Digital marketing and performance of SMEs in Nigeria

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Abstract

This study specifically determines the combined influence of digital marketing (social media marketing, email marketing, search engine marketing, mobile marketing, and internet marketing) on the performance of SMEs in Nigeria. A descriptive survey research design was adopted. The sample size of 397 was derived with the use of the Taro Yamane formula and a convenient sampling technique for data collection was equally employed. The study retrieved 374 properly filled questionnaires out of 397 questionnaires distributed to selected SMEs. The data were analysed using inferential statistics. The results revealed that Social Media Marketing, e-mail marketing, Search Engine Marketing, Mobile Marketing, and Internet Marketing have a collective significant and positive influence on SMEs' Performance. The study concluded that SMEs that effectively leverage digital marketing strategy experience improved performance. The study recommended that SMEs should consider adopting an integrated digital marketing strategy that combines various channels to create a synergistic effect on performance.

Keywords: Digital Marketing, E-Mail Marketing, Mobile Marketing, Search Engine Marketing, Social Media Marketing

1. Introduction

The performance of Small and Medium-Sized Enterprises (SMEs) in Nigeria stands as a crucial focal point in the literature, and forms the crux of exploration into the transformative realm of digital marketing. As pivotal drivers of economic growth and vitality, SMEs in Nigeria have long played a fundamental role in shaping the nation's economic landscape (Igwe et al., 2013). Nigeria acknowledged as Africa's most populous nation with a thriving SME sector, has consistently depended on these enterprises as the cornerstone of its economy, contributing significantly to the nation's Gross Domestic Product (GDP) and employment (Abdullahi et al., 2015). Afolabi (2015) opined that Nigeria is characterized by a vibrant SME sector that serves as the backbone of its economy. Due to their substantial contributions to the nation's Gross Domestic Product (GDP) and employment, gaining insights into the factors that shape and improve the performance of SMEs becomes of utmost importance.

Scholars, policymakers, and business practitioners have given considerable attention to the role of digital marketing in shaping the success and sustainability of Small and Medium-Sized Enterprises (SMEs) in the dynamic landscape of global commerce. Digital marketing, encompassing an array of online strategies and tools, holds transformative potential for SMEs, offering them access to global markets, cost-effective promotion, and enhanced competitiveness (Melović et al., 2020). With the proliferation of digital technologies and internet connectivity, the potential for SMEs to leverage digital marketing strategies for growth and sustainability is substantial. Notably, digital marketing encompasses an assortment of tools and platforms, including social media, search engine optimization (SEO), email

marketing, content marketing, and online advertising, each offering unique opportunities for SMEs to expand their reach and impact.

Meanwhile, Noteworthy studies by Oteh et al. (2019). highlight the increasing prevalence of digital marketing in Nigeria, emphasizing its potential for SMEs. Buttress this, Ali-Qalati et al (2020). outlines the benefits of digital marketing for SMEs, such as cost-effectiveness and global reach, while also addressing challenges including digital illiteracy and infrastructure limitations

Notable contributions by Munir et al. (2023); and Jung and Shegai (2023). assess the direct and indirect effects of digital marketing on SME performance, considering metrics like revenue growth, market share, and brand visibility. Munir et al. (2023) found that SMEs that actively engage in digital marketing strategies experienced substantial revenue growth. By targeting a broader audience through online channels, SMEs could tap into new markets and customer segments. This expansion, in turn, led to increased sales and revenue. Ali-Qalati et al (2020) pointed out the cost-effectiveness of digital marketing. They found that SMEs could achieve significant marketing results with a fraction of the cost required for traditional marketing methods. This cost efficiency allowed SMEs to allocate resources more efficiently, contributing to improved revenue growth.

This study anticipates uncovering the distinctive contribution of digital marketing as a transformative force, not merely as a supplementary tool, but as the linchpin that has the potential to propel the performance of SMEs in Nigeria to unprecedented heights—forging new pathways for market growth, heightened competitiveness, and sustained success in the ever-evolving business ecosystem

Statement of the Problem

In an era where traditional marketing approaches face diminishing returns and escalating costs, SMEs in Nigeria find themselves at a crossroads. The decision to adopt and effectively implement digital marketing strategies can spell the difference between prosperity and stagnation.

