

Digital Marketing and Small and Medium Scale Enterprises Performance in Egor Local Government Council, Benin City

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Abstract

This study examined digital marketing and small and medium scale enterprises performance in Egor Local Government Council, Benin City. Specifically, the research ascertained the effect of social media marketing, email marketing and search engine marketing on SMEs' performance in Egor Local Government Council, Benin City. The study adopted the survey research design. Convenience sampling was employed to select a sample of 100 SMEs operators in Egor Local Government Council in Benin City. Data were derived from primary sources and analysed using simple percentages, means, and multiple regression for the purpose of testing hypotheses formulated. The result showed that social media marketing was positive and significantly related to SMEs' performance in Egor Local Government Council. Email marketing was positive and significantly related to SMEs' performance in Egor Local Government Council. Search engine marketing was significant and positively related to SMEs' performance in Egor Local Government Council.

Keywords: Business performance, Digital marketing, Enterprises, SMEs, Social media

INTRODUCTION

In recent times, firms of different classification in virtually all industrial sectors are constantly enriching their domain with digital tools (Boksa, Saroch & Boksova, 2020). Digitalization is perceived to be a major issue in all aspects of the society, with a key note on the effects it poses on political, economic and social elements (Isensee, Teuteberg, Griese & Topi, 2020). Li, Su, Zhang and Mao (2018) asserts that the introduction of the Internet since the 1960s has propelled many firms to network via

multiple computers, reaching out to each for sole purposes of expansion and growth. In this regard, almost all management domains and employees in both large and medium firms, now access the computers via the Internet to constantly create awareness.

A brand without an effective digital marketing strategy can be likened to a car without tires. Its efficiency and essence is bound to be limited. The turn of the century experienced lots of business brands ditch with analog medium of conducting business and embrace diverse digital tools, to solidify their presence in the business environment and project their brands with a view to increasing their customer base, making a significant impact on small and medium-sized companies and large companies (Kim, Lee & Lee, 2013). The application of digital tools on business activities have been found to improve business competitiveness and opportunity base for SMEs to compete on closer terms with larger organisations (Herzallah, Alzaghal, Al-Sharafi, Sweis & Hassan, 2021). The purpose for SMEs is not only to sell goods and services, but also to build relationships with customers. Hence, a pre-requisite for SMEs in this modern and technologically advanced time is to explore the digital space vial sustainable digital marketing practices which help access and communicate to a wider range of customers for a better productive output (Mazzarol, 2015)

Digital marketing is at the forefront of every marketing campaign in every business. Organisations have continue to prioritise the need to boost their brand productivity, increase customer base and realise more turnover applying effective digital marketing strategies (Kamal, 2016). Digital marketing platforms such as social media applications (Facebook, WhatsApp, Instagram, YouTube, TikTok, Twitter, amongst others), email marketing, search engine optimization and content marketing provide an excellent ability for SMEs to reach a greater audience and grow their brand (Castells, 2010).

The adoption of digital marketing by SMEs has been found to have a beneficial effect on their overall performance. For instance, digital marketing can significantly enhance customer engagement and brand awareness. Adekunle and Ayeni (2018) avers that digital marketing channels such as social media, email marketing, and search engine optimization can help small businesses in Nigeria reach a wider audience and communicate more effectively with their customers. Also, digital marketing can improve the efficiency and effectiveness of marketing campaigns. As noted by Opara and Ekeneme (2021), digital marketing can provide small businesses with real-time data on customer behaviour and campaign performance, allowing them to make data-driven decisions and optimize their marketing strategies accordingly (Antunes, Lami, Chukwudi, Dey, Patel, Shabana & Tebala, 2021).

Adekunle and Ayeni (2018) aver that the adoption of digital marketing strategies can significantly enhance the growth and competitiveness of small businesses in Nigeria. However, despite the increasing importance of digital marketing, many small-scale

businesses in developing countries like Nigeria have yet to fully leverage its potential due to factors such as lack of resources and limited knowledge of digital marketing techniques. As noted by Antunes et al. (2021), these challenges are particularly pronounced in rural areas and small towns where small businesses are concentrated.

