N.M., Koe, W.L., Mohamed, N.A., & Rahman, S.A.A. 2023. Factors Influencing the Adoption of Online Marketing among Malaysian SMEs. *Business Management and Strategy,* 14(1): 93-102.

Novak, J. 2024. *What Is Digital Marketing? Types, Strategies & Best Practices.* Available at: https://www.forbes.com/advisor/business/what-is-digital-marketing/ . (Accessed 9 July 2024).

NSBC Editorial Team. 2024. *The most common reason for small business failure in South Africa.* Available at: https://fetola.co.za/the-most-common-reason-for-small-business-failure-in-south-africa/ . (Accessed 10 March 2025).

Nugraha Pratama, M.A.N., Harti & Hariyati, 2021. "The effect of human capital, market orientation, and digital marketing technology on business performance in optical SMEs in East Java," *Technium Social Sciences Journal, Technium Science*, 20(1): 486-498.

Nwogueze B. C, Ofili M. I, & Egbule E. O. 2024. Research Design Approaches in Medical and Clinical Sciences: Assumptions, Strength, and Weakness. *Biosc.Biotech.Res.Comm,* 17(2).

Nyamubarwa, W., & Chipunza, C. 2021. Formalising human resource practices in family-owned accommodation small and medium-sized enterprises (SMEs): integrating owner-manager's personal characteristics with aspects of the UTAUT model. *Journal of Human Resource Management,* 19: 1-11.

Nylen, D., & Holmstrom, J. 2015. Digital innovation strategy: A framework for diagnosing and improving digital product and service innovation. *Business Horizons,* 58(1): 57-67.

O'Brien. C. 2023. *What Are the Most Effective Digital Marketing Strategies?* Available at: https://digitalmarketinginstitute.com/blog/what-are-the-most-effective-digital-marketing-strategies . (Accessed 9 July 2024).

O'Dea, M. 2024. Book Review: The Technology Acceptance Model - 30 Years of TAM by F. D. Davis and A. Granic. *Journal of University Teaching and Learning Practice,* 21(8).

Ochoa-Rico, M.S., Río, J.A.Jd., Romero-Subia, J.F., & Vergara-Romero, A. 2023. Study of Citizen Satisfaction in Rural Versus Urban Areas in Public Services: Perspective of a Multi-group Analysis. *Soc Indic Res,* 171, 87–110.

© University of Venda

Odoyo, C.O., Liyala, S., Odongo, B.C., & Abeka, S.O. 2016. Theory of Reasoned Action as an Underpinning to Technological Innovation Adoption Studies. *World Journal of Computer Application and Technology,* 4(1):1-7.

OECD, 2020. *The situation is more critical for small firms because of their limited financial resources. OECD Policy Responses to Coronavirus (COVID-19).* [Online] Available from: https://www.oecd.org/coronavirus/policy-responses/coronavirus-covid-19-sme-policy-responses-04440101/ . Accessed 12/06/23.

OECD. 2017. *Small, Medium, Strong.Trends in SME Performance and Business Conditions*. OECD Publishing: Paris.

OECD. 2021. *Incentives for SMEs to Invest in Skills: Lessons from European Good Practices, Getting Skills Right*. OECD Publishing, Paris. Available at: https://doi.org/10.1787/1eb16dc7-en . (Accessed 18 July 2024).

OECD. 2021. *Productivity in SMEs and large firms.* Retrieved from https://www.oecd-ilibrary.org/sites/54337c24-en/index.html?itemId=/content/component/54337c24-en . Accessed on: 1 August 2023].

OECD. 2022. *Skills for the Digital Transition: Assessing Recent Trends Using Big Data.* OECD Publishing, Paris. Available at: https://doi.org/10.1787/38c36777-en . (Accessed 18 July 2024).

Ogujiba, K.K., Eggink, M., & Olamide, E. 2023. Impact of Elements of Finance and Business Support on the SME Business Ecosystem in South Africa: An Econometric Analysis. Sustainability 2023, 15, 8461. Changwesha, M., & Mutezo, A.T. (2023). The relationship between financial literacy and financial access among SMEs in the Ekurhuleni municipality. *Acta Commercii,* 23(1):1-10.

Ogujiuba, K., Olamide, E., Ogujiuba, C., & Stiegler, N. 2021. Effect of Contextual Factors on Entrepreneurship Success in South Africa: Application of Two-Way Analysis of Variance Design. *Academy of Entrepreneurship,* 27: 3.

Ogwu, K. 2021. *The influence of information technology innovations on the performance of organizations: A case study of selected SMEs in the Western Cape*. Unpublished Master's Thesis: Cape Peninsula University of Technology.

© University of Venda

Oji, O.N.E., Iwu, C.G., & Haydam, N. 2017. The use of social media marketing strategies by SMMEs in the hospitality sector in Cape Metropole, South Africa. *African Journal of Hospitality, Tourism and Leisure,* 6(1): 1-16.

Okesina, M. 2020. A critical review of the relationship between paradigm, methodology, design and method in research. *IORS Journal Handbook of qualitative research of Research & Method in Education*, 101: 57-68.

Olabode, S., & Bakare, A. 2020. An assessment of the reliability of secondary data in management science research. *LASU Journal of Employment Relations & Human Resource Management,* 1(1): 1-24.

Olasanmi, O.O., Inneh, E.G., Ayoola, T.J., Obokoh, L.K., & Ehiobuche, C. 2023. COVID-19 and the adoption of digital marketing by micro and small enterprises in Nigeria. *Innovative Marketing,* 19(2): 261-270.

Oliveira, T. & Martins, M.F., 2011, 'Literature review of information technology adoption models at firm level', *Electronic Journal of Information Systems Evaluation,* 14(1), 110–121.

Oloveze, A., Okonkwo, R.V., Nwachukwu, C.P., Chinweike, O., & Chukwuoyims, K.E. 2022. User behaviour on continuance intention to use M-commerce in African context: mediating effect of perceived value. LBS Journal of Management & Research.

Omar, A. R. C., Ishak, S., & Jusoh, M. A. 2020. The impact of Covid-19 movement control order on SMEs' businesses and survival strategies. *Geografia-Malaysian Journal of Society and Space,* 16(2), 90–103.

Omda S.E., & Sergent, S.R. 2024. Standard Deviation. In: *StatPearls. Treasure Island* (FL): StatPearls Publishing.

Omodan, B.I. 2022. A Model for Selecting Theoretical Framework through Epistemology of Research Paradigms. *African Journal of Inter/Multidisciplinary Studies,* 4(1).

Onwuegbuzie, A.J., & Frels, R. 2016. *Seven Steps to a Comprehensive Literature Review: A Multimodal and Cultural Approach*. Los Angeles, CA: Sage.

Opperman, I. 2023. *Small businesses can alleviate SA's jobs crisis – but how?* Retrieved from https://www.citizen.co.za/business/personal-finance/small-businesses-can-alleviate-jobs-crisis-with-help/ . [Downloaded 31 July 2023].

© University of Venda

Owen, M.J. 2023. *Overcoming the Top 10 Digital Marketing Challenges for SMEs.* Available at: https://assetdigitalcom.com/blog/digital-marketing-challenges-for-smes/ . (Accessed 16 July 2024).

Oyewale, A., Adebayo, O., & Kehinde, O. 2020. Estimating the impact of COVID-19 on small and medium scale enterprise: Evidence from Nigeria, pp. 1–19.

Pannekoek, J., Scholtus, S., & Van Der Loo, M. 2013. Automated and Manual Data Editing: A View on Process Design and Methodology. *Journal of Official Statistics,* 29: 511-537.

Pannell, R. 2023. *The Importance of Identifying the Right Sample Size for Business Improvement.* Available at: https://leanscape.io/the-importance-of-identifying-the-right-sample-size-for-business-improvement/ . (Accessed 23 August 2024).

Panther, C. 2024. *What is 'PPC' in digital marketing?* Available at: https://www.bidnamic.com/resources/what-is-ppc-in-digital-marketing . (Accessed 15 July 2024).

Panya, K.O., & Nyarwath, O. 2022. Demystifying philosophies and paradigms underpinning scientific research. *Journal of Change Management,* 9(4): 1367-1382.

Papadopoulosi, T., Baltas, K., & Balta, M. 2020. The use of digital technologies by small and medium enterprises during COVID-19: Implications for theory and practice. *International Journal of Information Management,* 55(4): 102192.

Park, D., & Bahrudin, F.I. 2020. Circular reasoning for the evolution of research through a strategic construction of research methodologies. *International Journal of Quantitative and Qualitative Research Methods,* 8(3): 1-23.

Park, Y., Konge, L., & Artino, A. R. 2020. The Positivism Paradigm of Research. Academic medicine: *Journal of the Association of American Medical Colleges,* 95(5): 689-694.

Parliament of the Republic of South Africa. 1995. *White Paper on National Strategy for the development and promotion of Small Business in South Africa*. Department of Trade and Industry: Cape Town.

Parm AG. 2022. *Data-driven revolution: business intelligence as the key to success for SMEs.* Available at: https://parm.com/en/data-driven-revolution-business-intelligence-as-the-key-to-success-for-smes/ . (Accessed 21 July 2024).

© University of Venda

Patil, A.S., Navalgund, N. & Mahansthetti, S. 2022. Digital Marketing Adoption by Start-Ups and SMEs. *SDMIMD Journal of Management,* 13(47):48-61.

Patil, A.S., Navalgund, N.R., & Mahantshetti, S. 2022. SDMIMD *Journal of Management,* 13(Special Issue): 47-61.

Patoli, Z. 2021. *Why Digital Marketing Is Important For Business Owners.* Available at: https://www.forbes.com/sites/deloitte/2024/03/25/from-promise-to-prosperity-what-will-it-take-to-unlock-africas-clean-energy-abundance/ ? (Accessed 22 July 2024).

Patterson, P. G., & Spreng, R. A. 1997. Modeling the relationship between perceived value, satisfaction and repurchase intentions in a business-to-business, services context: An empirical examination. *International Journal of Service Industry Management,* 8(5):414-434.

Pecanha, V. 2022. *What Is Digital Marketing: The Ultimate Guide.* Available at: https://rockcontent.com/blog/what-is-digital-marketing/ . (Accessed 20 July 2024).

Pederson, M. 2024. *The Importance of Research Design: A Comprehensive Guide.* Available at: https://imotions.com/blog/learning/the-importance-of-research-design-a-comprehensive-guide/ . (Accessed 20 August 2024).

Peillon, S., & Dubruc, N. 2019. Barriers to digital servitization in French manufacturing SMEs. *Procedia CIRP*, 83(1):146-150.

Peiris, S. 2024. *What is Data Cleaning?* Available at: https://medium.com/@MoonlightO2/what-is-data-cleaning-590b2b107526 . (Accessed 28 August 2024).

Peng, M.Y.P., & Yan, X. 2022. Exploring the Influence of Determinants on Behavior Intention to Use of Multiple Media Kiosks Through Technology Readiness and Acceptance Model. *Front, Psychol,* 13:852394.

Pereira, M. 2020. *What Is Paid Media? Definition, Types, Process with Examples.* Available at: https://www.spiceworks.com/marketing/programmatic-advertising/articles/what-is-paid-media/ . (Accessed 9 July 2024).

Pervin, N., & Mokhtar, M. 2022. The Interpretivist Research Paradigm: A Subjective Notion of a Social Context. *International Journal of Academic Research in Progressive Education and Development,* 11(2), 419–428.

© University of Venda

Phair, D., & Warren, K. 2021. *Saunders' Research Onion.* Available at: https://gradcoach.com/saunders-research-onion/ . (Accessed 6 September 2024).

Phuong Dung, P. T., Minh An, H., Huy, P. Q., & Dinh Quy, N. L. 2023. Understanding the startup's intention of digital marketing's learners: An application of the theory of planned behavior (TPB) and technology acceptance method (TAM). *Cogent Business & Management,* 10(2).

Piao, X., & Choi, M.C. 2022. *The different effects of firm resources on firm performance under volatility: An examination using big data*. Discrete Dynamics in Nature and Society, Article ID 6151667. Available at: https://doi.org/10.1155/2022/6151667 . (Accessed 17 July 2024).