Despite the growing prevalence of digital marketing strategies, it remains unclear how its adoption affects the performance of SMEs in Nigeria. The problem arises from the lack of extensive research exploring the direct and indirect impacts of digital marketing on SMEs, including its effects on revenue growth, market share, and brand visibility (Lekhanya (2015); Olonde (2017); Munir et al. (2023);. Since these influence on the performance metrics of SMEs in Nigeria is not well-documented. There is a need to assess the extent to which digital Marketing contributes to revenue growth, market share expansion, and the enhancement of brand visibility among SMEs (Gontur, et al.,2023; Phiri, 2020).

Understanding the impact of various digital marketing strategies on the performance of Small and Medium-Sized Enterprises (SMEs) in Nigeria is critical due to the highlighted pressing issues. Therefore, to address the knowledge gaps and challenges faced by SMEs in the digital age, this study systematically examines the influence of social media marketing, E-Mail Marketing, Search Engine Marketing, Mobile Marketing, and Internet Marketing, and provides nuanced insights into how these strategies can mitigate the identified problems, ultimately fostering the growth and competitiveness of SMEs in Nigeria.

Objectives of the Study

The main objective of the study is to examine the impact of digital marketing on the performance of SMEs in Nigeria. Specifically, the study seeks to determine the combined influence of digital marketing (social media marketing, email marketing, search engine marketing, mobile marketing, and internet marketing) on the performance of SMEs in Nigeria.

Research Hypotheses
To achieve the aforementioned objective, the study posits the following hypothesis for testing:
$H0_1$: There is no significant combined influence of digital marketing components (social media marketing, email marketing, search engine marketing, mobile marketing, and internet marketing) on the performance of SMEs in Nigeria.

Literature Review
Concept of SMEs' Performance
Small and Medium-Sized Enterprises (SMEs) play a crucial role in numerous economies globally, making substantial contributions to economic expansion, employment generation, and the advancement of innovative practices. The notion of small and medium-sized enterprises (SMEs) performance is multifaceted, comprising a range of aspects that influence the achievement and long-term viability of these enterprises. Small and Medium Enterprises (SMEs) are commonly categorised and delineated using several criteria, including but not limited to the number of employees, yearly turnover, or total assets. The definitions of these businesses may exhibit variation across different countries or industries; yet, they are widely acknowledged for their significant role in fostering job opportunities and promoting economic growth (Morrison, et al., 2003).

The performance of SMEs is influenced by a myriad of factors. Access to finance, management skills, innovation, market access, and digital capabilities are among the key determinants (Nguli, & Odunga, 2019). Meanwhile, financial performance indicators, such as profitability, liquidity, and solvency, are crucial in assessing SMEs' performance. Sound financial management is vital for business sustainability (Appiah, et al (2019). Also, Innovation plays a pivotal role in the competitiveness of SMEs. Innovating in products, processes, and marketing

strategies can positively impact performance (Thai, (2019). Access to markets, including international markets, is a significant determinant of SMEs' performance. Exporting and internationalization can provide growth opportunities (Appiah, et al (2019).

Therefore, the adoption of digital technologies can significantly impact the performance of SMEs. E-commerce, digital marketing, and data analytics are tools that can enhance competitiveness (Gao, et al., 2023).

Concept of Digital Marketing
Digital marketing, an evolving discipline within the field of marketing, has transformed the way businesses promote their products and services, communicate with customers, and establish their online presence. Digital marketing encompasses a range of online techniques and platforms used by organisations to connect with their target audience, increase brand visibility, and achieve specific marketing goals (Chaffey, & Smith, 2022). It has rapidly evolved, becoming a core component of contemporary marketing strategies. Digital marketing has transitioned from a supplemental channel to a primary avenue for customer engagement and revenue generation.

Meanwhile, digital marketing consists of various components, including Search Engine Optimization (SEO), Content Marketing, Social Media Marketing, Email Marketing, and Pay-Per-Click (PPC) Advertising (Chaffey & Smith, 2017). These components are essential for reaching and engaging with target audiences through digital channels. However, Social Media Marketing has gained immense importance in recent years due to the widespread use of platforms like Facebook, Twitter, and Instagram. It allows companies to interact with their audience, build brand loyalty, and drive sales (Hanna, Rohm, & Crittenden, 2011). Further, Email Marketing, a direct communication channel, remains a potent tool for

maintaining customer relationships and generating leads (Kiselova et al., 2019). It enables personalized and targeted messaging. While Search Engine Marketing (SEM), encompassing SEO and PPC, focuses on optimizing websites to rank higher in search engine results. It drives organic and paid traffic, contributing to online visibility (Chaffey & Smith, 2017).