This study seeks to address this research gap by examining the current state of digital marketing adoption among small-scale businesses in Benin City and identifying the barriers and opportunities for its effective implementation. According to Uyi-Aigbogie (2019), small businesses in Nigeria face several barriers to the adoption of digital marketing strategies, including lack of infrastructure, inadequate training and education, and low awareness of the benefits of digital marketing. This study will investigate these barriers (challenges) in the context of Benin City and identify potential solutions to overcome them. According to Opara and Ekeneme (2021), digital marketing can enhance customer engagement, increase brand awareness, and improve sales performance for small businesses in Nigeria. This study will explore the extent to which small businesses in Benin City are experiencing these benefits and identify the key factors that contribute to their success in digital marketing implementation.

In the light of the above, the objectives of this study are to: ascertain the effect of social media marketing on SMEs' performance in Egor Local Government Council, Benin City; investigate the extent to which email marketing determine SMEs' performance in Egor Local Government Council, Benin City and evaluate the nature of relationship between search engine optimisation and SMEs' performance in Egor Local Government Council, Benin City.

LITERATURE REVIEW

Small and Medium Enterprises (SMEs)

SMEs definitions differ from country to country, and there is no universal consensus on what constitutes a small business. The size of the firm, the number of employees, the firm's turnover, and other factors are among the most widely used criteria for defining SMEs (Omotayo & Adebayo, 2015). However, various government agencies and regulatory entities in Nigeria have provided some definitions. The National Council on Industrial Standards categorised small and medium scale enterprises (SMEs) as business with a total cost (including working capital but excluding land) of N31 million to N150 million and a staff of 11 to 100 employees in 1992 (Omotayo & Adebayo, 2015).

According to the Federal Ministry of Industries, a medium-scale firm is one with operating assets of less than N200 million and fewer than 300 employees, while a small-scale enterprise has total assets of less than N50 million and fewer than 100 employees. A small firm is defined by the National Economic Reconstruction Fund

(NERFUND) as one with total assets of less than \$10 million; however, it makes no mention of annual income or staff counts (SMEDAN, 2014). According to the Central Bank of Nigeria, SMEs is defined as enterprises with annual revenues of less than N100 million and/or less than 300 employees. The working definition of this study therefore is the definition offered by the Central Bank.

Concept of SMEs' performance

SMEs' performance refers to the outcomes of SMEs' business activities (Kotane & Kuzimina-Merlino, 2017). SMEs' performance can be understood from a quantitative perspective: efficiency, financial results, level of production, number of customers, market share, profitability, productivity, dynamics of revenues, costs and liquidity. From a qualitative perspective, goals achievement, leadership style, employee behaviour, customer satisfaction, product and process innovation, organisational and marketing innovation, among others (Sheehan, 2013; Anggadwita & Mustafid, 2014; Gupta & Batra, 2016; Zimon, 2018; Anggadwita & Mustafid, 2014; Alpkan, Yilmaz, & Kaya, 2007). Gopang, Nebhwani and Khatriand Marri (2017), in their work, considered a series of 14 indicators to describe SMEs' performance: reputation, productivity, employee satisfaction, profits, sales, prompt order delivery, sufficient working capital, effectiveness in operations of production, product quality, achievement of targets, number of clients, easiness in supervision, reduction in product cost and product diversification.

It is not only the study of performance features that is important, it is also relevant to mention that the factors that influence the performance of SMEs are needed to be studied (Odira & Onyia, 2023). To survive and succeed in a potentially austere environment, SMEs must effectively deploy and combine their physical, human and organisational assets. Thus, they will develop long-term competitive advantage and, in turn, achieve superior performance (Lonial & Carter, 2015). However, due to their limited resources, SMEs need to identify and exploit other means to be able to enhance their competitiveness and performance.

Digital Marketing

Digital marketing refers to the use of various digital channels and technologies to promote and sell products or services to target audiences through various digital platforms, such as social media, search engines, email, websites, and mobile apps (Chaffey & Ellis-Chadwick, 2019). It involves creating and executing marketing strategies that leverage digital technologies to reach and engage with customers, build brand awareness, generate leads, and ultimately drive sales and revenue (Dave, 2020). With the rapid growth of the Internet and the increasing adoption of digital devices,

digital marketing has become an essential component of modern marketing practices (Chaffey & Ellis-Chadwick, 2019).

Digital marketing can also be seen as "the use of digital technologies, media, and channels to create, communicate, deliver, and exchange offerings that have value for customers, clients, partners, and society at large" (Choudhury & Harrigan, 2014, p. 87). According to Epps, Govers, and Go (2009), digital marketing encompasses various activities such as search engine optimization (SEO), pay-per-click advertising (PPC), social media marketing, email marketing, content marketing, and mobile marketing. These activities are designed to reach and engage with customers across multiple digital channels, with the ultimate goal of driving conversions and revenue.

One key aspect of digital marketing is the ability to track and measure the effectiveness of marketing efforts in real-time, using tools such as web analytics, conversion tracking, and A/B testing (Hoffman & Novak, 2018). This allows marketers to optimize their campaigns based on data-driven insights, and continuously improve their performance.

Digital marketing also involves understanding the customer's journey through the various stages of the buying process, and tailoring marketing messages and content to meet their specific needs and interests (Kumar & Reinartz, 2016). This requires a deep understanding of customer behavior and preferences, as well as the ability to create personalised experiences across multiple touch points.

Digital marketing is constantly evolving, with new technologies and platforms emerging on a regular basis (Kapoor & Vij, 2019). This requires marketers to be agile and adaptable, and to stay up-to-date with the latest trends and best practices in order to remain competitive in today's fast-paced digital landscape.

Social Media Marketing

Social network marketing is the use of a social media platform to promote a product and increase its visibility on the Internet, and it can aid in the development of a social network for exchanging ideas and knowledge (Becker, Nobre, & Kanabar, 2013). On certain social media networks, different communication methods are perceived as more favourable than others. Facebook is known for its robust platform for customer relationship management (Hasan, Popp & Oláh, 2016); Twitter is known for its ability to communicate brand messages and quick consumer responses in real-time (Culotta & Cutler, 2016); Instagram is a platform for sharing image-based content (Munoz & Towner, 2017) and YouTube is a platform for sharing videos (Rosli, Lokman, Aziz & Hamidi, 2015). According to Salem and Salem (2018) social media allows customers to find useful information about other brands, and if this information meets the customers'

expectations for the competitor's product, strong customer satisfaction can develop, leading to the customer choosing or continuing to purchase the item.

Social media marketing is incorporating social media into all phases and components of the marketing mix through social media platforms. It aids in the promotion of the organization's goods and services as well as the brand (Gbandi & Iyamu, 2022) One of the unique advantages of social media marketing is that it allows SMEs to adequately teach and illustrate not only the benefits of their products, but also how to efficiently use them through an online platform with the greatest target audience. Traditional media marketing is being phased out in favour of social media marketing by businesses (Omotayo & Adebayo, 2015). In recent years, companies that advertise their products through traditional marketing channels such as television and radio have been urging their clients to visit their social media platforms for more information. This is done to further engage the intended market in a dialogue about the company, its product, price, and location. Customers can follow the organization's activities and further engage with the brand by advertising on social media sites such as Facebook, Twitter, and Instagram, which will affect their purchase intention and advocacy to their network of friends.

Email Marketing

Email marketing is a marketing technique that involves sending commercial messages to a group of people via email (Chaffey & Ellis-Chadwick, 2019). Email marketing can be used for a variety of purposes, including promoting products, building brand awareness, and maintaining customer relationships (Dave, 2020). Email marketing can be an effective marketing strategy due to its ability to reach a large audience at a relatively low cost (Gupta & Batra, 2016). It can also be personalised and targeted to specific segments of the audience, increasing the relevance of the message and improving its effectiveness (Chaffey & Ellis-Chadwick, 2019).

The success of email marketing campaigns can be measured using various metrics, such as open rates, click-through rates, and conversion rates (Mahto & Mohan, 2020). These metrics provide insights into the effectiveness of the campaign and can help businesses optimize their future campaigns. Email marketing is often used in conjunction with other digital marketing techniques, such as social media and content marketing (Chaffey & Ellis-Chadwick, 2019). Integration of these techniques can lead to a more effective marketing strategy and better results.

Email marketing is a cost-effective and efficient way for small and medium-sized enterprises (SMEs) to reach a large audience and achieve various marketing objectives (Williams, Du & Zhang, 2020). However, the usefulness of email marketing to SMEs depends on several factors, including the nature of the business, the target audience,

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and the quality of the email campaign (Teneiji, Mohammed, Ahamat., Murad & Raheem 2022).

On the one hand, email marketing can be highly beneficial to SMEs in terms of cost-effectiveness and reach (Gupta & Batra, 2016). According to a study by Campaign Monitor (2019), email marketing generates a higher return on investment (ROI) than any other marketing channel, with an average ROI of \$42 for every dollar spent. This makes email marketing an attractive option for SMEs with limited budgets.