Piedmont, R.L. 2014. Inter-item Correlations. In: Michalos, A.C. (eds) *Encyclopedia of Quality of Life and Well-Being Research*. Springer, Dordrecht.

Plano Clark, V. L. & Badiee, M. 2010. Research questions in mixed methods research. In A. Tashakkori & C. Teddlie, Eds. *Mixed methods in social & behavioural research.* 2nd ed. Thousand Oaks, CA: Sage, pp. 275-304.

Plutora. 2020. *People, Process, Technology: The PPT Framework, Explained.* Available at: https://www.plutora.com/blog/people-process-technology-ppt-framework-explained . (Accessed 25 July 2024).

Ponto, J. 2015. Understanding and Evaluating Survey Research. *Journal of the Advanced Practitioner in Oncology*, 6(2): 168-171.

Portland State University. 2023. *Multigroup Analysis and Moderation with SEM*. Available at: chromeextension://efaidnbmnnnibpcajpcglclefindmkaj/https://web.pdx.edu/~newsomj/semclass/ho_moderation .pdf. (Accessed 14 March 2023).

Potharla, S. 2017. *What is empirical study?* Available at: https://www.researchgate.net/post/What-is-empirical-study . (Accessed 22 August 2024).

Prabhakar, R. 2023. *Data Preparation: The Foundation of Analytics Success.* Available at: https://www.xerago.com/importance-of-data-preparation . (Accessed 27 August 2024).

Pradhan, P., Nigam, D., & Tiwari, C.K. 2020. Partial least square method-structural equation model for assessment of drivers of digital marketing adoption by Indian SMEs. *International Journal of Advanced Science and Technology*, 2020 (29): 1286–1296.

© University of Venda

Prestia, M. 2023. *The effectiveness and impact of Mobile Technology on Digital Marketing.* Available at: https://www.linkedin.com/pulse/effectiveness-impact-mobile-technology-digital-michael-prestia-dmabc/ . (Accessed 26 June 2024).

Prince George's Community College .2020. *Digital Marketing Certificate.* Retrieved from https://www.pgcc.edu/programs-courses/continuing-education/business-and-management-skills/digital-marketing-certificate/ . Accessed 15 May 2023.

Prisco, A., Abdallah, Y.O., Morande, S., & Gheith, M.H. 2022. Factors affecting blockchain adoption in Italian companies: The moderating role of firm size. *Technology Analysis and Strategic Management,* 1-14.

Priya, A. 2020. *Case Study Methodology of Qualitative Research: Key Attributes and Navigating the Conundrums in Its Application*. Sociological Bulletin.

Proofed. 2022. *Research Paradigms: Explanation and Examples*. Retrieved from https://proofed.com/writing-tips/research-paradigms-explanation-and-examples /. [Accessed on: 1 August 2023].

Pu, G., Qamruzzaman, M., Mehta, A. M., Naqvi, F. N., & Karim, S. 2020. Innovative Finance, Technological Adaptation and SMEs Sustainability: The Mediating Role of Government Support during COVID-19 Pandemic. *Sustainability,* 13(16), 9218. Available at: https://doi.org/10.3390/su13169218. (Accessed 26 July 2024).

Putri, L.T., Aini, A. P. N., Solekah, N. A., & Istiqomah, D. F. 2023. Exploring E-Commerce Adoption in Small and Medium Enterprises (SMEs) using the Technology Acceptance Model. *International Journal of Business Economics* (IJBE), 5(1):1-14.

Qiu, Z., Wang, S., Hou, Y., & Xu, S. 2022. What Drives Infrastructure Participants to Adopt Digital Technology: A Nexus of Internal and External Factors. *Sustainability,* 15(23), 16229. Available at: https://doi.org/10.3390/su152316229. (Accessed 26 July 2024).

Qualtrics. 2024. *Digital customer engagement: Your complete guide to innovatively engaging customers.* Available at: https://www.qualtrics.com/en-gb/experience-management/customer/digital-customer-engagement/ . (Accessed 20 July 2024).

Qualtrics. 2024. *Qualtrics AI Empowers Organizations to Improve Customer Experiences In-Store, Online, and in the Call Center*. Available at: https://www.qualtrics.com/news/qualtrics-ai-empowers-organizations-to-improve-customer-experiences-in-store-online-and-in-the-call-

© University of Venda

center/#:~:text=Research%20from%20Qualtrics%20and%20ServiceNow,single%20negative%20customer%20service%20interaction . (Accessed 9 July 2024).

Quinn, J. 2024. *How to solve the most common data cleaning problems in SPSS Statistics.* Available at: https://www.sv-europe.com/blog/how-to-solve-the-most-common-data-cleaning-problems-in-spss-statistics /. (Accessed 21 September 2024).

Radicic, D., & Petković, S. 2023. Impact of digitalization on technological innovations in small and medium-sized enterprises (SMEs). *Technological Forecasting and Social Change,* 191, 122474. Available at: https://doi.org/10.1016/j.techfore.2023.122474. (Accessed 14 September 2024).

Raharjanti, N.W., Wiguna, T., Purwadianto, A., Soemantri, D., Indriatmi, W., Poerwandari, E.K., Mahajudin, M.S., Nugrahadi, N.R., Roekman, A.E, Saroso, O.J.D.A., Ramadianto, A.S., & Levania, M.K. 2022. Translation, validity and reliability of decision style scale in forensic psychiatric setting in Indonesia. *Heliyon*, 28(8): 7.

Rahman, M. 2023. *Differences between deductive and inductive approaches to research.* Available at: https://www.howandwhat.net/differences-deductive-inductive/ . (Accessed 14 August 2024).

Rahman, M.Z., Tabash, M.I., Salamzadeh, A., Abduli, S., & Rahaman, M.D. 2022. Sampling techniques (probability) for quantitative social science researchers: a conceptual guidelines with examples. *SEEU Review,* 17(1): 42-51.

Rahman, Z., Sanderson, P., & Naidu, R. 2024. Chromium: A pervasive environmental contaminant and its removal through different remediation techniques. *Inorganic Contaminants and Radionuclides*, 69-94.

Rahn, M. 2025. *Factor Analysis: A Short Introduction, Part 5–Dropping unimportant variables from your analysis.* Available at: https://www.theanalysisfactor.com/factor-analysis-5/ . (Accessed 7 March 2025).

Raji, M.A.; Olodo, H.B.; Oke, T.T.; Addy, W.A.; Ofodile, O.C.; Oyewole, A.T. 2024. The Digital Transformation of SMEs: A Comparative Review Between the USA and Africa. *Int. J. Manag. Entrep Res*, 6: 737-751.

Raju, N. 2023. *5 Reasons to Know How Technology Has Influenced Digital Marketing.* Available at: https://cxotoday.com/digital-drives/5-reasons-to-know-how-technology-has-influenced-digital-marketing/ . (Accessed 25 June 2024).

© University of Venda

Ram, C.K. 2023. A Study on the Impact of Ever Changing Technology on Online Business and Entrepreneurship. *Migration Letters,* 20(6): 1147-1152.

Ramasimu, N., Majadibodu, M. J., & Ladzani, W. 2023. Support from the government for SMEs in South Africa. *International Journal of Research in Business and Social Science,* 12(5), 381-394.

Ramphele, M., & Msosa, S. K. 2022. Determinants of Social Media Marketing Adoption in Small, Medium and Micro Enterprises during the Covid-19 pandemic. *European Journal of Management Issues,* 30(2): 92-99.

Rauscher, A. 2021. *Quantitative Analysis: Frequency Analysis.* Available at: https://typeset.io/questions/what-is-frequency-chapter-in-quantitative-research-432ysa9o03 . (Accessed 19 September 2024).

Reddy, K. 2022. *Sustainability essential for small businesses.* Mail & Guardian. Retrieved from https://mg.co.za/thoughtleader/opinion/2022-08-03-sustainability-essential-for-small-businesses/ . [Downloaded 15 May 2022].

Rehmani, A. 2024. *Top Digital Adoption Challenges in 2024.* Available at: https://visualsp.com/blog/5-biggest-digital-adoption-problems-in-2021/ . (Accessed 28 July 2024).

Rejali, S., Aghabayk, K., Esmaeli, S., & Shiwakoti, N. 2023. Comparison of technology acceptance model, theory of planned behavior, and unified theory of acceptance and use of technology to assess a priori acceptance of fully automated vehicles. Transportation Research Part A: Policy and Practice. *Elsevier*,168(C).

Rejali, S., Aghabayk, K., Mohammadi, A., & Shiwakoti, N. 2024. Evaluating public a priori acceptance of autonomous modular transit using an extended unified theory of acceptance and use of technology model. *Journal of Public Transportation*, 26(2):100081.

Restrepo-Morales, J.A., Ararat-Herrera, J.A., López-Cadavid, D.A., & Camacho-Vargas, A. 2024. Breaking the digitalization barrier for SMEs: a fuzzy logic approach to overcoming challenges in business transformation. *J Innov Entrep,* 13(84).

Retail Capital. 2023. *Digital Transformation for SMEs: Be Prepared with Retail Capital.* Retrieved from https://www.retailcapital.co.za/digital-transformation-for-south-african-smes-leveraging-emerging-technologies/ . [Accessed on: 1 August 2023].

© University of Venda

Reuter, M. 2022. *Digital Marketing Challenges for Small Businesses.* Available at: https://www.linkedin.com/pulse/digital-marketing-challenges-small-businesses-web-marketing-expert-/ . (Accessed 28 July 2024).

Rezaid Global. 2024. *The Benefits of PPC in Digital Marketing: A Comprehensive Guide.* Available at: https://www.rezaid.co.uk/post/the-benefits-of-ppc-in-digital-marketing#:~:text=PPC's%20Role%20in%20a%20Digital,a%20comprehensive%20digital%20marketing%20plan . (Accessed 15 July 2024).

Riserbato, R. 2024. *10 Benefits of Consistent, High-Quality Content Marketing*. Available at: https://blog.hubspot.com/marketing/benefits-high-quality-content-consistency-brand . (Accessed 12 July 2024).

Ristovska, N., Blazheska, D., & Gramatrikoviski, S. 2023. The influence of COVID-19 pandemic on the global business trends and management practices. *UTMS Journal of Economics,* 14(2): 144-159.

Ritz, W., Wolf, M. and McQuitty, S. (2019). Digital marketing adoption and success for small businesses. *Journal of Research in Interactive Marketing,* 13(2):179–203.

Ritz, W., Wolf, M., & McQuitty, S. 2019. Digital marketing adoption and success for small businesses: The application of the do-it-yourself and technology acceptance models. *Journal of Research in Interactive Marketing.* Available at: https://doi.org/10.1108/JRIM-04-2018-0062. (Accessed 28 July 2024).

Rizun, M., & Strzelecki, A. 2020. Students' acceptance of the Covid-19 impact on shifting higher education to distance learning in Poland. *International Journal of Environmental Research and Public Health,* 17(18): 6468.

Roberts, S. 2023. *What is Standard Deviation in Statistics with Examples?* Available at: https://www.theknowledgeacademy.com/blog/standard-deviation/#:~:text=Standard%20Deviation%20is%20a%20fundamental,fields%2C%20from%20finance%20to%20science . (Accessed 19 September 2024).

Robinson, J., & Kengatharan, N. 2020. Exploring the effect of Covid-19 on small and medium enterprises: Early evidence from Sri Lanka. *Journal of Applied Economics & Business Research,* 10(2), 115–124.

© University of Venda

Robinson, O., & Alexander, W. 2022. *Practicing and Presenting Social Research.* Available at: https://pressbooks.bccampus.ca/undergradresearch/chapter/descriptive-statistics/ . (Accessed 19 September 2024).

Robul, Y., Lytovchenko, I., Tchon, L., Nagornyi, Y., Khanova, O., Omelianenko, O. 2020. Digital marketing tools in the value chain of an innovative product. *Int. J. Sci. Technol. Res*, 9: 158-165.

Rodrigues, C. F. D. S., Lima, F. J. C. D., & Barbosa, F. T. 2017. Importance of using basic statistics adequately in clinical research. *Brazilian Journal of Anesthesiology* (English Edition), 67(6): 619-625.

Rogers, E. M. 1962. *Diffusion of innovations.* New York, Free Press of Glencoe.; Chicago.