The proliferation of mobile devices has transformed digital marketing. Mobile Marketing involves strategies tailored for smartphones and tablets. SMS marketing, mobile apps, and responsive website design are key elements (Sharma, et al., 2021). Businesses have witnessed significant benefits from digital marketing, including increased website traffic, lead generation, improved customer engagement, and cost-effective advertising (Chaffey & Smith, 2022). It has become a key driver of growth and competitive advantage.

This study will proxy digital marketing with five dimensions; Social media marketing, E-Mail Marketing, Search Engine Marketing, Mobile Marketing, and Internet Marketing, to buttress the study of Gontur et al. (2023). Social media marketing involves using social media platforms to connect with the target audience, build brand awareness, and promote products or services; Email marketing involves sending targeted messages to a group of people via email to promote products, and services, or engage with the audience; Search Engine Marketing involves promoting websites by increasing their visibility in search engine results pages through paid advertising (PPC) and optimization techniques (SEO; Mobile marketing targets users on mobile devices through various channels such as SMS, mobile apps, and responsive websites to reach a mobile audience; and Internet marketing encompasses a broad range of online marketing activities, including social media marketing, email marketing, content marketing, and more, aiming to promote products or services over the internet.

Theoretical Framework
Technology Diffusion Theory:

Technology Diffusion Theory was propounded by Everett Rogers. He first introduced this theory in his seminal work titled "Diffusion of Innovations," which was originally published in 1962. The theory has since undergone revisions, with the latest edition of the book, the fifth edition, published in 2003. Everett Rogers was a communication scholar and sociologist, and his work has had a significant impact on understanding how innovations, including technological ones, spread through societies and social systems. Meanwhile, this theory posits that the adoption of a new technology follows a predictable pattern within a social system. This theory specifically focuses on the diffusion of technological innovations, emphasizing the spread of new technologies through a population or society. This theory also considers factors like perceived benefits and barriers, compatibility, complexity, and trialability, the emphasis is often on characteristics specific to technological innovations. According to Qalati (2021), the perceived relative advantage of an innovation influences its adoption. In the context of SMEs and digital marketing, the perceived benefits, such as cost-effectiveness and increased market reach, play a crucial role. Mamun (2018) opines that compatibility is a key element in the diffusion process, which is the extent to which an innovation aligns with existing values and practices. In the case of SMEs, the compatibility of digital marketing strategies with their business models influences adoption.

By integrating this underpinning theory, this study provides a comprehensive understanding of the factors influencing SME performance, including, technology diffusion theory. The theory has been validated in prior research and can serve as a valuable framework to guide the investigation of SME performance and its determinants. This theory is highly relevant

to SMEs, as it focuses on how technology is adopted and spread within a social system. Given the dynamic nature of SMEs and the constant need to adapt to changing circumstances, this theory is particularly appropriate for understanding how SMEs can leverage technology to enhance their performance.

Empirical Review

Gontur et al. (2023) conducted a study aimed at examining the effects of digital marketing on the operational outcomes of micro, small, and medium enterprises (MSMEs) located in Plateau State. The study utilised a survey research methodology to gather data from a representative sample of 130 Micro, Small, and Medium Enterprises (MSMEs) located in Plateau State. The data-gathering procedure encompassed the utilisation of self-administered questionnaires, which were modified from prior studies conducted within comparable circumstances. The study instruments were subjected to evaluations to ascertain their validity and reliability. The hypotheses were further evaluated to determine the direct relationships between the variables through the utilisation of multiple regression analysis. The findings of the study suggest a positive association between social media marketing, e-mail marketing, internet marketing, and mobile marketing, and the performance scale of micro and medium-scale enterprises in Plateau State. Nevertheless, the analysis reveals a lack of substantial correlation between search engine marketing and the overall success of firms. The study posits that digital marketing possesses the capacity to function as a formidable marketing strategy capable of influencing the performance of small businesses.