Furthermore, email marketing allows SMEs to reach a large audience with personalised and targeted messages, increasing the effectiveness of the campaign (Williams, Du & Zhang, 2020). By segmenting their email lists based on factors such as demographics, interests, and behaviour, SMEs can tailor their messages to the specific needs and interests of each recipient, and increase the relevance and effectiveness of their campaigns.

Search Engine Optimisation

Search engine optimization (SEO) refers to the process of optimizing a website or online content to increase its visibility and ranking on search engine results pages (SERPs) for specific keywords or phrases (Chaffey & Ellis-Chadwick, 2019). SEO aims to increase organic or unpaid traffic to a website by improving its relevance and authority in the eyes of search engines (Laudon & Traver, 2017).

SEO involves a range of techniques, including keyword research, on-page optimization, link building, and technical optimization (Chaffey & Ellis-Chadwick, 2019). Keyword research involves identifying the keywords and phrases that are relevant to the target audience and incorporating them into the website's content in a strategic manner (Laudon & Traver, 2017). On-page optimization involves optimizing various elements of a webpage, such as the title tag, meta description, and header tags, to improve its relevance and structure (Dave, 2020). Link building refers to the process of acquiring high-quality links from other websites to improve the website's authority and credibility (Chaffey & Ellis-Chadwick, 2019). Technical optimization involves optimizing the website's technical structure, such as improving site speed and mobile responsiveness, to improve its ranking on SERPs (Dave, 2020).

The benefits of SEO include increased visibility and traffic, improved user experience, and higher brand credibility (Laudon & Traver, 2017). SEO can also be a cost-effective marketing strategy in the long run, as organic traffic is free and sustainable (Chaffey & Ellis-Chadwick, 2019). Search engine optimization (SEO) has been shown to have a significant impact on the performance of small and medium-sized enterprises (SMEs) in terms of website traffic, lead generation, and sales (Williams, Du & Zhang, 2020). However, the benefits of SEO may not be immediate or easily quantifiable, and SMEs

may face challenges in implementing effective SEO strategies (Chaffey & Ellis-Chadwick, 2019).

One study by Irwan (2019) found that SMEs that invested in SEO saw a significant increase in website traffic and lead generation, resulting in higher sales and revenue. The study also found that SMEs that focused on local SEO, such as optimizing their website for location-specific keywords, were able to attract more local customers and improve their local search rankings.

However, implementing effective SEO strategies can be challenging for SMEs, particularly those with limited resources and expertise (Chaffey & Ellis-Chadwick, 2019). SMEs may struggle to keep up with the constantly changing algorithms of search engines and may lack the technical knowledge and resources needed to optimize their websites effectively.

Furthermore, SEO may not provide immediate or easily quantifiable benefits for SMEs, as it can take time for the effects of SEO to become apparent (Laudon & Traver, 2017). This may be a barrier for SMEs that are focused on short-term results and have limited resources to invest in long-term strategies.

Theoretical Framework

This work is grounded on the theory of assimilation-contrast theory. The theory was put forward by Anderson (1973) in the context of post-exposure product performance built on Sherif and Hovland's (1961) ground-breaking research which advocate that judgment of objects can be affected by relative factors. The theory postulates that if performance is within a customer's range of approval, even though it may fall short of expectation, the discrepancy will be ignored, that is, assimilation will operate and the performance will be considered as satisfactory while if they fall within the customer's range of neutrality, there will be insignificant change. On the other hand, if performance falls within the latitude of rejection, contrast will prevail and the difference will be overstated and the good or service will be deemed unacceptable (Oghojafor, Ladipo, Ighomereho, & Odunewu 2014).

The theory proposes that satisfaction is a function of the degree of the discrepancy between expected and perceived performance. When the expectations and the actual product performance do not match, the consumer will feel some degree of tension. In order to relieve this tension, the consumer will make adjustments either in expectations or in the perception of the product's actual performance. Consumers will tend to assimilate or adjust differences in perceptions about product performance to bring it in line with previous expectations if the discrepancy is comparatively small. However, if the discrepancy is relatively high, contrast will occur and consumers will magnify or

exaggerate the discrepancy and the product would be rejected as totally un-satisfactory (Oghojafor et al, 2014).