Rogers, E. M. 1983. *Diffusion of innovations.* New York: The Free Press.

Rogers, E., 1995, *Diffusion of innovations,* 4th edn., The Free Press, New York.

Rogers, E., 2010, *Diffusion of innovations,* Simon and Schuster, New York, NY.

Rogers, E.M. 2003. *Diffusion of innovations* (5th ed.). New York: Free Press.

Romanchuk, J. 2024. *The Four Types of Research Design-Everything You Need to Know.* Available at: https://blog.hubspot.com/marketing/types-of-research-design. (Accessed 20 August 2024).

Roos, J.M., & Bauldry, S. 2024. *Sage Research Methods: Confirmatory Factor Analysis.* Available at: https://methods.sagepub.com/book/mono/preview/confirmatory-factor-analysis.pdf . (Accessed 7 March 2025).

Roushan, A. 2021. *South Africa's Small Businesses Hit Hardest By COVID Regulations: Study.* [Online] Available from: https://www.republicworld.com/world-news/africa/south-africas-small-businesses-hit-hardest-by-covid-regulations-study.html . [Downloaded 18 September 2022].

Royse, M. 2020. *Digital marketing insights and perspectives.* Available at: https://knowledgeenthusiast.com/2020/12/01/impact-of-technology-on-digital-marketing/ . (Accessed 18 July 2024).

Rozmi, A.N.A., Bakar, M.I.A., Hadi, A.R.A., & Nordin, A.I. 2019. Investigating the Intentions to Adopt ICT in Malaysian SMEs Using the UTAUT Model. *Advances in Visual Informatics*, 2019: 477-487.

© University of Venda

RSA (Republic of South Africa). 1996. "*National Small Business Act. Act 102 of 1996".* Government Gazette: No. 17612. Pretoria: Government Printer.

Ruby, D. 2024. *69 Mobile Internet Traffic Statistics For 2024 (Worldwide Usage).* Available at: https://www.demandsage.com/mobile-internet-traffic/ . (Accessed 25 June 2024).

Runde, D.F., Savoy, C.M. & Staguhn, J. 2021. *Supporting small and medium enterprises in sub-Saharan Africa through blended finance*. Washington DC: Centre for Strategic and International Studies. Retrieved from https://www.csis.org/analysis/supporting-small-and-medium-enterprises-sub-saharan-africa-through-blended-finance . [Downloaded 15 May 2022].

Rungani, E.C. 2022. Towards a comprehensive SMME support framework in South Africa. *Journal of Contemporary Management;* 19 (2).

Ryan, D., & Jones, C. 2009. *Understanding Digital Marketing: Marketing Strategies for Engaging the Digital Generation*. London; Philadelphia, Kogan Page.

S S Veleva and A I Tsvetanova. 2020. Characteristics of the digital marketing advantages and disadvantages. IOP Conference. Series: Materials. *Science and Engineering,* 940 012065.

Saavedra-Nieves, A.2023. On *stratified sampling for estimating coalitional values.* Ann Oper Res 320, 325–353. https://doi.org/10.1007/s10479-022-05044-0 . [Accessed on: 3 August 2023].

Sadeghi, T., & Farolchian, S. 2011. The Role of Behavioral Adoption Theories in Online Banking Services. *Middle East Journal of Scientific Research,* 7:374-380.

Safeopedia Staff. 2024. *What Does Resource Mean?* Available at: https://www.safeopedia.com/definition/2945/resource . (Accessed 21 July 2024).

Sagala, G.H., & Őri, D. 2024. Toward SMEs digital transformation success: a systematic literature review. *Inf Syst E-Bus Manage,* 22: 667-719. Available at: https://doi.org/10.1007/s10257-024-00682-2. (Accessed 25 February 2025).

Sago. 2023. *The Significance of Validity and Reliability in Quantitative Research.* Available at: https://sago.com/en/resources/blog/the-significance-of-validity-and-reliability-in-quantitative-research/#:~:text=Construct%20validity%20refers%20to%20the,concept%20it%20aims%20to%20investigate . (Accessed 2 September 2024).

Sahoo, M. 2019. Structural Equation Modeling: Threshold Criteria for Assessing Model Fit", Subudhi, R.N. and Mishra, S. (Ed.) *Methodological Issues in Management Research: Advances,*

© University of Venda

Challenges, and the Way Ahead. Emerald Publishing Limited, Leeds, 269-276. Available at: https://doi.org/10.1108/978-1-78973-973-220191016. (Accessed 3 September 2024).

Sales Ninja. 2023. *The Challenges SMEs Are Facing Over the Years.* Available at: https://salesninja.asia/the-challenges-smes-are-facing-over-the-years/# . (Accessed 19 July 2024).

Salhia, B., & Olaiya, V. 2020. *Historical Perspectives on Ethical and Regulatory Aspects of Human Participants Research: Implications for Oncology Clinical Trials in Africa.* JCO Global Oncology, 6. Available at: https://doi.org/10.1200/JGO.19.00196 . (Accessed 29 August 2024).

Salkind, N. J. 2010. Exploratory factor analysis. In *Encyclopedia of Research Design*. SAGE Publications.

Salomao, A. 2023. *Inductive vs Deductive Research: Two Approaches to Data Analysis.* Available at: https://mindthegraph.com/blog/inductive-vs-deductive-research/ . (Accessed 6 September 2024).

Salomao, A. 2023. *Reliability vs Validity in Research: Measuring What Matters.* Retrieved from https://mindthegraph.com/blog/reliability-vs-validity-in-research/ . [Accessed on: 3 August 2023].

Sanchez, C. 2023. *Understanding the Digital Marketing Landscape for Small and Medium-Sized Businesses* (SMBs). Available at: https://blaksheepcreative.com/digital-marketing/digital-marketing-strategies-smbs/ . (Accessed 21 July 2024).

Sangal, R. 2023. *Philip Kotler: The Father of Digital Marketing.* Available at: https://www.linkedin.com/pulse/philip-kotler-father-digital-marketing-riya-sangal/ . (Accessed 16 May 2024).

Sansom, R. 2021. *Theory of Planned Behavior.* Available at: https://ascnhighered.org/ASCN/change_theories/collection/planned_behavior.html . (Accessed 24 July 2024).

Santos, M. J., Perin, M. G., Simões, C., & Sampaio, C. H. 2020. Customer orientation and financial performance relationship: the mediating role of innovative capability. *Gestão & Produção*, 27(4), e4706.

Santosa, I. 2021. *Composite Reliability.* Available at: https://iwansantosa.wordpress.com/2021/02/16/composite-reliability/ . (Accessed 5 September 2024).

© University of Venda

Santoso, D.R., Handayani, P.W., & Azzahro, F. 2022. The Resistance to Adopting Online Marketplace: The Influence of Perceived Risk and Behavioral Control of Small and Medium Enterprises in Indonesia. *COMMIT (Communication and Information Technology) Journal,* 16(1). Available at: https://journal.binus.ac.id/index.php/commit/article/view/7858. (Accessed 28 July 2024).

Saunders, L., Keen, R., & Davis, B. 2024. *E-consultancy's digital and marketing trends for 2024.* Available: https://econsultancy.com/digital-marketing-trends-2024/ . (Accessed 16 July 2024).

Saunders, M., Lewis, P., & Thornhill, A. 2007. *Research Methods for Business Students*, (6th ed.) London: Pearson.

Saunders, M., Lewis, P.L., & Thornhill, A. 2009. *Research Methods for Business Students* 5th Edition. Prentice Hall-Pearson Education.

Savage, M. 2017. Reliability, split-half. *In The sage encyclopedia of communication research methods,* 4: 1421-1421. Available at: https://doi.org/10.4135/9781483381411 . (Accessed 8 March 2025).

Savani, C. 2024. *How to Earn Passive Income.* Available at: https://www.linkedin.com/pulse/ultimate-guide-affiliate-marketing-how-earn-passive-income-savani-rz5af/ . (Accessed 20 July 2024).

Saxena, A., & Edwards, A. 2023. *How do you choose the best sample size and method for your pilot test?* Available at: https://www.linkedin.com/advice/0/how-do-you-choose-best-sample-size-method-your#:~:text=A%20common%20rule%20of%20thumb,specific%20pilot%20objectives%20and%20context . (Accessed 2 September 2024).

Scalzo, C. 2019. *Challenges of implementing new technology and how to address them*. Available at: https://www.onlinecomputers.com/2019/01/challenges-of-implementing-new-technology-and-how-to-address-them /. (Accessed 18 July 2024).

Scheers, L.V. 2018. Marketing challenges small and medium enterprises (SME) are facing in South Africa. *The journal of accounting and management*, 8 (1):27-34.

Schmalen, P. 2020. *Understand your data with principal component analysis (PCA) and discover underlying patterns*. Available at: https://towardsdatascience.com/understand-your-data-with-

© University of Venda

principle-component-analysis-pca-and-discover-underlying-patterns-d6cadb020939 . (Accessed 21 September 2024).

Schumacker, R. E., & Lomax, R. G. 2010. *A beginner's guide to structural equation modeling* (3rd ed.). New York, NY: Routledge Academic.

Schutte, D., & Buys, P. 2011. A comparative evaluation of South African SME financial statements against the IFRS requirements. *Journal of Accounting and Taxation,* 3(1): 8-22. Ford, N. 2023. Africa's SMEs come out of the financial cold. Available at: https://african.business/2023/08/african-banker/africas-smes-come-out-of-the-financial-cold. (Accessed 20 February 2025).

Sechabe, M.V., & Fatoki, O. 2021. Determinants of electronic marketing adoption by small and medium enterprises in South Africa. *Academy of Entrepreneurship Journal*, 27(6), 1-12.

Sechabe, M.V., & Fatoki, O. 2021. Determinants of electronic marketing adoption by small and medium enterprises in South Africa. *Academy of Entrepreneurship Journal,* 27(6), 1-12.

Segal, S., & Gerstel, D. 2020. *The global economic impacts of COVID-19, critical questions.* Center for Strategic and International Studies (CSIS). [Online] Available from: https://www.csis.org/analysis . [Downloaded 18 September 2022].

Segreto, P. 2023. *The Benefits of Digital Marketing for Entrepreneurs.* Available at: https://www.linkedin.com/pulse/benefits-digital-marketing-entrepreneurs-paul-segreto/ . (Accessed 15 May 2024).

Senadeera, M. 2023. The Impact of Digital Marketing on Brand. Available at: https://www.linkedin.com/pulse/impact-digital-marketing-brand-awareness-mahesh-senadeera-pnpic/. (Accessed 15 July 2024).

SendPulse. 2023. *Paid Media.* Available at: https://sendpulse.com/support/glossary/paid-media . (Accessed 9 July 2024).

Setkute, J., & Dibb, S. 2022. "Old boys' club": Barriers to digital marketing in small B2B firms. *Industrial Marketing Management,* 102: 266-279.

Setyaedhi, H.S. 2024. Comparative Test of Cronbach's Alpha Reliability Coefficient, Kr-20, Kr-21, And Split-Half Method. *Journal of Education Research and Evaluation,* 8(1): 47-57.

© University of Venda

Shah, D. 2023. *Overcoming digital marketing challenges.* Available at: https://2stallions.com/blog/overcoming-digital-marketing-challenges/ . (Accessed 21 July 2024).

Shahadat, M.M.H., Argon, M.N., Ebrahimi, P., & Maria, F.F. 2023. Digital Technology Adoption in SMEs: What Technological, Environmental and Organizational Factors Influence in Emerging Countries? *Global Business Review*, 10.1177/09721509221137199.

Shaltoni, A.M. 2016. E-marketing education in transition: An analysis of international courses and programs. *The International Journal of Management Education*, 14(2): 212-218.

Shankar, A. & Nigam, A. 2022. "Explaining resistance intention towards mobile HRM application: the dark side of technology adoption", *International Journal of Manpower,* 43(1): 206-225.

Shanmugam, K., & Shanmugam, J.K. 2021. The impact of perceived characteristics on technology adoption among manufacturing small and medium enterprises in Malaysia. *Journal of Academia*, 9(2): 40-55.

Shanmugam, K., & Shanmugam, J.K. 2021. The impact of perceived characteristics on technology adoption among manufacturing small and medium enterprises in Malaysia. *Journal of Academia,* 9(2): 40-55.

