



TEKNILLINEN TIEDEKUNTA

**DIGITAL MARKETING IN MICRO AND SMALL  
ENTERPRISES – A SYSTEMATIC LITERATURE  
REVIEW**

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INDUSTRIAL ENGINEERING AND MANAGEMENT

Bachelor's thesis

August 2021

# ABSTRACT

Digital marketing in micro and small enterprises

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Bachelor's thesis + 2021, 27 pp.

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Digital marketing is an important part of marketing, especially for micro and small enterprises, because of its cost-effectiveness. About half of small businesses experience bankruptcy in the first five years due to poor marketing. Through the internet and social media, small businesses can reach a large potential customer base at a low cost. The majority of all companies are micro or small companies. However, research often focuses mainly on larger firms. The aim of this study is to find out what kind of research information is already available about digital marketing in micro and small businesses and how small businesses use digital marketing. The research will be done as a systematic literature review.

The results showed that the attitude towards digital marketing is generally positive and its benefits are acknowledged, but digital marketing is still not utilized as much as it could be due to lack of knowledge and expertise. The biggest benefits of digital marketing are its cost-effectiveness, available data, and the opportunity for two-way communication with customers. If digital marketing is used effectively, the customers who are interested in the product or service you offer can easily be reached through internet and social media.

The results of this study can be utilized in the digital marketing of micro and small enterprises. So far, there is only a limited number of studies on the subject. In order to obtain the most reliable research results possible, the topic should be further investigated.

*Keywords: digital marketing, social media, microenterprise, small enterprise*

# TIIVISTELMÄ

Digitaalinen markkinointi mikro- ja pienyrityksissä

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Oulun yliopisto, tuotantotalouden tutkinto-ohjelma

Kandidaatintyö + 2021, 27 s.

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Digitaalinen markkinointi on tärkeä osa etenkin mikro- ja pienyritysten markkinointia sen kustannustehokkuuden takia. Noin puolet pienistä yrityksistä joutuu konkurssiin ensimmäisten viiden vuoden aikana johtuen huonosta markkinoinnista. Internetin ja sosiaalisen median välityksellä pienet yritykset voivat saavuttaa paljon potentiaalisia asiakkaita pienillä kustannuksilla. Vaikka suurin osa kaikista yrityksistä on mikro- tai pienyrityksiä, vain pieni osa tutkimuksesta keskittyy niihin. Tämän tutkimuksen tavoitteena on selvittää, mitä mikro- ja pienyritysten digitaalisesta markkinoinnista jo tiedetään ja miten pienet yritykset hyödyntävät digitaalista markkinointia. Tutkimus toteutetaan systemaattisena kirjallisuuskatsauksena.

Kirjallisuuskatsauksessa saatiin selville, että asenne digitaalista markkinointia kohtaan on positiivinen ja sen hyödyt ovat tiedossa, mutta digitaalista markkinointia ei osata hyödyntää tarpeeksi johtuen osaamattomuudesta ja tiedon puutteesta. Digitaalisen markkinoinnin suurimmat hyödyt ovat sen kustannustehokkuus, saatavilla oleva data ja mahdollisuus molemminpuoliseen kommunikointiin asiakkaiden kanssa. Jos digitaalista markkinointia osataan hyödyntää oikein, voi sen avulla saavuttaa helposti ja tehokkaasti juuri ne asiakkaat, jotka ovat kiinnostuneita tarjottavasta tuotteesta tai palvelusta.

Tutkimuksen tuloksia voidaan hyödyntää yleisesti mikro- ja pienyritysten digitaalisessa markkinoinnissa. Aiheesta löytyy toistaiseksi rajallinen määrä tutkimuksia. Jotta saataisiin mahdollisimman luotettavia tutkimustuloksia, aihetta tulisi tutkia lisää.

*Asiasanat: digitaalinen markkinointi, sosiaalinen media, mikroyritys, pienyritys*

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## **ABBREVIATIONS AND DEFINITIONS**

SNA	Social network analysis
TAM	Technology acceptance model
DIY	do it yourself
TOE	technology-organization-environment
SEM	search engine marketing
ROI	Return on investment

# 1 INTRODUCTION

Large companies have a lot more money and other resources compared to smaller companies. With traditional marketing such as papers and radio, bigger investments mean more visibility. That often leads to bigger companies getting more visibility. Inefficient marketing is the cause for half of micro and small businesses closing in their five first operating years (Taneja & Toombs, 2014). Because of the personnel and financial limitations that micro and small companies have, investing in digital marketing is a lot more profitable solution (Kovalenko & Kuzmenko, 2020).

Social media can be used to expand and promote companies. It is also a good way to attract new customers. (Taneja & Toombs, 2014) Digital marketing is considered as very cost-effective. Using different social media platforms is mainly free and companies can use them to communicate with their customers and that way they can gain a loyal customer base. Visibility no longer depends on the amount of money that is spent on marketing, instead it is depending more on the quality of marketing and on how well the advertisement is targeted to the potential customers.

With digital marketing it is possible to reach the majority of people. In 2019, 77% of people used internet on a daily basis in the EU and on average, internet users worldwide spent two and a half hours online every day (Zenith, 2021; European commission, 2020). With digital marketing, potential customers can be reached every day from all over the world.

Only a small number of studies regarding digital marketing are focused on micro and small companies. As was stated earlier, bigger companies have more resources so they can invest more in digital marketing. Borges Tiago & