



The influence of Availability of resources on the adoption of E-marketing among Jordanian SMEs

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Abstract

The adoption of e-marketing among SMEs is still comparatively low, especially in developing nations like Jordan. This research paper aims to investigate the influence of resource availability on the adoption of e-marketing by Jordanian SMEs. 264 Jordanian small and medium-sized enterprises (SMEs) were the subjects of a cross-sectional survey study, selected using stratified sampling followed by simple random sampling. The researcher gathered information on SMEs' availability of resources and adoption of e-marketing in Jordan, the data was analyzed by utilizing SmartPLS (PLS4). The findings of the study demonstrated that Jordanian SMEs' adoption of e-marketing was significantly influenced by the availability of resources. The adoption of e-marketing was also significantly influenced by the size of the SMEs, with larger SMEs adopting e-marketing more readily than smaller SMEs.

Keywords: availability of resources, e-marketing, small and medium enterprises, Jordan.

Introduction

Small and medium-sized businesses (SMEs) find it difficult to establish their presence and grow their clientele in the increasingly competitive global market. E-marketing has grown to be a potent tool for SMEs to expand their audience and boost sales. The internet has created several chances for businesses to prosper during the past 20 years. Marketing is one area where it has made a big difference, helping businesses reach new clients and become more integrated into the corporate world. Bothma & Burgess (2011) define e-marketing as the use of electronic devices to provide products and services to meet the demands of customers. Similar to this, Iddris and Ibrahim (2015) define concept of e-marketing as a method that cartels customary marketing with automatic communication know-how to distribute goods and services in order to satisfy client needs. To put it succinctly, e-marketing is the procedure of realizing marketing objectives

through the usage of the internet and related information technologies. E-marketing has been embraced by several marketing firms that have included it into their operational procedures. According to existing literature (Nguyen, & Pham, 2011), e-marketing plays had a critical impact on cultivating a business climate, working on the nature of labor and products, and working with the infiltration of new clients and supplies through new channels of item conveyance. SMEs in non-industrial nations contribute entirely to the economy and business (Coke-Hamilton, 2021). Researchers have found a number of elements that affect how breakthrough technologies like "e-marketing" get adopted. The Technological Frame of Reference (TFR) hypothesis holds that the use of information technology (IT), like e-payment methods and marketing on social media, is significantly influenced by the type of technology utilized, technical approach, and technology utilised. The perceived utility and convenience of use have also been acknowledged by the Technology Acceptance Model (TAM) as key factors in the adoption of IT by small and medium-sized businesses (SMEs). Additionally, having access to skilled IT staff, availability of resources and having a manageable budget are important variables that influence "IT adoption" (Nkosana & Skinner, 2016). Conversely, just a few studies have looked into how SMEs are using e-marketing (Odimmega, Udegbunam, Ile, & Azu, 2016; Chong, Man, & Kim, 2018). Despite its significance, e-marketing technology is only seldom used by small and medium-sized businesses (SMEs) (Chube, 2015; Eze, Ayigbe, Eberechi, & Jordan, 2015; Eze, & Obikeze, 2017; Wilson, & Makau, 2018). The novelty and inventiveness of the technology, as well as a lack of knowledge regarding its application in poor countries, may be to responsible for the low acceptance rate. For small and medium-sized businesses (SMEs), this is an indicator of concern (Sheikh, Shahzad, & Ishak, 2016). Finding the precise elements driving e-marketing adoption among SMEs has proven challenging due to the conflicting results of research on the topic. The contradictory results have hampered the creation of a complete structure for small and medium-sized firms (SMEs) to embrace e-marketing, claim Mugobi & Mlozi (2020) and Sanne and Wiese (2018).

The adoption of e-marketing among SMEs is still comparatively low, especially in developing nations like Jordan (Otika et al., 2022). This study seeks to determine how the availability of resources affects SMEs in Jordan's adoption of e-marketing. The lack of resources among SMEs is one of the problems impeding the adoption of e-marketing.

Literature Review

E-marketing Adoption by SMEs

The use of e-marketing by SMEs is critical for improving marketing strategies and gaining and maintaining competitiveness. This technology, however, appears to be new for SMEs in underdeveloped states, since lack of indulgent about appropriate application is the key hindrance (Sheikh, Shahzad, & Ishak, 2016). As a result, its use is inadequate. According to Njau and Karugu (2014), the majority of SMEs in developing countries use e-marketing seldom owing to high advance budgets and a shortage of awareness about how it affects company performance. Furthermore, El-Gohary (2012) listed the key constraints restricting the use of e-marketing by SMEs in emerging states as inadequate resources, poor infrastructure, strong rivalry, the owners' willingness to accept risky investments, and the newness of e-marketing. Because SMEs are the primary employers in many countries, the usage of new technology such as e-marketing is unavoidable. As a result, SMEs must use e-marketing technology to increase adoption, achieve competitiveness, and explore new business prospects.