Sharma, G. 2017. Pros and cons of different sampling techniques. *International Journal of Applied Research*; 3(7): 749-752.

She, L., Ma, L., & Fomani, F. K. 2021. The Consideration of Future Consequences Scale Among Malaysian Young Adults: A Psychometric Evaluation. *Frontiers in Psychology*, 12. Available at: https://doi.org/10.3389/fpsyg.2021.770609 . (Accessed 2 September 2024).

Shivanda, H. 2022. *Investing in SA through digital transformation is essential to future economic growth.* Retrieved from https://www.iol.co.za/business-report/companies/investing-in-sa-through-digital-transformation-is-essential-to-future-economic-growth-38d36c1d-bfb4-4655-9e40-5865116e1fb0 . [Accessed on: 1 August 2023].

Shree, D., Singh, R.K., Paul, J. Hao, A., & Xu, S. 2021. Digital platforms for business-to-business markets: A systematic review and future research agenda. *Journal of Business Research*, 137: 354-365.

Shreffler, J., & Huecker, M.R. 2023. *Exploratory Data Analysis: Frequencies, Descriptive Statistics, Histograms, and Boxplots*. Available at: https://www.ncbi.nlm.nih.gov/books/NBK557570/ . (Accessed 19 September 2024).

© University of Venda

Shrestha, N. 2021. Factor Analysis as a Tool for Survey Analysis. *American Journal of Applied Mathematics and Statistics,* 9(1): 4-11.

Shrestha, R., Kadel, R., & Mishra, B. K. 2023. A two-phase confirmatory factor analysis and structural equation modelling for customer-based brand equity framework in the smartphone industry. *Decision Analytics Journal*, 8. Available at: https://doi.org/10.1016/j.dajour.2023.100306 . (Accessed 5 September 2024).

Shukla, S. 2020. *Concept of population and sample.* Conference: How to Write a Research Paper. At: Indore, M. P., India.

Sichoongwe, K. 2023. Adoption Behaviour of Digital Technologies by Firms: Evidence from South Africa's Manufacturing Sector. *Global Business Review,* 25(3).

Sigudla, J., & Maritz, J. E. 2023. Exploratory factor analysis of constructs used for investigating research uptake for public healthcare practice and policy in a resource-limited setting, South Africa. *BMC Health Services Research*, 23.

Sileyew, K.J. 2019. *Research Design and Methodology.* [Online] Available from: https://www.intechopen.com/chapters/68505 . [Accessed on: 1 August 2023].

Simon, D., Kriston, L., Loh, A., Spies, C., Scheibler, F., Wills, C., & Härter, M. 2010. Confirmatory factor analysis and recommendations for improvement of the Autonomy-Preference-Index (API). Health Expectations. *An International Journal of Public Participation in Health Care and Health Policy,* 13(3): 234-243.

Simplilearn. 2024. *Top 14 Benefits of Digital Marketing.* Available at: https://www.simplilearn.com/digital-marketing-benefits-article#:~:text=One%20of%20the%20most%20important,these%20actions%20can%20be%20measured . (Accessed 15 July 2024).

Singer, P. 2023. *History & Society ethics philosophy.* Retrieved from https://www.britannica.com/topic/ethics-philosophy . [Accessed on: 3 August 2023].

Singh, G. 2023. *Top 10 Challenges of Digital Marketing.* Available at: https://seospacecastle.com/challenges-of-digital-marketing . (Accessed 17 July 2024).

Singh, H. 2023. *Financial Literacy for SMEs: A Lifeline to the Lifeblood of the Global Economy*. Available at: https://www.ifac.org/knowledge-gateway/discussion/financial-literacy-smes-lifeline-lifeblood-global-economy. (Accessed 24 March 2024).

© University of Venda

Singh, M. 2023. *Why Do Small Businesses Fall At Digital Marketing?* Available at: https://www.mediasearchgroup.com/blog/why-do-small-businesses-fail-at-digital-marketing /. (Accessed 22 July 2024).

Singh, P. 2021. *The Popularity Of Digital Marketing In The World.* Available at: https://medium.com/technology-hits/the-popularity-of-digital-marketing-in-the-world-b6da914a6cb2 . (Accessed 24 June 2024).

Singh, S. 2024. *Demystifying deductive reasoning: A guide with practical examples.* Available at: https://www.editage.com/insights/demystifying-deductive-reasoning-a-guide-with-practical-examples /. (Accessed 14 August 2024).

Singh, V. 2024. *Difference Between Skewness and Kurtosis.* Available at: https://www.shiksha.com/online-courses/articles/skewness-and-kurtosis /. (Accessed 19 September 2024).

Sirisilla, S. 2023. Writing Limitations of Research Study — 4 Reasons Why It Is Important! Available at: https://www.enago.com/academy/limitations-of-research-study/. (Accessed 12 March 2025).

Sithole S.S., & Ruhode E. 2021., Cloud computing adoption: opportunities and challenges for Small, Medium and Micro Enterprises in South Africa. 1st Virtual Conference on Implications of Information and Digital Technologies for Development, Virtual, August 23, 2021, 282–301.

Siu, E. 2024. How to Thrive In a Competitive Market. Available at: https://www.linkedin.com/pulse/how-thrive-competitive-market-eric-siu--hwtre/. (Accessed 21 July 2024).

Skidmore, S. 2023. Informed Consent in Research | Definition, Importance & Examples. Available at: https://study.com/academy/lesson/what-is-informed-consent-in-research-definition-purpose.html. (Accessed 28 August 2024).

Small Business Institute. 2019. State of SMEs. Available at: https://www.smallbusinessinstitute.co.za/wp-content/uploads/2019/11/State-of-SMEs-Nov2019.pdf. (Accessed 20 February 2025).

Small Enterprises Development Agency. 2016. THE SMALL, MEDIUM AND MICRO ENTERPRISE SECTOR OF SOUTH AFRICA. Bureau of Economic Research. Cape Town.

© University of Venda

SME South Africa. 2022. A Guide to SEDA Funding. Available at: https://smesouthafrica.co.za/sme-guides/a-guide-to-seda-funding/. (Accessed 9 March 2025).

SME South Africa. 2024. South Africa's SMEs and Owners In Need of Support. Available at: https://smesouthafrica.co.za/south-africas-smes-landscape-report/#:~:text=The%20majority%20of%20South%20African,Next%20Steps'%202018%2F2019. (Accessed 20 February 2025).

SME South Africa. 2025. Digital Marketing for African Small Businesses is Their Lifeline. Available at: https://smesouthafrica.co.za/digital-marketing-for-african-small-businesses-is-their-lifeline/. (Accessed 2 March 2025).

SME South Africa. 2025. Guide on Digital Transformation Strategies for SMEs. Available at: https://smesouthafrica.co.za/sme-guides/guide-on-digital-transformation-strategies-for-smes/. (Accessed 20 February 2025).

Smith, D. 2023. Five principles for research ethics. Monitor on Psychology, 34(1): 56.

Smith, N.R.W. 2021. Effective Digital Marketing Strategies for Small Businesses in the Caribbean. Unpublished Thesis: Walden University.

SocialSollinator Team. 2023. Unveiling the Power of Digital Marketing Agencies For Business Success. Available at: https://www.socialsellinator.com/social-selling-blog/unveiling-the-power-of-digital-marketing-agencies-driving-business-success#:~:text=A%3A%20Digital%20marketing%20agencies%20boost,in%20sales%2C%20indicate%20campaign%20success.. (Accessed 1 March 2025).

Solomons, M. 2023. 130 advertising statistics: trends, automation, and marketing strategies. Available at: https://www.linearity.io/blog/advertising-statistics/#:~:text=In%202021%2C%20global%20digital%20ad,spending%20amounted%20to%20%24192%20billion.&text=2-,By%20the%20end%20of%202023%2C%20digital%20advertising%20spending%20will%20reach,of%20total%20ad%20spending%20globally. (Accessed 15 July 2024).

Somers, C. 2023. The Importance of Digital Skills for SMEs. Available at: https://digital4business.eu/the-importance-of-digital-skills-for-smes/. (Accessed 25 February 2023).

© University of Venda

Sonwalkar, R. 2024. Understanding Reliability Analysis in Research. Available at: https://julius.ai/articles/understanding-reliability-analysis-in-research. (Accessed 8 March 2025).

South African Revenue Service. 2021. Sole Proprietorship. Available at: https://www.sars.gov.za/businesses-and-employers/small-businesses-taxpayers/starting-a-business-and-tax/sole-proprietorship/. (Accessed 20 February 2025).

Southey, G. 2011. The theories of reasoned action and planned behavior applied to business decisions: A selective annotated bibliography. Journal of New Business Ideas & Trends, 9(1): 43-50.

Spendelow, R. 2025. Factor Analysis. Available at: https://corporatefinanceinstitute.com/resources/data-science/factor-analysis/. (Accessed 7 March 2025).

Spiryn, K. 2023. Top 12 Digital Marketing Trends for 2024. Available at: https://brand24.com/blog/digital-marketing-trends/. (Accessed 24 June 2024).

Sprague, S. 2023. Exploring the Benefits of Affiliate Marketing Programs. Available at: https://spraguemedia.com/blog/exploring-the-benefits-of-affiliate-marketing-programs/. (Accessed 20 July 2024).

SPSS Analysis. 2024. Path Analysis in SPSS AMOS. Available at: https://spssanalysis.com/path-analysis-in-spss-amos/. (Accessed 3 September 2024).

SPSS Analysis. 2024. Principal Component Analysis in SPSS. Available at: https://spssanalysis.com/principal-component-analysis-in-spss/. (Accessed 21 September).

SPSS Analysis. 2025. Confirmatory Factor Analysis in SPSS AMOS. Available at: https://spssanalysis.com/confirmatory-factor-analysis-in-spss-amos/. (Accessed 7 March 2025).

SPSS Analysis. 2025. Cronbach's Alpha using SPSS. Available at: https://spssanalysis.com/cronbachs-alpha-in-spss/. (Accessed 5 March 2025).

SPSS Analysis. 2025. Cronbach's Alpha using SPSS. Available at: https://spssanalysis.com/cronbachs-alpha-in-spss/. (Accessed 8 March 2025).

Sreekumar, D. 2023. What is Research Methodology? Definition, Types and Examples. Available at: https://paperpal.com/blog/academic-writing-guides/what-is-research-methodology. (Accessed 13 August 2024).

© University of Venda

Srivastava, R. K., Shervani, T. A., & Fahey, L. 1999. Marketing, business processes and shareholder value: an organizationally embedded view of marketing activities. Journal of Marketing, 63, 168–179.

Srivastava, S. 2024. What Are The 7 P's Of Digital Marketing? Available at: https://www.cromacampus.com/blogs/what-are-the-7-ps-of-digital-marketing/. (Accessed 9 July 2024).

Stanley, L. M., & Edwards, M. C. 2016. Reliability and Model Fit. Educational and Psychological Measurement, 76(6): 976-985.

Starkhagen, C. 2022. Benefits and Uses: Closed-Ended Questions vs Open-Ended Questions. Available at: https://www.involve.me/blog/closed-ended-questions-vs-open-ended-questions-what-are-the-benefits-and-when-to-use-them. (Accessed 13 September 2024).

State of The Connected Customer. 2023. What Are Customer Expectations, and How Have They Changed? Available at: https://www.salesforce.com/resources/articles/customer-expectations/. (Accessed 15 July 2024).

Statista Research Department. 2022. South African information technology (IT) market spending from 2015 to 2020, by segment(in million South African rand). [Online] Available from: https://www.statista.com/statistics/468589/south-africa-it-spending-by-sector/. [Downloaded 18 September 2022].

Statistics Canada. 2021. Data gathering and processing. Available at: https://www150.statcan.gc.ca/n1/edu/power-pouvoir/ch3/editing-edition/5214781-eng.htm. (Accessed 27 August 2024).

Statistics Solutions. 2025. Confirmatory Factor Analysis. Available at: https://www.statisticssolutions.com/academic-solutions/resources/directory-of-statistical-analyses/confirmatory-factor-analysis/. (Accessed 7 March 2025).