METHODOLOGY

The study adopted the causal research design. The rationalization for using this research design is adjudged based on the fact that it allows the researcher to establish the real sequence of events and also allow the researcher to gain insight into the cause and effect relationships between two or more variables. The population of the study consists of small and medium scale business operators in Egor Local Government Council in Benin City. However, the research assumes an infinite population as the researcher cannot determine the actual number of SMEs in the local government area. A sample size of one hundred (100) SME operators was conveniently selected in Egor Local Government Council. According to Sekaran and Bougie (2016), a sample size of between 30 and 500 is appropriate for most studies. The research instrument was divided into two sections. Section A captured respondents' selected demographic and socio-economic characteristics such as gender, age, number of employees, age of business, level of income and the sector the business owner operate in. Section B contained items measuring digital marketing and SMEs performance. The questionnaire had four (4) constructs, that is, SMEs performance which is the dependent variable, social media marketing; email marketing and search engine optimization are the independent variables. Each of the construct had 5 interrelated questions on a 5-point Likert scales ranging from strongly agree (5), agree (4) not sure (3), disagree (2) to strongly disagree (1). The questionnaire was personally administered by the researcher. The entire questionnaire was returned and correctly filled, translating into 100 per cent response rate. The data collected were analyzed using SPSS computer software at the 0.05 level of significance. The hypotheses were tested with multiple regressions. The following mathematical model was tested:

$$SMEP = \alpha + b_1SMM + b_2EMM + b_3SEO \dots\dots\dots 1$$

Where:

SMEP = Small and medium enterprises performance.

SMM = Social media marketing

EMM = Email marketing

SEO = Search engine optimisation

b_1, b_2 & b_3 = Coefficients of the three independent variables (digital marketing)

α = Intercept, e = Error term.

Reliability of the Instrument

With respect to reliability of the instrument, a pilot study was carried out to aid in testing for the reliability of the research instrument. The Statistical Package for the Social Sciences (SPSS 20.0) was used to ascertain internal consistency as demonstrated by Cronbach’s Alpha values.

Table 1: Cronbach’s Alpha Reliability Test Results for the Variables under Consideration

Variables	Questions	Cronbach alpha
Social Media Marketing	7-11	0.737
Email Marketing	12-16	0.843
Search Engine Optimisation	17-21	0.844
SMEs Performance	22-26	0.854

Source: Researcher’s Fieldwork, (2023)

As can be seen in Table 1, the entire variable had a reliability standard since they crossed the threshold value of 0.7 (Hair, Black, Babin, Anderson & Tatham, 2006).

RESULTS AND DISCUSSION OF FINDINGS

Demographic Characteristics of the Respondents

Table 1: Demographic Characteristics of the Respondents

Categories	Frequency	Percentage (%)
Gender:		
Male	59	59.0
Female	41	41.0
Total	100	100.0
Age of SME owner:		
20yrs and below	-	-
21 – 25yrs	11	11.0
26-30years	61	61.0
31-35years	4	4.0
36years and above	24	24.0
Total	100	100.0
Number of employees:		
Below 5	29	29.0
5-10	31	31.0
11-20	23	23.0
20 and above	17	17.0

Categories	Frequency	Percentage (%)
Total	100	100.0
Age of business:		
Below 5	36	36.0
5-10	37	37.0
11-20	25	25.0
20 and above	2	2.0
Total	100	100.0
Level of income:		
Less 100,000	2	2.0
100,001-200,000	53	53.0
200,001-500,000	43	43.0
500,001 and above	2	2.0
Total	100	100.0
What is your sector:		
ICT	12	12.0
Agriculture	15	15.0
Hospitality	7	7.0
Beauty and Lifestyle	23	23.0
Manufacturing	17	17.0
Health Care	11	11.0
Service	15	15.0
Total	100	100.0

Source: Researcher’s Fieldwork (2023)

One hundred (100) copies of the questionnaire were distributed and the entire questionnaire were returned and found usable. This represents a response rate of 100 per cent. This was made possible because the questionnaires were personally distributed by the researcher. Table 1 shows that majority of the respondents were males. This category of respondents accounts for 59 (59.0%) of the total respondents while 41 (41.0%) were females. Table 1 also indicates that most of the respondents were aged between 26-30years. This category of respondents accounts for 61(61.0%) of the total respondents while 11(11.0%) were aged between 21-25years, 4(4.0%) were aged between 31years to 35years, and 24 (24.0%) were aged between 36years and above.