In their study, Etim et al. (2021) examined the correlation between E-marketing strategies and the operational outcomes of small and medium-sized enterprises. The study examined the ramifications of the "new normal" agenda. The present study aimed to examine the effects of social media marketing, online advertising, and email marketing on the performance of small and medium-sized firms (SMEs) within the contemporary context marked by the "new normal" phenomenon. The study employed a cross-sectional survey as its research design. The researchers collected primary data by administering a structured questionnaire to 295 operators of small and medium-sized firms (SMEs). The study's hypotheses were tested using statistical analysis, specifically multiple linear regression. The Statistical Package for the Social Sciences (SPSS 23) was used as the software tool for this analysis. The findings of the study suggest that the implementation of social media marketing, online advertising, and email marketing had a significant and positive effect on the performance of small and medium-sized firms (SMEs) during the era marked by the "new-normal" circumstances. Therefore, this study suggests that small and medium-sized enterprises (SMEs) ought to integrate social media platforms such as Facebook, Instagram, and WhatsApp, as well as online advertising tools like search engines, display, and website advertising, and email marketing tools including welcome emails, email newsletters, and dedicated email promotions, into their marketing strategies. The implementation of this integration is suggested as a strategy to enhance the effectiveness of sales and marketing efforts. Gbandi and Iyamu (2022) undertook a research endeavour to examine the influence of social media marketing on the expansion of small and medium-sized enterprises in Benin City, Nigeria. The study utilised a cross-sectional research approach, with data being gathered via self-administered and structured questionnaires. The surveys underwent evaluation with a 5-point Likert scale. The research centred on four distinct characteristics of social media marketing, encompassing the platforms of Facebook, Instagram, Twitter, and YouTube. This study examines the entirety

of the small and medium-sized companies (SMEs) population situated in Benin City, Nigeria. The study's sample comprised 500 small and medium-sized firms (SMEs) that were chosen for inclusion. The acquired data was subjected to analysis employing both descriptive and inferential statistical methods. The study's findings suggest that the use of social media platforms such as Facebook, Instagram, Twitter, and YouTube have been linked to a significant and positive impact on the growth of small and medium-sized firms (SMEs). The findings of the study indicate that the use of social media marketing techniques by small and medium-sized firms (SMEs) could yield advantages in terms of enhancing their competitiveness within the global market. Moreover, individuals should maintain a regular and active presence on their social media platforms through the frequent sharing of educational, informative, and captivating content. The aim is to generate client engagement and foster interest in their products.

Thaha et al. (2021) conducted an extensive analysis to classify and identify relevant themes and patterns in the current literature on the convergence of digital marketing and small and medium-sized firms (SMEs) over the past ten years. The researchers conducted a thorough and organised analysis to discover the current body of knowledge regarding the junction between digital marketing and small and medium-sized firms (SMEs). Systematic mapping studies are regarded as important instruments for the categorization and synthesis of previously published research reports and conclusions. A thorough compilation consisting of 121 studies was found and systematically organised. A systematic mapping study provides a thorough analysis of different facets, such as research domains, research methodologies, research subjects, digital marketing channels utilised, as well as research themes and results. There has been a significant increase in study activity

concerning the intersection between digital marketing and small and medium-sized firms (SMEs) within the previous three years. There has been a noticeable increase in research endeavours in both developed and developing nations. The central theme of this study centres on the subject of adoption and its influence on business performance, with a specific emphasis on the prevalence of digital marketing channels, including social media marketing and websites.

Conceptual Framework

The researcher developed a research model to examine the impact of the dependent variable (Employee Outcomes) and independent variable (Employee Retention Strategy) and their sub-variables.
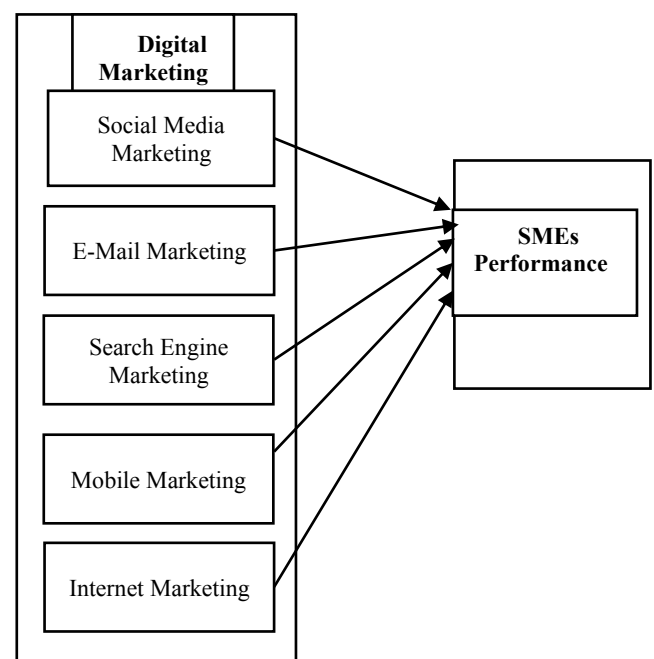
Source: Conceptual Framework