Statistics South Africa, 2020. Bill paves way for legal service for small enterprises. South African Government News Agency. Retrieved from https://www.sanews.gov.za/south-africa/bill-paves-way-legal-service-small-enterprises. [Downloaded 18 September 2022].

Statistics South Africa, 2022. Bill paves way for legal service for small enterprises. South African Government News Agency. [Online] Available from: https://www.sanews.gov.za/south-africa/bill-paves-way-legal-service-small-enterprises. [Downloaded 18 September 2022].

© University of Venda

Statistics South Africa. 2021. *Improving Lives Through Data Ecosystems*. Available at: https://www.statssa.gov.za/?p=13900. (Accessed 24 March 2024).

Stedman, C. 2024. What is data preparation? An in-depth guide. Available at: https://www.techtarget.com/searchbusinessanalytics/definition/data-preparation#:~:text=One%20of%20the%20main%20purposes,reconciled%20when%20they're%20combined. (Accessed 27 August 2024).

Stephanie, E. 2020. Slovin's Formula Sampling Techniques. Retrieved from https://sciencing.com/slovins-formula-sampling-techniques-5475547.html. [Accessed on: 3 August 2023].

Steven, K. 2024. 45 Lucrative Affiliate Marketing Statistics (Must-know). Available at: https://persuasion-nation.com/affiliate-marketing-statistics/. (Accessed 20 July 2024).

Stewart, L. 2024. Understanding Informed Consent in Research. Available at: https://atlasti.com/research-hub/informed-consent-in-research. (Accessed 28 August 2024).

Stobierski, T. 2019. The advantages of data-driven decision-making. Available at: https://online.hbs.edu/blog/post/data-driven-decision-making. (Accessed 22 July 2024).

Stone, B. M. 2021. The Ethical Use of Fit Indices in Structural Equation Modeling: Recommendations for Psychologists. Frontiers in Psychology, 12.

Su, J., Zhang, Y., & Xu, X. 2023. How market pressures and organizational readiness drive digital marketing adoption strategies' evolution in small and medium enterprises. Technological Forecasting and Social Change, 193, 122655. Available at: https://doi.org/10.1016/j.techfore.2023.122655. (Accessed 24 July 2024).

Subedi, R., Nyamasvisva, T.E., & Pokharel, M. 2022. An Integrated-Based Framework for Open Government Data Adoption In Kathmandu. Webology, 19(2): 7936-7961.

Sugandini, D., Margahana, H., & Rahatmawati, I. 2019. Managerial Support, Time Constrain and User Pressure on Digital Technology Adoption. ICIB2019-The 2nd International Conference on Inclusive Business in the Changing World.

Suherlan, S., & Okombo, M. 2023. Technological Innovation in Marketing and its Effect on Consumer Behaviour. Technology and Society Perspectives (TACIT), 1(2):94-103

© University of Venda

Sumalatha, G., & Seethi, N. 2023. Importance of Research Design-A Quick Overview. Available at: https://typeset.io/resources/importance-of-research-design/. (Accessed 20 August 2024).

Sun, Y., & Wang, W. 2024. Role of image feature enhancement in intelligent fault diagnosis for mechanical equipment: A review. Engineering Failure Analysis, 156, 107815.

Sundaram, R., Sharma, R., & Shakya, A. 2020. Power of digital marketing in building brands: A review of social media advertisement. Int. J. Manag. 11: 244-254.

Surandase, A. 2023. How Digital Marketing Is Changing Business? Available at: https://www.linkedin.com/pulse/how-digital-marketing-changing-business-adarsh-surandase/. (Accessed 24 July 2024).

Suroso, A. & Rafinda, A. 2021. Motivation of SME adopt Digital Marketing. International Journal of Innovation, Creativity and Change. 15(9): 696-710.

Suroso, A., & Rafinda, A. 2021. Motivation of SME adopt Digital Marketing. International Journal of Innovation, Creativity and Change, 15(9): 696-710.

Surtie, S.S. 2021. Factors influencing the acceptance of mobile marketing among generation z students in South Africa. Unpublished Master's Dissertation: University of the Free State.

Surucu, L. & Maslakei, A. 2020. Validity and Reliability in Quantitative Research. Business And Management Studies An International Journal, 8(3):2694-2726

Sürücü, L., Yikilmaz, I., & Maslakci, A. 2022. Exploratory Factor Analysis (EFA) in Quantitative Researches and Practical Considerations. Available at: https://www.researchgate.net/publication/366149753_Exploratory_Factor_Analysis_EFA_in_Quantitative_Researches_and_Practical_Considerations. (Accessed 19 September 2024).

Sustainability in South Africa. African Journal of Inter/Multidisciplinary Studies, 3: 103-117.

Swanson, E. B. 1994. Information systems innovation among organisations. Management Science, 40(9): 1069-1092.

Sweeney, J. 2024. Navigating SA's entrepreneurial landscape: How fintech companies can help overcome SME challenges. Available: https://www.bizcommunity.com/article/navigating-sas-entrepreneurial-landscape-how-fintech-companies-can-help-overcome-sme-challenges-363278a. (Accessed 26 February 2025).

© University of Venda

Swiss South African Cooperation Initiative (SSACI) .2024. Identification of Skills Gaps in South Africa: A Popular Research Report. Produced for the Department of Higher Education and Training as part of the Labour Market Intelligence research programme.

Ta, V. A., & Lin, C. 2023. Exploring the Determinants of Digital Transformation Adoption for SMEs in an Emerging Economy. Sustainability, 15(9), 7093. Availability at: https://doi.org/10.3390/su15097093. (Accessed 28 July 2024).

Ta, V.A.; & Lin, C.Y. 2023. Exploring the Determinants of Digital Transformation Adoption for SMEs in an Emerging Economy. Sustainability, 15, 7093.

Taherdoost, H. 2016. Sampling methods in research methodology; how to choose a sampling technique for research. How to Choose a Sampling Technique for Research? International Journal of Academic Research in Management, 5(2): 18-27.

Taherdoost, H. 2021. Data Collection Methods and Tools for Research; A Step-by-Step Guide to Choose Data Collection Technique for Academic and Business Research Projects. International Journal of Academic Research in Management (IJARM), 10(1): 10-38.

Taherdoost, H. 2022. Designing a Questionnaire for a Research Paper: A Comprehensive Guide to Design and Develop an Effective Questionnaire. Asian Journal of Managerial Science, 11(1): 8-16.

Taherdoost. H. 2016. Validity and Reliability of the Research Instrument; How to Test the Validation of a Questionnaire/Survey in a Research. International Journal of Academic Research in Management (IJARM, 5(4): 29-36.

Taiminen, H., & Karjaluoto, H. 2015. The usage of digital marketing channels in SMEs. Journal of Small Business and Enterprise Development, 22(4): 633-651.

Tandon, N., Kaur, S., & Verma, R. 2020. Analysis of Relationship between Digital Marketing and Customer Relationship Management. International Journal of Advanced Science and Technology, 29(8): 412-418.

Tarar, M. 2023. History of digital marketing. Available at: https://www.linkedin.com/pulse/history-digital-marketing-muzamil-tarar-ygnge/. (Accessible 26 June 2024).

Targosz, M. 2024. *Digital Marketing Budget: Definition & How to Create*. Available at: https://landingi.com/digital-marketing/budget-plan/. (Accessed 16 March 2025).

© University of Venda

Tasic, J., Amir, S., Tan, J., & Khader, M. 2020. A multilevel framework to enhance organizational resilience. Journal of Risk Research, 23(6), 713-738.

Tavakol, M., & Dennick, R. 2011. Making sense of Cronbach's alpha. International Journal of Medical Education, 2, 53-55.

Tavakol, M.A. 2020. Factor Analysis: a means for theory and instrument development in support of construct validity. Int J Med Educ, 6(11): 245-247.

Taylor, D.G., & Strutton, H.D. 2010. Has e-marketing come of age? Modeling historical influences on post-adoption era Internet consumer behaviors. Journal of Business Research, 63(9): 950-956.

Taylor, P. 2023. Number of smartphone users in South Africa from 2014 to 2023 (in millions)*. Available at: https://www.statista.com/statistics/488376/forecast-of-smartphone-users-in-south-africa/. (Accessed 25 June 2024).

Taylor, S. 2023. Random Sampling. CFI's guide to Random Sampling. Available: https://corporatefinanceinstitute.com/resources/data-science/random-sampling/. [Accessed on: 3 August 2023].

Team Zorgle. 2023. Advantages and Disadvantages of Quantitative Research. Available at: https://zorgle.co.uk/advantages-and-disadvantages-of-quantitative-research/. (Accessed 19 August 2024).

Teamhandson. 2023. The Rise of Digital Marketing in the Modern Era. Available at: https://medium.com/@teamhandson8/the-rise-of-digital-marketing-in-the-modern-era-3ebbc716209d. (Accessed 28 July 2024).

Teflpedia. 2024. Cronbach's alpha. Available at: https://teflpedia.com/index.php?title=Cronbach%E2%80%99s_alpha&oldid=144317. (Accessed 7 March 2025).

Telukdarie, A., Dube, T., Majuta, P., & Philbin, S. 2023. 4th International Conference on Industry 4.0 and Smart Manufacturing: The opportunities and challenges of digitalization for SMEs. Procedia Computer Science, 217: 689-698.

Teng, X., Wu, Z., & Yang, F. 2021. Research on the Relationship between Digital Transformation and Performance of SMEs. Sustainability, 14(10), 6012. Available at: https://doi.org/10.3390/su14106012. (Accessed 26 July 2024).

© University of Venda

Thacker, L.R. 2020. What Is the Big Deal About Populations in Research? Progress in Transplantation, 30(1): 3.

Thaha, A.R., Maulina, E., Muftiadi, M.B., & Alexandri, M.B. 2021. Digital Marketing and SMEs: A Systematic Mapping Study. Library Philosophy and Practice (e-journal), 5113. Available at: https://www.researchgate.net/publication/350276770_Digital_Marketing_and_SMEs_A_Systematic_Mapping_Study. (Accessed 16 July 2024).

Thakur, H.K. 2021. Research Design. In book: Research Methodology in Social Sciences. New Delhi: Corvette.

The Indeed Editorial Team. 2022. *What Are Small and Medium-sized Enterprises (SMEs)?* Available at: https://www.indeed.com/career-advice/career-development/smes-meaning. (Accessed 24 March 2023).

The World Bank. 2022. Small and Medium Enterprises (SMEs) Finance. Retrieved from https://www.worldbank.org/en/topic/smefinance. [Downloaded 30 July 2022].

TheoryHub. 2024. Technology-Organization-Environment Framework. Available at: https://open.ncl.ac.uk/academic-theories/23/technology-organization-environment-framework/#:~:text=The%20Technology%2DOrganization%2DEnvironment%20(,the%20organizational%20context%20in%20which. (Accessed 25 July 2024).

Thomas, D., & Yao, Y. 2023. Technology-Organization-Environment Meta-Review and Construct Analysis: Insights for Future Research. Proceedings of the 56th Hawaii International Conference on System Sciences.

Thomas, L. 2020. Cluster Sampling | A Simple Step-by-Step Guide with Examples. Available at: https://www.scribbr.com/methodology/cluster-sampling/#:~:text=In%20cluster%20sampling%2C%20researchers%20divide,that%20are%20widely%20geographically%20dispersed. (Accessed 18 September 2024).

Thomas, L. 2020. Cross-Sectional Study | Definition, Uses & Examples. Available at: https://www.scribbr.com/methodology/cross-sectional-study/. (Accessed 7 September 2020).

Thomas, P. Y. 2010. Towards Developing a Web-Based Blended Learning Environment at the University of Botswana. University of Botswana.

© University of Venda

Thomas, R. 2023. Unraveling Research Population and Sample: Understanding their role in statistical inference. Retrieved from https://www.enago.com/academy/population-vs-sample/. [Accessed on: 3 August 2023].

Thompson, N. 2023. Content Validity in Assessment. Available at: https://assess.com/content-validity-in-assessment/#:~:text=There%20are%20various%20methods%20to,align%20with%20the%20content%20domain. (Accessed 8 March 2023).

Times Internet Marketing. 2024. What Is Affiliate Marketing & How Effective It Is? Available at: https://timesinternet.in/blog/what-is-affiliate-marketing-how-effective-it-is/#:~:text=Affiliate%20marketing%20is%20a%20type,more%20attractive%20to%20potential%20affiliates. (Accessed 12 July 2024).