On the number of employee category, Table 1 shows that majority of the SMEs had 5-10 employee. This category of respondents accounts for 31(31.0%) of the total respondents while 29(29.0%) had below 5 employees, 23(23.0%) had 11-20 employees, and 17 (17.0%) had 20 and above employees. On the age range of business,

Table 1 indicates that most of the SMEs were aged between 5-10years. This category of respondents accounts for 37(37.0%) of the total respondents while 36(36.0%) were aged below 5years, 23(23.0%) were aged between 11-20years, and 17(17.0%) were aged between 21years and above. On the level of income of SMEs, the result shows that majority of the SMEs had an income level of between 100,001-200,000. This category of respondents accounts for 53(53.0%) of the total respondents while 2(2.0%) of the respondents had an income level of between less than 100,000, 43(43.0%) had an income level of between 200,001 to 500,000 and 2 (2.0%) had an income level of 500,001 and above. Table 1 also reveals that majority of the SMEs surveyed were in the beauty and lifestyle sector. This category of respondents accounts for 23(23.0%) of the total SMEs while 17(17.0%) were in manufacturing, 15(15.0%) were in agriculture, 15(15.0%) were into services, 12(12.0%) were in ICT, 11(11.0%) were in Health Care and 7(7.0%) were in Hospitality.

Descriptive Statistics

This section discusses the descriptive statistics (frequency, percentage and mean) of the independents and dependent variables

Table 2: Social Media Marketing

S/N	Statements	SA (%)	A (%)	U (%)	D (%)	SD (%)	Mean
1	Social media marketing has helped my SME to increase brand awareness.	55 (55.0)	21 (21.0)	8 (8.0)	9 (9.0)	7 (7.0)	4.12
2	Social media marketing has helped my SME to generate leads and increase sales.	49 (49.0)	11 (11.0)	7 (7.0)	19 (19.0)	14 (14.0)	3.65
3	Social media marketing has helped my SME to reach a wider audience.	57 (57.0)	10 (10.0)	13 (13.0)	11 (11.0)	9 (9.0)	4.06
4	Social media marketing has helped my SME to build a community of loyal customers.	66 (66.0)	5 (5.0)	13 (13.0)	9 (9.0)	7 (7.0)	4.12
5	Social media marketing has helped my SME to improve customer engagement and communication.	72 (72.0)	22 (22.0)	6 (13.0)	- (-)	- (-)	4.70
Overall mean for social media marketing		62 (59.8)	14 (13.8)	9 (9.0)	10 (9.6)	7 (7.4)	4.13

Source: Researcher’s Fieldwork (2023)

Table 2 shows that 76% agreed that social media marketing impact on SMEs’ performance out of which 59.8% strongly agreed while 13.8% agreed. On the other hand, 17.0% disagreed that social media marketing have impact on SMEs’ performance while 9.0% were unsure or neutral. In addition, the weighted mean value of 4.13 out of a total of 5 is a clear indication that social media marketing impact on SMEs’ performance.

Table 3: Email Marketing

S/N	Statements	SA (%)	A (%)	U (%)	D (%)	SD (%)	Mean
1	To what extent do you agree that email marketing is an effective way for SMEs to reach their target audience?	47 (47.0)	9 (9.0)	11 (11.0)	32 (32.0)	1 (1.0)	3.42
2	To what extent do you agree that the content of an email affects your decision to purchase from an SME?	21 (21.0)	29 (29.0)	7 (7.0)	11 (11.0)	32 (32.0)	2.96
3	To what extent do you agree that email marketing helps SMEs to build and maintain customer relationships?	26 (26.0)	24 (24.0)	11 (11.0)	20 (20.0)	19 (19.0)	3.46
4	I will likely recommend an SME that uses email marketing to a friend or family member.	19 (19.0)	17 (17.0)	23 (23.0)	16 (26.0)	25 (35.0)	2.94
5	To what extent do you agree that email marketing is a cost-effective way for SMEs to promote their products/services?	29 (29.0)	25 (25.0)	7 (7.0)	20 (20.0)	19 (19.0)	3.25
	Overall mean for email marketing	28 (28.4)	21 (20.8)	12 (11.8)	20 (19.8)	19 (19.2)	3.21

Source: Researcher’s Fieldwork (2023)

Table 3 displays that 49.2% agreed that email marketing determines SMEs’ performance out of which 28.4% strongly agreed while 20.8% agreed. On the other

hand, 39% disagreed that email marketing determines SMEs’ performance while 11.8% were unsure or neutral. Furthermore, the weighted mean value of 3.21 out of a total of 5 is a clear indication that email marketing determines SMEs’ performance.