3. Methodology

The present study employed a survey research approach to examine the influence of digital marketing on the performance of small and medium-sized enterprises (SMEs) in Nigeria. The present strategy has provided a means to elucidate the current circumstances by utilising primary data

obtained from the participants. The research centred on small and medium-sized firms (SMEs) that are active in Oyo State, Nigeria and have obtained registration with the Small and Medium Enterprises Development Agency of Nigeria (SMEDAN) by the end of 2021. According to the MSME Survey conducted in 2021, the registered population of Small and Medium Enterprises (SMEs) in Oyo State, Nigeria amounts to 31,739. This entails the presence of an owner or manager who represents each Small and Medium-sized Enterprise (SME) that is officially registered in the Oyo State. The study utilised the Taro Yamane sample size formula to determine a sample size of 397 for this particular study. The study utilised a convenient sampling method to acquire data, employing a structured questionnaire comprising 20 items to gather pertinent information from the participants. A total of 397 questionnaires were distributed, of which 374 were completed and returned for analysis, resulting in a response rate of 94.21%. The data obtained from the participants was subjected to comprehensive statistical analysis, encompassing inferential statistics. Following this, hypotheses were examined through the utilisation of Regression analysis, facilitated by SPSS Version 25.

Model Specification

Based on an examination of pertinent scholarly works and the underlying theoretical framework about the influence of digital marketing on the operational outcomes of small and medium-sized enterprises (SMEs) in Nigeria. The study's methodology aims to encompass the variables of digital marketing, including social media marketing, email marketing, search engine marketing, mobile marketing, and internet marketing, as well as the performance of small and medium-sized enterprises (SMEs).

$Y = f(x)$, Y = Dependent variable, X = Independent variable

Where: Y = SMEs Performance (SP), X = Digital Marketing (DM)

$Y = (Y_1)$

$X = (x_1, x_2, x_3, x_4, x_5)$

Where:

  Y = SMEs Performance (SP),

  x_1 = Social Media Marketing (SMM)

  x_2 = E-Mail Marketing (EMM)

  x_3 = Search Engine Marketing (SEM)

  x_4 = Mobile Marketing (MM)

  x_5 = Internet Marketing (IM)

The variables in equation 3.1 are the working Equations evaluated in the study. Regression, we have:

$Y = f(x_1, x_2, x_3, x_4, x_5,)$

SP = f (SMM, EMM, SEM, MM, IM)

$Y = \alpha_0 + \beta_1 x_1 + \beta_2 x_2 + \beta_3 x_3 + \beta_4 x_4 + \beta_5 x_5 + \mu_i$

$SP = \alpha_0 + \beta_1 SMM + \beta_2 EMM + \beta_3 SEM + \beta_4 MM + \beta_5 IM + \mu_i$ …………………Eqn. 3.1

Where α = the constant of the equation

$\beta_1 - \beta_5$ = the coefficient of variables in the equations;

μ_i = the stochastic function that accounts for the errors that may arise in the equation

4. Results and Discussion
Test of Hypothesis

$H0_1$: There is no significant combined influence of digital marketing components (social media marketing, email marketing, search engine marketing, mobile marketing, and internet marketing) on the performance of SMEs in Nigeria.