Tiwari, S. 2019. History of Digital Marketing: The Evolution that started in the 1980s. Available at: https://www.digitalvidya.com/blog/history-of-digital-marketing/. (Accessed 25 June 2024).

Tlhagale, F.K. & Ndou, A. 2024. The Level of Knowledge in Financial and Non-Financial Support for SMMEs in South Africa. International Journal of Applied Research in Business and Management, 5(2).

To, M., & Ngai, E. 2006. Predicting the Organisational Adoption of B2C E-Commerce: An Empirical Study. Industrial Management and Data Systems, 106-1133-1147.

Tockman M.S., Anthonisen M.D., & Wright, E.C. 1987. Airways obstruction and the risk of lung cancer. Ann Intern Med, 106: 512-518.

Tolstoy, D., Nordman, E.R., & Vu, U. 2022. The indirect effect of online marketing capabilities on the international performance of e-commerce SMEs. International Business Review, 31(3): 1-10.

Tomassi, L. 2023. The Story of Google: How Two Students Created an Empire. Available at https://www.codemotion.com/magazine/infographics/the-story-of-google-infographic/. Accessed: (26 June 2024).

Tornatzky, L. G., Fleischer, M., & Chakrabarti, A. K. 1990. Processes of technological innovation.

Tornatzky, L., & Fleischer, M. 1990. The process of technology innovation. Lexington, MA, Lexington Books.

© University of Venda

Tornatzky, L.G., Fleischer, M. & Chakrabarti, K., 1990. Processes of technological innovation. Lexington Books, Lexington, MA.

Townsend, S. 2024. What is resource management and why is it important? Available at: https://www.planview.com/resources/guide/resource-management-software/resource-management-leverage-people-budgets/#:~:text=Resources%20are%20essential%20to%20reach,equipment%2C%20technology%2C%20and%20time. (Accessed 21 July 2024).

Triano, L.H. 2020. Should I perform CFA directly or first EFA then CFA? Available at: https://www.researchgate.net/post/Should_I_perform_CFA_directly_or_fist_EFA_then_CFA. (Accessed 20 September 2024).

Trochim, W.M.K. 2006. Research methods knowledge base. Available at: http://www.socialresearchmethods.net/. (Accessed 14 August 2024).

Trochim, W.M.K. 2006. The Qualitative Debate. Research Methods Knowledge Base. Available at: http://www.socialresearchmethods.net/kb/qualmeth.php. (Accessed 20 August 2024).

Tuhin, T. 2023. Digital Marketing - The Invisible Skills Gap. Available at: https://www.linkedin.com/pulse/digital-marketing-invisible-skills-gap-tofail-tuhin/. (Accessed 18 July 2024).

Tuychiev, B. 2023. Understanding Skewness and Kurtosis And How to Plot Them. Available at: https://www.datacamp.com/tutorial/understanding-skewness-and-kurtosis. (Accessed 5 March 2025).

Tuychiev, B. 2023. Understanding Skewness And Kurtosis And How to Plot Them. Available at: https://www.datacamp.com/tutorial/understanding-skewness-and-kurtosis. (Accessed 19 September 2024).

Udoh, C.R. 2019. Only About 28% of Small Businesses In South Africa Have Websites. Available at: https://afrikanheroes.com/2019/06/23/only-about-28-of-small-businesses-in-south-africa-have-websites/.(Accessed 19 July 2024).

Ullah, I., Khan, M., Rakhmonov, D. A., Bakhritdinovich, K. M., Jacquemod, J., & Bae, J. 2023. Factors Affecting Digital Marketing Adoption in Pakistani Small and Medium Enterprises. Logistics, 7(3): 41.

© University of Venda

Uni Square Concepts. 2023. Which strategy for digital marketing has the most significant impact on the return on investment (ROI)? Available at: https://blog.unisquareconcepts.com/digital-marketing/which-strategy-for-digital-marketing-has-the-most-significant-impact-on-the-return-on-investment-roi/. (Accessed 16 July 2024).

Unimrkt Research. 2021. Importance of sampling in market research. Available at: https://www.unimrkt.com/blog/importance-of-sampling-in-market-research.php. (Accessed 18 September 2024).

United Nations. 2021. Digital technologies for a new future. United Nations Publication. Santiago.

United Nations. 2022. Micro-, Small and Medium-sized Enterprises Day, 27 June. Available: (https://www.un.org/en/observances/micro-small-medium-businesses-day) Accessed 12/06/23

University of Salford. 2021. Role of Digital Marketing in Small & Medium Enterprises. Retrieved from https://www.salford.ac.uk/salford-business-school/role-of-digital-marketing-in-small-medium-enterprises. [Accessed on: 1 August 2023].

University of the Western Cape. 2023. How Can South African Entrepreneurs Succeed? Retrieved from https://www.uwc.ac.za/news-and-announcements/news/how-can-south-african-entrepreneurs-succeed-897. [Downloaded 31 July 2023].

University of Warwick. 2020. What is Critical Realism? Retrieved from https://warwick.ac.uk/fac/soc/ces/research/current/socialtheory/maps/criticalrealism/. [Accessed on: 3 August 2023].

Urban, B., & Maphathe, F.L. 2021. Social media marketing and customer engagement: A focus on small and medium enterprises (SMEs) in South Africa. Journal of Contemporary Management, 18(1): 1-22. Sharabati, A.A. A., Ali, A. A. A., Allahham, M. I., Hussein, A. A., Alheet, A. F., & Mohammad, A. S. 2024. The Impact of Digital Marketing on the Performance of SMEs: An Analytical Study in Light of Modern Digital Transformations. Sustainability, 16(19): 8667.

User Pilot. 2023. What is Real-Time Customer Feedback in SaaS? Benefits, Examples, and Best Practices. Available at: https://userpilot.com/blog/real-time-customer-feedback/. (Accessed 15 July 2024).

V. Desai. 2019. “Digital Marketing: A Review” Published in International Journal of Trend in Scientific Research and Development, ISSN: 2456-6470, Special Issue | Fostering Innovation,

© University of Venda

Integration and Inclusion Through Interdisciplinary Practices in Management, 2456-6470: 196-200.

Vainio, A. 2013. Beyond research ethics: Anonymity as 'ontology','analysis' and 'independence'. Qualitative Research, 13(6): 685-698.

VAJRA Global. 2023. Impact of Technology on Digital Marketing. Available at: https://vajraglobal.com/blogs/impact-of-technology-on-digital-marketing/. (Accessed 25 July 2024).

Valades, B. 2022. How much do sales increase with digital marketing? Available: https://blucactus.blue/how-much-do-sales-increase-with-digital-marketing/. (Accessed 16 July 2024).

Valenzuela, S., & Bachmann, I. 2017. Path Analysis. In book: The International Encyclopedia of Communication Research Methods. Available at: https://www.researchgate.net/publication/320928297_Path_Analysis. (Accessed 4 September 2024).

ValueHits. 2023. The benefits of search engine optimization (SEO) for your business. Available at: https://www.linkedin.com/pulse/benefits-search-engine-optimization-seo-your-business-valuehits/. (Accessed 15 July 2024.

Van Dijk-Hildebrand, O. 2023. Content marketing trends in 2024: revolutionising your brand. Available: https://2stallions.com/blog/content-marketing-trends-revolutionising-your-brand/. (Accessed 21 July 2024).

Van Rhyn, L. 2023. Challenges Faced By Small Business Corporations In South Africa. Retrieved from https://thrivecfo.cloud/challenges-faced-by-small-business-corporations-in-south-africa/. [Accessed on: 1 August 2023].

Van Scheers, L. 2018. Internet Web Marketing Challenges of South African SMEs. Acta Universitatis Danubius Œconomica, 4(3): 33-48.

Van Scheers, L., Botha, J., & Van Scheers, J. 2015. Small and medium enterprise (SME) internet marketing challenges in the Tshwane area, South Africa. Journal of Governance and Regulation, 4(4): 590-595.

Van Staden, L.J. 2022. The influence of certain factors on South African small and medium-sized enterprises towards export propensity. *Development Southern Africa*, 1-13.

© University of Venda

Van Tonder, C., Bossink, B., Schachtebeck, C., & Nieuwenhuizen, C. 2023. The effect of digitally-driven business model innovationon business performance. JOurnal of small business & entrepreneurship. Available at: https://www.tandfonline.com/doi/epdf/10.1080/08276331.2023.2239039?needAccess=true. (Accessed 16 July 2024).

Veleva, S.S., & Tsvetanova, A.I. 2020. Characteristics of the digital marketing advantages and disadvantages. IOP Conference Series: Materials Science and Engineering, 940 012065.

Venkatesh, V., Brown, S.A., Maruping, L.M., & Bala, H. 2008. Predicting Different Conceptualizations of System Use: The Competing Roles of Behavioral Intention, Facilitating Conditions, and Behavioral Expectation. MIS Quarterly, 32(3): 483-502.

Venkatesh, V., Morris, M. G., Davis, G. B., & Davis, F. D. 2003. User Acceptance of Information Technology: Toward a Unified View. Management Information Systems Quarterly, 27(3):425-478.

Venkatesh, V., Morris, M.G., Davis, G.B., Davis, F.D. 2003. User acceptance of information technology: Toward a unified view. MIS Quarterly, 27(3): 425-478.

Ventak, N., Phathivada, D., Chinni, B., Prasad, A.S., Rao, P., & Palla, R. 2023. Impact Of Digital Marketing Practices On Sales Growth And Sustainability Of MSMEs. Journal of Pharmaceutical Negative Results, 13(10): 3571-3578.

Veseli-Kurtish, T. 2024. The Impact of Digital Marketing on the Performance of Small and medium–sized Enterprises in North Macedonia. Marketing and Branding Research, 11(1): 1-11.

Veseli-Kurtishi, T. 2024. The Impact of Digital Marketing on the Performance of Small and Medium–Sized Enterprises North Macedonia. Marketing and Branding Research, 11(1): 1-11.

Vetter, T.R. 2017. Descriptive Statistics: Reporting the Answers to the 5 Basic Questions of Who, What, Why, When, Where, and a Sixth, So What? Anesth Analg, 125(5): 1797-1802.

Vinz, S. 2023. What Is a Theoretical Framework? | Guide to Organizing. Available at: https://www.scribbr.com/dissertation/theoretical-framework/. (Accessed 12 March 2025).

Vorhies, D., & Morgan, N. 2005. Benchmarking marketing capabilities for sustainable competitive advantage. Journal of Marketing, 69(1), 80–94.

© University of Venda

Vuba, S. 2019. The missed opportunity: SMMEs in the South African economy. Available at: https://mg.co.za/article/2019-04-12-00-the-missed-opportunity-smmes-in-the-south-african-economy/. (Accessed 18 July 2024).

Wagh, S. 2024. Public Health Research Guide: Primary & Secondary Data Definitions. Available at: https://researchguides.ben.edu/c.php?g=282050&p=4036581. (Accessed 7 September 2024).

Wahl, M.F., & Prause, G. 2013. "Toward understanding resources, competencies, and capabilities: business model generation approach," Entrepreneurship and Sustainability Issues, VsI Entrepreneurship and Sustainability Center, 1(2): 67-80.

Walia, A., & Chetty, P. 2020. How to formulate a research strategy? Available at: https://www.projectguru.in/how-to-formulate-a-research-strategy/. (Accessed 6 September 2024).

Walo, M. 2023. Using a survey to collect data for evaluation: A guide for beginners. Available at: https://aifs.gov.au/resources/practice-guides/using-survey-collect-data-evaluation-guide-beginners. (Accessed 12 September 2024).

Wang, B., Ha-Brookshire, J. E., & Bonifay, W. 2020. Measuring Perceived Benefits and Costs of New Technology Adoption in the Chinese Textile and Apparel Industry. Clothing and Textiles Research Journal. Available at: https://doi.org/10.1177/0887302X20969889. (Accessed 28 July 2024).

Warden, A. 2023. [Global Report] Semrush Reveals Content Marketing's Six Biggest Trends for 2023. Available at: https://www.semrush.com/news/242483-global-report-semrush-reveals-content-marketings-six-biggest-trends-for-2023/#:~:text=Key%20findings%20at%20a%20glance,up%20from%2057%25%20last%20year. (Accessed 9 July 2024).