Table 4: Search Engine Optimisation

S/N	Statements	SA (%)	A (%)	U (%)	D (%)	SD (%)	Mean
1	To what extent do you agree or disagree that implementing search engine optimisation strategies has positively impacted your SME's website traffic?	69 (69.0)	14 (14.0)	10 (10.0)	7 (7.0)	- (-)	4.68
2	To what extent do you agree or disagree that search engine optimisation (SEO) is important for the online visibility and success of your SME?	63 (63.0)	14 (14.0)	18 (18.0)	4 (4.0)	1 (1.0)	4.42
3	To what extent do you agree or disagree that search engine optimisation has helped your SME to acquire new customers?	72 (72.0)	22 (12.0)	6 (13.0)	- (-)	- (-)	4.70
4	To what extent do you agree or disagree that search engine optimisation has helped your SME to retain existing customers?	81 (81.0)	5 (5.0)	4 (4.0)	- (-)	- (-)	4.76
5	To what extent do you agree or disagree that search engine optimisation is a cost-effective way of marketing your SME compared to other forms of advertising?	19 (19.0)	17 (17.0)	23 (3.0)	16 (16.0)	25 (25.0)	2.94
	Overall mean search engine optimization	61 (60.8)	14 (14.4)	12 (12.2)	6 (5.4)	5 (5.2)	4.30

Source: Researcher’s Fieldwork (2023)

Table 4 indicates that 75.2% agreed that there is a relationship between search engine optimisation and SMEs’ performance out of which 60.8% strongly agreed while 14.4%

agreed. On the other hand, 10.6% disagreed that there is a relationship between search engine optimisation and SMEs’ performance while 12.2% were unsure or neutral. In addition, the weighted mean value of 4.30 out of a total of 5 is a strong suggestion that there is a relationship between search engine optimisation and SMEs’ performance.

Table 5: Digital Marketing and SMEs Performance

S/N	Statements	SA (%)	A (%)	U (%)	D (%)	SD (%)	Mean
1	Customers demonstrate high level of satisfaction via their reviews in the business digital marketing platforms.	49 (49.0)	11 (11.0)	7 (7.0)	19 (19.0)	14 (14.0)	3.65
2	The business has maintained improved return on investment.	57 (57.0)	10 (10.0)	13 (13.0)	11 (11.0)	9 (9.0)	4.06
3	Customers of the business are to a large extent loyal to the business.	66 (66.0)	5 (5.0)	13 (13.0)	9 (9.0)	7 (7.0)	4.12
4	The business has recorded improved sales as a result of social media marketing	52 (52.0)	17 (17.0)	12 (12.0)	12 (12.0)	7 (7.0)	3.82
5	The customers’ base of the business has improved overtime	34 (52.0)	28 (17.0)	9 (12.0)	12 (12.0)	17 (17.0)	3.5
	Overall mean of SMEs performance	52 (51.6)	14 (14.2)	11 (10.8)	13 (12.6)	11 (10.8)	3.83

Source: Researcher’s Fieldwork (2023)

Table 5 reveals that 65.8% agreed that digital marketing impacts on SMEs performance out of which 51.6% strongly agreed while 14.2% agreed. On the other hand, 23.4% disagreed that digital marketing impact on SMEs performance while 10.8% were unsure or neutral. Additionally, the weighted mean value of 3.83 out of a total of 5 is a clear indication that digital marketing impacts on SMEs performance.

Table 6: Regression Output of Digital Marketing and SMEs’ performance

Regression Output

Independent Variables	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B		Collinearity Statistics		Decision
	B	Std. Error	Beta			Lower Bound	Upper Bound	Tol.	VIF	
Constant)	.987	.122		8.262	0.000	.242	.722			
Social Media Marketing	.005	.054	.067	3.656	0.001	.035	.062	.243	2.006	Sig.
Email Marketing	.012	.041	.007	2.505	0.035	.043	.065	.321	3.112	Sig.
Search Engine Optimisation	.006	.012	.003	7.235	0.000	.032	.054	.411	2.332	Sig.
R ² = 0.801; Adj R ² = .791; F-Statistic = 732.132; F-Statistic (Prob) = 0.000; Durbin Watson = 2.122; Number of Observation = 100 Dependent Variable = Small and Medium Scale Entreprises Performance										