Table 4.1: Interaction between Digital Marketing components and SME Performance

Model Summary				
Model	**R**	**R Square**	**Adjusted R Square**	**Std. Error of the Estimate**
1	.795ᵃ	.632	.627	.62106
a. Predictors: (Constant), SMM, EMM, SEM, MM, IM				

Source: Researcher's Field Survey, (2023)

Table 4.1 presents the regression coefficient results indicating the combined impact of digital marketing components (social media marketing, e–mail marketing, search engine marketing, mobile marketing, and internet marketing) on SMEs' performance. The findings demonstrate that the combination of these components significantly influences SMEs' performance in Nigeria (Adj.R2 = 0.627; indicating a robust and statistically significant relationship between digital marketing components and SMEs' performance. This model suggested that approximately 62.7% of the variations in SMEs' performance were attributed to digital marketing components. It is worth noting that the remaining 37.3% of the variations were not accounted for by the model and are represented by the stochastic error term. Furthermore, the model exhibited a favourable goodness of fit, with a positive and significant interaction observed between digital marketing components and SMEs performances at a 5% significance level.

Table 4.2: Significance of Digital Marketing components to SMEs Performance

ANOVAª					
Model		**Sum of Squares**	**df**	**Mean Square**	**F**	**Sig.**
1	Regression	244.278	5	48.856	126.662	.000ᵇ
	Residual	141.944	368	.386		
	Total	386.222	373			
a. Dependent Variable: SP						
b. Predictors: (Constant), SMM, EMM, SEM, MM, IM						

Source: Researcher's Field Survey, (2023)

Table 4.2 reports the findings of a variance regression. These findings suggest that the model as a whole is statistically significant. The results further revealed an F statistic of 126.662 and a significance level of *p*-value < 0.05. (Sig 0.000) corroborated this finding. The result revealed a less than 5% probability that the formulated and tested hypothesis is correct because of solid evidence against the null hypothesis, as proved by the probability result for the model.

Table 4.3: Contribution of Each Predictor of Digital Marketing to SMEs Performance.

Coefficients						
Model		**Unstandardized Coefficients**		**Standardized Coefficients**	**t**	**Sig.**
		B	**Std. Error**	**Beta**		
1	(Constant)	-1.675	.281		-5.961	.000
	SMM	.171	.029	.241	5.893	.000
	EMM	.111	.027	.150	4.186	.000
	SEM	.393	.036	.440	10.949	.000
	MM	.585	.027	.801	21.786	.000
	IM	.358	.025	.572	14.129	.000
b. Predictors: (Constant), SMM, EMM, SEM, MM, IM						

a. Dependent Variable: SP
Source: Researcher's Field Survey, (2023)

Table 4.3 presents the regression coefficient results indicating the combined impact of digital marketing components (social media marketing, e–mail marketing, search engine marketing, mobile marketing, and internet marketing) on SMEs' performance. The findings demonstrate that the combination of these components significantly influences SMEs' performance in Nigeria (Adj.R2 = 0.627; F = 126.662, p<0.05). The F-statistic, which measures the joint determination, has a calculated value of 126.662 with p<0.05. This outcome suggests that digital marketing components collectively play a significant role in explaining the variations in SMEs' performance in Oyo State, Nigeria. Additionally, the Adjusted R-squared value of 0.627 indicates that digital marketing components account for 62.7% of the variations in SMEs' performance.

The result further shows the regression coefficients of the contribution of each component (social media marketing, e–mail marketing, search engine marketing, mobile marketing, and internet marketing) to the criterion variable (SME performance).

The regression coefficient shows that social media marketing positively interacts with SME performance. The coefficient of social media marketing was 0.241, with a t-value of 5.893. This result shows that a unit increase in social media marketing activities by SMEs would result in a 24.1% increased contribution to SMEs' performance. Hence, the coefficient of social media marketing is statistically significant at 5% significance.

The regression analysis further reveals a positive correlation between e–mail marketing and SMEs performance. The coefficient of e–mail marketing is 0.150, with a t-value of 4.186 and p<0.05. This indicates that a unit increase in e–mail marketing by SMEs will lead to a 15.0% increase in the performance of SMEs in Oyo State, Nigeria. The statistical significance of the coefficient at a 5%

significance level confirms this contribution.

The coefficients of this model reveal further the positive influence of search engine marketing on the performance of SMEs. The t-statistic for this parameter is 10.949, and the associated p-value is less than 0.05. These findings indicate a coefficient of 0.440; this result demonstrates that a unit increase in search engine marketing is associated with a 44.0% rise in the SME's performance contributions, with a 5% level significance.

Additionally, the estimated association between mobile marketing, and the SME's performance is positive. The data displays a positive value for mobile marketing, a coefficient of 0.810. A t-statistic of 21.786, under a probability of less than 0.05. This result demonstrates that a one-unit boost in mobile marketing resulted in an 81.0% improvement in the performance of SMEs. This implies that the coefficient of mobile marketing is significant at 5% and revealed better and positive contributions to the performance of SMEs in Oyo State, Nigeria.