The use of information technology has had a significant impact on the expansion of SMEs. This has made it possible for SMEs to grow their businesses and connect with clients on a global scale without constraints related to distance or timing (Mugobi & Mlozi, 2020; Qashou, & Saleh, 2018). Small and medium-sized businesses (SMEs) with limited resources may now find and take advantage of market opportunities, adapt to the changing business environment, and grow their client base thanks to the use of e-marketing (Teixeira et al., 2018). Quite a lot of studies (eg. Rahayu, & Day, 2015;Mugobi & Mlozi, 2020; Kurian, et al., 2019; Mzee, Ogwen, & Irene, 2015; Yaseen, et al., 2019; McLaughlin & Stephens, 2019; Qashou, & Saleh, 2018; Malinga, & Maiga, 2020; Otika, *et al.*, 2022; Zamani, 2022;Mashenene, & Rumanyika, 2014; Mzee, Ogwen, & Irene, 2015; Mapunda 2021) designed to determine the fundamental factors that influence SMEs' adoption of e-marketing. These incorporate "IT skills," "information," "education," "availability of resources," and "IT foundation," as well as "saw relative benefit," "saw less intricacy," "cutthroat strain," "see convenience," "specialized technique," "see usability," "absence of preparing and IT information," "restrict utilization of web-based entertainment and email," "absence of human abilities," "emotional standard," "see conduct control," "restricted information," "absence of mindfulness," and "trouble in enrolling." E-marketing is crucial to

SMEs' performance and competitiveness, according to previous research. Chong et al. (2011) Small and medium-sized businesses (SMEs) in Asian nations saw significant improvements in marketing and business performance as a result of e-marketing. In a similar vein, Eid and El-Gohary (2013) discovered that pre-sale and post-sale undertakings, marketing routine, and effectiveness among UK SMEs are positively impacted by e-marketing technologies.

On the other hand, Odimmega, Udegbunam, Ile, and Azu (2016) discovered that inadequate communication substructures, great internet connectivity costs, and insufficient power supply were the main barriers to e-marketing adoption by SMEs in developing countries. In the same circumstance, Nkosana, Skinner, and Goodier (2016) discovered that the hurdles in the adoption and use of e-marketing for SMEs in the same nations settings were set up expenses, owners' lack of IT understanding, and staff' lack of IT abilities. Additionally, e-marketing adoption among SMEs is significantly influenced by attitude, compatibility, and perceived usefulness. Thus, this study develops the following premises in accordance with the literature mentioned above:

H1: The adoption of e-marketing by SMEs in Jordan was greatly impacted by the resources that were available.

Research Framework

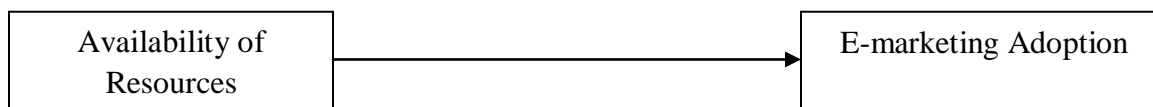


Figure 1: *Conceptual Framework*
Source: *Developed by the Author (2023)*

Theory of Planned Behavior

A singular's goals determine their real way of behaving, as per Ajzen's (1991) TPB model, and expectations are affected by their mentality toward the action, abstract standards, and conduct control. Subjective norms are people's interpretations of what others expect of them when they engage in a behavior, and perceived behavior control is the belief that people can put in the effort necessary to do so. Demeanor is the manner in which somebody feels about taking part in a way of behaving. Taylor and Todd (1995) give more clarification on these concepts, stating that "self-efficacy" refers to a person's confidence in their ability to carry out the activity and that "perceived behavior control" is attained through circumstances that provide the required means.

The adoption of ground-breaking technology in the small and medium-sized firm (SME) sector has been widely investigated using the Theory of Planned Behavior (TPB) model (Mapunda, 2019; Mojekwu et al., 2021). By elucidating SMEs' readiness to embrace e-marketing through their attitude, subjective norm, and perceived behavior control, the TPB model is used in this study to identify the critical aspects that influence e-marketing adoption among SMEs.