Source: Researcher’s Fieldwork (2023)

Table 6 shows that the value of R² which is 0.801 indicates that the independent variables (social media marketing, email marketing and search engine optimization) together explain only 80.1 % of the systematic variation in the dependent variable (small and medium scale enterprises performance). Other factors or elements not included in this regression model, but taken care of by the error terms accounted for 19.9%. The Durbin-Watson score of 2.122 shows that there is an absence of first-order serial correlation in the model. The F statistic of 0.000 is significant at 0.05. This means that there is a statistically significant relationship between the dependent variable (small and medium scale enterprises performance) and the independent variables (social media marketing, email marketing and search engine optimization).

The regression results in Table 6 show that social media marketing (t=3.656; p= 0.001<0.05), email marketing (t=2.505; p= 0.035<0.05) and search engine optimization (t=7.235; p= 0.000<0.05) have a significant and positive relationship with small and medium scale enterprises performance. To conclude that there is no multi-collinearity in any set of data, the value of tolerance must be considered being over 0.10 while the Variance Inflation Factor (VIF) should be below 5. The results in Table 6 show that the

value of tolerance ranged from 0.243 to 0.411, evidence of substantial scores above the minimum threshold. Besides, the Variance Inflation Factor (VIF), which ranged from 2.006 to 3.112, was way below the maximum limit of acceptability.

Summary of findings

The summary of findings is as follows:

- i. There is a positive and significant relationship between social media marketing and SMEs' performance
- ii. There is a positive and significant relationship between email marketing and SMEs' performance
- iii. There is a positive and significant relationship between search engine optimisation and SMEs' performance

Discussion of Findings

The result of the regression analysis revealed that there was a positive and significant relationship between social media marketing and SMEs performance. This finding is supported by McCann and Barlow (2015) who established that social media platforms offer SMEs the opportunity to reach wider audiences, enhance their brand presence, and gain consumer insights without significant costs. Similarly, results of this study is consistent with the findings by Taiminen and Karjaluo (2015) who noted that social media marketing helps SMEs in strengthening customer relationships and loyalty.

The study also found a positive and significant relationship between email marketing and SMEs performance. Our result is consistent with the findings by Khan (2023) who revealed that email marketing had a positive and significant relationship with SMEs performance when tailored and personalized, can lead to substantial improvements in both customer retention and conversion rates for SMEs, providing them with a competitive advantage. Lastly, the investigation revealed that search engine optimisation had a significant relationship with SMEs performance. This is consistent with the findings by Zhang et al. (2019) who established a significant relationship between search engine optimisation and increase in sales by SMEs operators. Similarly, Lee and Hallak (2020) emphasized that SMEs with optimized websites reported higher customer engagement rates compared to those without it. On the contrary, Kumar, Verma, Mittal, Tuesta Panduro, Singh, Paliwal and Sharma (2023) argued that while search engine optimisation might improve online presence for SMEs, it doesn't always translate to better business performance, especially when other digital marketing strategies are not synergized.

CONCLUSION AND RECOMMENDATIONS

The study examined digital marketing and small and medium scale enterprises performance in Egor Local Government Council in Benin City. The results indicated that there is a positive and significant relationship between social media marketing and SME's performance in Egor Local Government Council, Benin City. The results also revealed that there is a positive and significant relationship between email marketing and SME's performance in Egor Local Government Council, Benin City. Finally, the outcome of the investigation discovered that there is a positive and significant relationship between search engine marketing and SME's performance in Egor Local Government Council, Benin City.

This study makes the following policy recommendations. Generally, this study recommends that small and medium scale enterprises operators should take advantage of digital marketing to market and promotes its goods and services. The specific recommendations are as follows:

- Given the significant positive relationship between social media marketing and SMEs performance, it is imperative for SMEs to invest more in social media platforms. This can be done by training personnel, leveraging influencers, and making use of analytics to measure impact and optimize content delivery.
- With the evidence pointing to the benefits of email marketing, SMEs should consider building a robust email list, segmenting their audiences for targeted campaigns, and employing best practices for email deliverability and engagement.
- To leverage the benefits of search engine optimisation, SMEs should regularly update their website content, carry out keyword research, and understand the importance of backlinks, ensuring they remain visible and accessible to potential clients.

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