Wayne, W., & LaMorte, M.D. 2022. Diffusion of Innovation Theory. Available at: https://sphweb.bumc.bu.edu/otlt/mph-modules/sb/behavioralchangetheories/behavioralchangetheories4.html. (Accessed 25 July 2024).

WebFindYou. 2017. Why Digital Marketing Is Important for Small and Medium Enterprises (SMEs). Available at: https://www.webfindyou.com/blog/why-digital-marketing-is-important-for-small-and-medium-enterprises-smes/. (Accessed 17 July 2024).

© University of Venda

Wendler, D. 2022. Deceiving Research Participants: Is It Inconsistent With Valid Consent? The Journal of Medicine and Philosophy, 47(4), 558-571.

West, B. 2024. Write Abstracts, Literature Reviews, and Annotated Bibliographies: Home. Available at: https://library.geneseo.edu/abstracts. (Accessed 12 September 2024).

Westland, J. C. 2010. Lower bounds on sample size in structural equation modeling. Electronic Commerce Research and Application, 9(6): 476-487.

Whitsett, D. 2018. Data Coding & Scoring in Marketing Research. Available at: https://study.com/academy/lesson/data-coding-scoring-in-marketing-research.html. (Accessed 28 August 2024).

Widiarg, G., Yuniarinto, A., Yulianti, I. 2023. Perceived Ease of Use's Effects on Behavioral Intention Mediated by Perceived Usefulness and Trust. Interdisciplinary Social Studies, 2(4):1829-1844.

William, B., Brown, T., & Onsman, A. 2010. Exploratory Factor Analysis: A Five-Step Guide for Novices. Australasian Journal of Paramedicine, 8(3): 1-13.

Williams, C. 2007. Research Methods. Journal of Business & Economic Research, 5(3): 65-72. Tegan, G. 2022. What Is an Observational Study? | Guide & Examples. Available at: https://www.scribbr.com/methodology/observational-study/. (Accessed 21 August 2024).

Williams, T. 2021. Why Is Quantitative Research Important? Available at: https://www.gcu.edu/blog/doctoral-journey/why-quantitative-research-important. (Accessed 18 August 2024).

Wilson, B., Austria, M.J.G., & Casucci, T. 2021. Understanding Quantitative and Qualitative Approaches. Available at: https://accelerate.uofuhealth.utah.edu/improvement/understanding-qualitative-and-quantitative-approac. (Accessed 21 August 2024).

WordStream. 2024. Social Media Marketing for Businesses. Available at: https://www.wordstream.com/social-media-marketing. (Accessed 15 July 2024).

World Bank. 2019. *World Bank Group Support for Small and Medium Enterprises (SMEs)*. Available at: https://ieg.worldbankgroup.org/evaluations/world-bank-group-support-small-and-medium-enterprises-smes. (Accessed 24 March 2024).

© University of Venda

World Bank. 2022. Digitalizing SMEs to Boost Competitiveness. The World Bank. Washington, DC.

World Bank. 2023. *Financial inclusion is a key enabler to reducing poverty and boosting prosperity*. Available at: https://www.worldbank.org/en/topic/financialinclusion/overview. (Accessed 24 March 2024).

World Economic Forum. 2021. COVID-19 and Technology Adoption in Small and Medium-Sized Enterprises: The Impact and the Way Forward. Available at: chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj/https://www3.weforum.org/docs/WEF_COVID19_and_Technology_Adoption_in_Small_and_Medium_Sized_Enterprises_2021.pdf. (Accessed 28 July 2024).

World Health Organization. 2024. Ensuring ethical standards and procedures for research with human beings. Available at: https://www.who.int/activities/ensuring-ethical-standards-and-procedures-for-research-with-human-beings. (Accessed 28 August 2024).

Worthington, A.K. 2021. Technology Acceptance Model. Available at: https://ua.pressbooks.pub/persuasiontheoryinaction/chapter/technology-acceptance-model/. (Accessed 28 July 2024).

Wrede, M., Velamuri, V. K., & Dauth, T. 2020. Top managers in the digital age: Exploring the role and practices of top managers in firms' digital transformation. Managerial and Decision Economics, 41(8), 1549-1567. Available at: https://doi.org/10.1002/mde.3202. (Accessed 26 July 2024).

Xiong, X. 2022. Critical Review of Quantitative and Qualitative Research. Advances in Social Science, Education and Humanities Research, 670-956-959.

Xu, A., Baysari, M.T., Stocker, S.L., Leow, J.L., Day, O.R., & Carland, J.E. 2020. Researchers' views on, and experiences with, the requirement to obtain informed consent in research involving human participants: a qualitative study. BMC Medical Ethics, 21(93): 2-11.

Yadav, M., & Ahmmed, M.M. 2022. Advanced soft computing techniques in modeling noise pollution health impacts. Available at: https://www.sciencedirect.com/topics/mathematics/exploratory-factor-analysis. (Accessed 20 September 2024).

© University of Venda

Yang, Z. 2020. The Impact of Brand Innovativeness on Customer Loyalty—Take Apple Inc. as an Example—4th International Seminar on Education, Management and Social Sciences (ISEMSS), 2020.

Yawised, K. & Apasrawirote, D. 2021. Enhancing SMEs leader and business resilience toward digital marketing engagement during COVID-19 pandemic. The 16th National and International Sripatum University Conference (SPUCON2021).

Ying, Q., Hassan, H., & Ahmad, H. 2019. The Role of a Manager's Intangible Capabilities in Resource Acquisition and Sustainable Competitive Performance. Sustainability, 11(2), 527. Available at: https://doi.org/10.3390/su11020527. (Accessed 17 July 2024).

Yong, C., Firdousi, S. F., Afzal, A., Florjančič, V., & Awais, M. 2022. The Influence of Internal and External Stakeholder Mechanisms on Entrepreneurial Success: The Moderating Role of Digital Technology Adoption. Frontiers in Psychology, 12, 821725.

Yu, C., Wang, Y., Li, T., & Lin, C. 2022. Do top management teams' expectations and support drive management innovation in small and medium-sized enterprises? Journal of Business Research, 142, 88-99. Available: https://doi.org/10.1016/j.jbusres.2021.12.035. (Accessed 26 July 2024).

Yunis, M., Tarhini, A., & Kassar, A. 2018. "The role of ICT and innovation in enhancing organizational performance: The catalysing effect of corporate entrepreneurship," Journal of Business Research, Elsevier, 88(C): 344-356.

Yvanovich, R. 2023. Navigating Challenges: The Worrying State of Digital Transformation for SMEs. Available at: https://blog.trginternational.com/digital-transformation-sme-small-medium-sized-enterprises. (Accessed 18 July 2024).

Zabriskie, K. 2023. The South African Digital Landscape: Why online perception management is important. Succeed Group: Cape Town.

Zahara, Z., Santi, I.I.N., & Farid. 2023. Entrepreneurial marketing and marketing performance through digital marketing capabilities of SMEs in post-pandemic recovery. Cogent Business & Management, 10: 1-18.

Zahoor, N., Zopiatis, A., Adomako, S., & Lamprinakos, G. 2023. The micro-foundations of digitally transforming SMEs: How digital literacy and technology interact with managerial attributes. Journal of Business Research, Elsevier, 159(C).

© University of Venda

Zamani, S.Z. 2022. Small and Medium Enterprises (SMEs) facing an evolving technological era: a systematic literature review on the adoption of technologies in SMEs. European Journal of Innovation Management, 25(6): 735-757.

Zaveri, A. 2023. An Exploration Through Types of Reliability in Research. Available at: https://mindthegraph.com/blog/types-of-reliability-in-research/. (Accessed 4 September 2024).

Zhang, K. 2018. Theory of Planned Behavior: Origins, Development, and Future Direction. International Journal of Humanities and Social Science Invention (IJHSSI), 7(5): 76-83.

Zhou, L. 2023. *30+ Small Business Marketing Statistics & Trends in 2025*. Available at: https://luisazhou.com/blog/small-business-marketing-statistics/. (Accessed 25 March 2024).

Ziegenfuss, J.Y., Easterday, C.A., Dinh, J.M., Jaka, M.M., Kottke, T.E., & Canterbury., M. 2021. Impact of Demographic Survey Questions on Response Rate and Measurement: A Randomized Experiment. Survey Practice, 14:(1).

Zlatanov, S., & Duracanin, J. 2023. The evolving interaction between traditional marketing channels and the digital age. 1st International Scientific Conference on Economy, Management and Information Technologies-ICEMIT 2023.

Zmienione, O. 2022. Cronbach's alpha and split-half reliability. Available at: https://manuals.pqstat.pl/en:statpqpl:rzetelnpl:rzetelpl. (Accessed 8 March 2025).

Zolfagharian, M., Walrave, B., Raven, R., & Romme, A. G. L. 2019. Studying transitions: Past, present, and future. Research Policy, 48(9), 103788.

Zubair, A.M. 2023. Experimental Research Design- types and processes. Article in Academia Open.

Zukauskas, P., Vveinhardt, J. and Andriukaitiene, R. 2018. Management culture and corporate social responsibility. London: IntechOpen.

Zuma, D. 2022. Exploring factors that influence digital adoption in the South African Oil and Gas Industry. Unpublished Master's Thesis: University of Witwatersrand.

Zungu, S.C., & Msomi, T.S. 2024. Factors affecting small and medium-sized enterprises financial resilience post covid-19 pandemic in South Africa. International Journal of Environmental Sustainability and Social Science, 4(6):1822-1834.

© University of Venda

Zwane, H. C., Radebe, T. N. and Mlambo, V. H. 2021. Is Youth Entrepreneurship Key to Addressing Youth Unemployment? Interrogating South Africa's Youth Unemployment Dilemma. *The Journal of Social Sciences*, 69(1-3): 18-25.

© University of Venda

APPENDICES

© University of Venda

APPENDIX A: RESEARCH QUESTIONNAIRE



Dear Participant,

You are kindly requested to participate in an academic research study conducted by William Chiliya, a PhD candidate from the Department of Business Management in the Faculty of Management, Commerce, and Law at the University of Venda. This research aims to establish a framework for digital marketing adoption among small, and medium enterprises (SMEs) in South Africa. The study is strictly for academic purposes, and you have been chosen to participate in the research study based on your experience working as an SME owner or manager. I, therefore, anticipate that your participation in this study will provide relevant information.

Please note the following:

1. This study will provide an anonymous survey. Your name will not appear on the questionnaire, and the answers you give will be treated as strictly confidential. You cannot be identified in person based on the answers you give.

2. Your participation in this study is highly appreciated. You may, however, choose not to participate and be allowed to withdraw from participating at any time without any negative consequences.

3. Please answer the questions in the attached questionnaire as completely and honestly as possible. This should not take more than 20 minutes of your time.

4. The results of this study will be used for academic purposes only and may be published in an accredited journal. You will be provided with a summary of the results of this research upon your request.

5. Please contact my Promoter, Dr. Willard Munyoka. Email: Willard.munyoka@univen.ac.za if you have any questions or comments regarding the study. Please sign this letter to indicate that:

- You have read and understood the information provided above.
- You give your consent to participate in the study voluntarily

…… ……

Participant's signature **Date**

© University of Venda

Digital marketing involves utilizing digital or electronic channels to market products and services to consumers through various channels such as the Internet, websites, mobile devices, social media, search engines, and other related channels.

The widely used digital marketing types include website marketing, pay-per-click advertising, content marketing, e-mail marketing, social media marketing, affiliate marketing, video marketing, and SMS messaging.

This questionnaire comprises closed-ended questions, therefore, you are kindly requested to mark with an (X) in the spaces provided on the answer that corresponds to the response closest to your experience as a business owner or manager. Please, provide your answers as honestly as possible.

Please indicate with an (X) in only one box corresponding to your answer. Failure to do so will result in distorting the results of the study. This section comprises questions on the company profile or characteristics to classify a firm as small, micro, and medium enterprises (SMEs).