Methodology

This is quantitative research design. The information from SMEs in Jordan was gathered using a cross-sectional survey research approach. A sample of 264 SME owner/managers that have been operating in Jordan for at least two years were given and questionnaire were distributed to SME owner/managers using self-administered approach. The survey used stratified sampling followed by simple random sampling. PLS-SEM was used to evaluate the data (PLS 4.0).

Data Analysis and Findings

Measurement Model

Before determining the quality of measures, the measurement model's primary goal is to evaluate and verify the constructs' validity then reliability in order to analyze the data. The information is assessed by the scientist utilizing "marker unwavering quality," with a suggested edge of 0.4. Internal consistency evaluated via composite reliability, and then a score of 0.7 is considered satisfactory. According to Chin (1998), average variance extracted (AVE) must be set to .5 or higher in order to evaluate "convergent validity." As indicated by Jaw (1998) and Hair (2010), "factor stacking" is utilized to evaluate "discriminant legitimacy," and anything that stacks higher than its stacking ought to be erased. Since none of the modified items in this study have a reliability score below 0.4, it is safe to assume that they are reliable. Chin (1998) and Hair, Ringle, and Sarstedt (2011) state that all of the items fall under their respective constructions and have loadings ranging from 0.670 to 0.709, which is considered acceptable given that all of the values are above the cutoff of 0.4. Accordingly, the "composite reliability" values are higher above the advised criterion of 0.7 (Hair et al., 2011), ranging from 0.811 to 0.830. As prompted by Hair et al. (2011), AVE was used to check convergent validity, with values between .525 and .543, all above the 0.5 minimum cutoff. To affirm discriminant legitimacy, the AVE is contrasted with the squared connection of the connected factors of the separate builds, which

shows proper discriminant legitimacy. A breakdown of evaluation of the measurement model is provided in the table below.

Table 1: Assessment of the Measurement model

Constructs	Construct Reliability	Convergent Validity	Construct Validity	
			Discriminant Validity	
	CR	AVE	E-MKT	AR
E-MKT	.709	.525	0.811	
AR	.670	.543	0.751	0.830

Source: Developed by the Author (2023)

Structural Model

The research used Smart PLS 4.0's "PLS Algorithm and Bootstrapping" to test its hypotheses after making sure the "measurement model" complied with the requirements for construct validity and reliability. The finding of the hypothesis testing is shown in Table 3. The statistical study supported H1 by showing that Availability of Resources (AR) significantly influenced Jordan's SMEs' adoption of e-marketing ($\beta=.361$; $t=7.736$).

Table 3: Hypothesis Testing Results

Hypotheses	Relationships	Beta	SE	T Statistics
Hypotheses1	AR -> E-MKT	.361	.047	7.736

Source: Developed by the Author (2023)

Discussion and Conclusion

The objective of this empirical study is to examine how the adoption of e-marketing by Jordanian SMEs is influenced by resource availability. The objective of the review is to recognize the components that assistance or block SMEs in Jordan from taking on e-marketing and to give proposals on the most proficient method to work on the utilization of e-promoting to build the seriousness of SMEs in the country. The study's findings showed that the availability of resources is one of the determinants of e-marketing adoption, particularly financial resources, which has a major impact on how widely used e-marketing was among SMEs in Jordan. Similar to this finding, it has been shown that the availability of resources significantly affects the adoption of e-marketing. Resources including time, money, and specialist resources are categorized as enabling circumstances by Taylor & Todd (1995). According to the TPB model, perceived behavior control is therefore the availability of resources put under enabling circumstances. The results are corroborated by Diing (2016), which found that the adoption of digital marketing among South Sudanese SMEs is significantly influenced by the availability of resources. The results also support those of Wilson & Makau (2018), who found that financial resources had a substantial impact on SMEs' owners' intents to utilize internet marketing in Kenya. It was discovered that having access to resources had a favorable influence. According to the study, SMEs with more financial resources were more likely to adopt e-marketing than SMEs with less financial resources (El-Gohary & El-Gohary, 2016). The study also found that SMEs were large. The study likewise uncovered that the size of the SMEs impacted e-promoting reception, compared to smaller SMEs, larger ones are more likely to engage in e-marketing. The review presumes that SMEs' reception of e-promoting in Jordan is generally impacted by the accessibility of assets. In order to become more competitive in the market, SMEs need a lot of both financial and non-financial resources to hire more employees and develop e-marketing strategies that are specific to their needs as a business and their target market. Last but not least, in order for SMEs to be able to effectively strive in the international market, governments and business support groups need to furnish them with the help and assets they expect to upgrade their IT framework and IT information.

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