Moreover, the coefficients of this model reveal a positive association between internet marketing and SME performance. The data displays a positive value for internet marketing with a coefficient of 0.572, and a t-statistic of 14.129, under a probability of less than 0.05. This result demonstrates that a one-unit boost in internet marketing resulted in a 57.2% contribution to the performance of SMEs, with a 5% level of significance.

The findings of this study indicate that the performance of small and medium-sized enterprises (SMEs) in Nigeria was greatly enhanced by the various components of digital marketing, including social media marketing, e-mail marketing, social marketing, internet marketing, and search engine marketing. The null hypothesis, which suggests that there is no significant combined influence of these digital

marketing components on SME performance, is rejected. Conversely, the alternative hypothesis, which posits that there is a significant and collective influence of these digital marketing components on SME performance, is accepted. This study establishes the importance of digital marketing in improving the performance of SMEs in Oyo State, Nigeria. Therefore, it can be inferred that the implementation of digital marketing initiatives significantly contributes to the improvement of small and medium-sized enterprises' performance in Oyo State, Nigeria.

Discussion of Findings

This study determined the combined influence of digital marketing (social media marketing, email marketing, search engine marketing, mobile marketing, and internet marketing) on the performance of SMEs in Nigeria. This study established a research hypothesis based on the research objective, which was tested and analysed.

Meanwhile, however, the results of the regression analysis revealed a combined positive and significant influence of digital marketing components on the performance of SMEs. As a result of the indication, the null hypothesis proposed was rejected, and the alternative hypothesis, which states that digital marketing (social media marketing, e–mail marketing, search engine marketing, mobile marketing, and internet marketing) significantly enhanced the performance of SMEs in Nigeria was accepted. This implies that the combination of digital marketing components (social media marketing, e–mail marketing, search engine marketing, mobile marketing, and internet marketing) jointly contributes to the performance of SMEs. Therefore, the finding of this hypothesis was supported by the R Square value of 0.632, which implies that the combination of digital marketing components explains 63.2% of SMEs' performance changes. The result of this analysis collaborated with the study of Etim et al (2021); Thaha et al. (2021); Gontur et

al. (2023) findings on the contributions of digital marketing and the performance of SMEs.

5. Conclusion and Recommendations

The study investigated the influence of digital marketing strategies on the performance of Small and Medium-Sized Enterprises (SMEs) in Oyo State, Nigeria. The study was guided by a specific objective and revealed that SMEs that effectively leverage social media platforms experience improved performance. The study further concluded that SMEs that strategically use e-mail marketing campaigns witness higher customer retention, lead generation, and increased sales, leading to enhanced performance. Also revealed that SMEs that optimize their online presence through SEO and targeted PPC campaigns experience higher visibility and attract more potential customers. Further concluded that Mobile-responsive websites, mobile apps, and SMS marketing help SMEs reach a broader audience, enhance customer engagement, and drive sales, ultimately boosting performance. More so, SMEs that leverage Internet marketing see improvements in lead generation, customer acquisition, and revenue growth.

Based on the findings, the following recommendations are proposed for this study:

1. SMEs should consider adopting an integrated digital marketing strategy that combines various channels for maximum impact. Combining social media, e-mail marketing, search engine marketing, mobile marketing, and internet marketing can create a synergistic effect on performance.

2. SME owners and their marketing teams should invest in continuous skill development. Staying updated on the latest digital marketing trends and tools is crucial to effectively utilize these channels for business growth.

3. SMEs should adopt a customer-centric approach in their digital marketing

efforts. Tailoring campaigns to meet customer needs and preferences is essential for enhancing brand loyalty and, ultimately, performance.

4. Implementing robust measurement and analytics tools is essential. SMEs should regularly monitor and analyze the performance of their digital marketing campaigns to identify what works and what needs improvement.

5. Given the increasing use of mobile devices, SMEs must ensure their websites and marketing materials are mobile-friendly. Mobile optimization is critical for reaching a broader audience and enhancing performance.

6. In internet marketing, the focus should be on producing high-quality, relevant content. Content that addresses customer needs and provides value can significantly impact performance.

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