A1	Number of employees	0-10	
		11-50	
		51-250	
A2	Total Annual Turnover (In million Rands)	Less than R5m	
		R5m or more but less than R20m	
		R20m or more but less than R200m	
A3	Type of business ownership	Sole trader	
		Partnership	
		Close corporation	
		Private company	
		Cooperative	
A4	A sector of business operation	Agriculture	
		Manufacturing	
		Wholesale and retailing	
		Tourism	
		Transport and communication	
		Construction	
		Mining	
		Other (Specify)	

© University of Venda

This section seeks to gather background information about you as a research participant. This information is crucial as it impacts the study's ultimate results and conclusions.

B1	Gender of respondent	Male	
		Female	
B2	Race of respondent	Black	
		White	
		Indian	
		Colored	
		Other (Specify)	
B3	Age of respondent	Below 18 years	
		18-30	
		31-40	
		41-50	
		51-60	
		61 years and above	
B4	Position in the firm	Owner	
		Both owner and manager	
		Manager only	
B5	Nature of employment	Permanent	
		Contract	
		Other (Specify)	
B6	Years of experience in the position held	Less than 1	
		1-5	
		6-10	
		11-15	
		16-20	
		21 and above	

C1. Have you adopted digital marketing in your firm? Digital marketing is the component of marketing that **uses** the Internet and online-based digital technologies, such as desktop computers, mobile phones, and other digital media and platforms to promote products and services.

C1	Have you adopted Digital Marketing in your firm?		
		Yes	
		No	

*Kindly skip questions (C2-C4) if you have answered **"NO"** to (C1).*

C2. Which types of digital marketing approaches are you currently using in your firm? (Please tick all that you are currently using).

© University of Venda

Search Engine Optimization	
Pay-per-click	
Social media marketing	
Content marketing	
E-mail marketing	
Mobile Marketing	
Marketing Analytics	
Affiliate/ influencer marketing	

C3. What percentage of your current marketing budget is allocated to digital marketing adoption?

Less than 10%		10-29%		30-49%		20-69%		Over 70%	

C4. Do you intend to increase the current percentage of your marketing budget allocated to digital marketing adoption?

Yes	
No	

This section presents statements measuring the level of your perception of digital marketing adoption. Please answer each of these statements whether you have already adopted or used digital marketing (read the word before the '/') and if you have not yet adopted or used digital marketing (read the word immediately after the '/'). Please indicate the extent to which you agree or disagree with each of the statements listed below by marking an (X) on the box or number that corresponds to your answer on a scale of 1 to 7 where:

1= strongly disagree; 2=disagree; 3=somewhat disagree; 4=neither agree nor disagree; 5=somewhat agree; 6=agree and 7= strongly agree.

Relative advantage		*Strongly* disagree						Strongly agree
RA1	Digital marketing enables/would enable our firm to market our products or services in a better way	1	2	3	4	5	6	7
RA2	Digital marketing enables/would enable our firm to communicate with our customers effectively	1	2	3	4	5	6	7
RA3	We are/would be able to reach our customers timely with digital marketing campaigns	1	2	3	4	5	6	7
RA4	Digital marketing assists/would assist us to develop a better relationship with our customers	1	2	3	4	5	6	7

© University of Venda

Compatibility		*Strongly* disagree						Strongly agree
CO1	Digital marketing creates/would create changes that are compatible with the business practices of our firm	1	2	3	4	5	6	7
CO2	Digital marketing is/would be compatible with the current business practices of our firm	1	2	3	4	5	6	7
CO3	Digital marketing is/would be compatible with the preferred practices of our firm	1	2	3	4	5	6	7
CO4	Digital marketing is/would be compatible with our current marketing activities	1	2	3	4	5	6	7
Complexity		*Strongly* disagree						Strongly agree
CX1	The use of digital marketing requires/would require a lot of mental effort	1	2	3	4	5	6	7
CX2	The use of digital marketing is/would be frustrating	1	2	3	4	5	6	7
CX3	Digital marketing is/would be too complex for our marketing strategies	1	2	3	4	5	6	7
CX4	The skills needed to use digital marketing are/would be too complex for employees of our firm	1	2	3	4	5	6	7
Cost		*Strongly* disagree						Strongly agree
CT1	The costs involved in the adoption of digital marketing are/would be far greater than the expected benefits	1	2	3	4	5	6	7
CT2	The cost of maintaining digital marketing is/would be very high for our enterprises	1	2	3	4	5	6	7
CT3	The amount of money invested in training employees to use digital marketing is/would be very high	1	2	3	4	5	6	7
Top management support		*Strongly* disagree						Strongly agree
TM1	Top management provides/would provide resources necessary for the adoption of digital marketing	1	2	3	4	5	6	7
TM2	Top management provides/would provide necessary support for the adoption of digital marketing	1	2	3	4	5	6	7
TM3	Top management support/would support the usage of digital marketing	1	2	3	4	5	6	7
TM4	Top managers are/would be enthusiastic about adopting digital marketing	1	2	3	4	5	6	7
Financial resources		*Strongly* disagree						Strongly agree
FR1	Our firm has/would have the financial resources to adopt digital marketing	1	2	3	4	5	6	7
FR2	Our marketing budgets are/would be sufficient to support the adoption of digital marketing	1	2	3	4	5	6	7
FR3	It/is would be easy to obtain financial support for digital marketing adoption from local banks and or/other financial institution	1	2	3	4	5	6	7

© University of Venda

FR4	Our firm takes/would take digital marketing more seriously because of the adequate financial support we receive from the local banks	1	2	3	4	5	6	7
Employee Capability		*Strongly* disagree						Strongly agree
EC1	Our employees are/would be capable of learning new digital marketing-related technology easily	1	2	3	4	5	6	7
EC2	Our employees are/would be capable of using digital marketing to solve our marketing problems easily	1	2	3	4	5	6	7
EC3	Our employees are/would be capable of using digital marketing to interact with our customers	1	2	3	4	5	6	7
EC4	Our employees are/would be capable of providing new ideas on digital marketing usage for our firm	1	2	3	4	5	6	7
Size of enterprise		*Strongly* disagree						Strongly agree
ES1	The number of employees in our firm is high compared to most SMEs in the industry	1	2	3	4	5	6	7
ES2	The capital of our firm is higher than that of other SMEs in the industry	1	2	3	4	5	6	7
ES3	The revenue of our enterprise is higher than that of other SMEs in the industry	1	2	3	4	5	6	7
Competitive pressure		*Strongly* disagree						Strongly agree
CP1	The rivalry among enterprises in our industry is very intense	1	2	3	4	5	6	7
CP2	Our choice to adopt digital marketing was/would be strongly influenced by what competitors in the industry are doing	1	2	3	4	5	6	7
CP3	Our enterprises was/is under pressure from competitors to adopt digital marketing	1	2	3	4	5	6	7
CP4	Our enterprise has adopted/would adopt digital marketing in response to what competitors were/are doing	1	2	3	4	5	6	7
Customer pressure		*Strongly* disagree						Strongly agree
CU1	Many of our customers are keen that our enterprise adopt/should adopt digital marketing	1	2	3	4	5	6	7
CU2	Our customers demanded/would demand that we establish relationships with them using digital marketing	1	2	3	4	5	6	7
CU3	Our relationship with our major customers suffered/would suffer if we did not adopt digital marketing	1	2	3	4	5	6	7
CU4	Our customers considered/would consider us to be forward-thinking by adopting digital marketing	1	2	3	4	5	6	7
Support from technology vendors		*Strongly* disagree						Strongly agree

© University of Venda

SV1	Vendors actively market the use of digital marketing	1	2	3	4	5	6	7
SV2	There is/would be adequate technical support for digital marketing provided by vendors	1	2	3	4	5	6	7
SV3	Training in digital marketing is/would be adequately provided by vendors	1	2	3	4	5	6	7
SV4	Digital marketing vendors encourage/are encouraging our firm to adopt digital by providing us with free training sessions	1	2	3	4	5	6	7
Attitudes towards usage		*Strongly* disagree						Strongly agree
AA1	Using digital marketing is/would be a good idea	1	2	3	4	5	6	7
AA2	Our firm has/would have a positive feeling toward digital marketing adoption	1	2	3	4	5	6	7
AA3	The idea of adopting digital marketing is/would be an appealing idea for our firm	1	2	3	4	5	6	7
AA4	Using digital marketing is/would be worthwhile	1	2	3	4	5	6	7
Adoption		*Strongly* disagree						Strongly agree
AM1	Our enterprise makes use of digital marketing very often	1	2	3	4	5	6	7
AM2	Our enterprise always makes use of digital marketing for our marketing activities	1	2	3	4	5	6	7
AM3	Our enterprises use mobile marketing for most of their marketing activities	1	2	3	4	5	6	7
Behavioral intention		*Strongly* disagree						Strongly agree
BI1	Our firm intends to continue/start using mobile marketing	1	2	3	4	5	6	7
BI2	Our firm intends to continue/start using digital marketing in the future	1	2	3	4	5	6	7
BI3	Our firm highly recommends/would recommend the adoption of digital marketing to other firms	1	2	3	4	5	6	7

Thank you for your time and participation!!!!!

APPENDIX B: ETHICAL CLEARANCE

© University of Venda

ETHICS APPROVAL CERTIFICATE

RESEARCH AND INNOVATION
OFFICE OF THE DIRECTOR

NAME OF RESEARCHER/INVESTIGATOR:
Mr W Chiliya

STUDENT NO:
23021037

PROJECT TITE: A Framework for Digital Marketing Adoption among Small and Medium Enterprises (SMEs) in South Africa: A Case of City of Tshwane Metropolitan Municipality.

ETHICAL CLEARENCE NO: FMCL/23/BMA/23/1403

SUPERVISORS/ CO-RESEARCHERS/ CO-INVESTIGATORS

NAME	INSTITUTION & DEPARTMENT	ROLE
Dr. W Munyoka	UNIVEN, Business Information Systems	Supervisor
Dr. L Nkondo	UNIVEN, Business Information Systems	Co-Supervisor
Mr W Chiliya	UNIVEN, Business Information Systems	Investigator – Student

Type: **Doctoral research**
Risk: **Minimal risk to humans, animals, or environment (Category 2)**
Approval Period: **March 2024 – March 2025**

The Research Ethics Social Sciences Committee (RESSC) hereby approves your project as indicated above.

General Conditions
While this ethics approval is subject to all declarations, undertakings and agreements incorporated and signed in the application form, please note the following.

- The project leader (principal investigator) must report in the prescribed format to the REC:
  - Annually (or as otherwise requested) on the progress of the project, and upon completion of the project.
  - Within 48hrs in case of any adverse event (or any matter that interrupts sound ethical principles) during the course of the project.
  - Annually a number of projects may be randomly selected for an external audit.
- The approval applies strictly to the protocol as stipulated in the application form. Would any changes to the protocol be deemed necessary during the course of the project, the project leader must apply for approval of these changes at the REC. Would there be deviated from the project protocol without the necessary approval of such changes, the ethics approval is immediately and automatically forfeited.
- The date of approval indicates the first date that the project may be started. Would the project have to continue after the expiry date; a new application must be made to the REC and new approval received before or on the expiry date.
- In the interest of ethical responsibility, the REC retains the right to:
  - Request access to any information or data at any time during the course or after completion of the project,
  - To ask further questions; Seek additional information; Require further modification or monitor the conduct of your research or the informed consent process.
  - withdraw or postpone approval if:
  - Any unethical principles or practices of the project are revealed or suspected.
  - It becomes apparent that any relevant information was withheld from the REC or that information has been false or misrepresented.
  - The required annual report and reporting of adverse events was not done timely and accurately,
  - New institutional rules, national legislation or international conventions A it necessary

ISSUED BY:
UNIVERSITY OF VENDA, RESEARCH ETHICS COMMITTEE
Date Considered: March 2024

Name of the RESSC Chairperson of the Committee: Prof TS Mashau

Signature

UNIVERSITY OF VENDA
OFFICE OF THE DIRECTOR
RESEARCH AND INNOVATION
2024 -03- 14
Private Bag X5050
Thohoyandou 0950

University of Venda
PRIVATE BAG X5050, THOHOYANDOU, 0950, LIMPOPO PROVINCE, SOUTH AFRICA
TELEPHONE (015) 962 8504/8313 FAX (015) 962 5060
"A quality driven financially sustainable, rural-based Comprehensive University"

© University of Venda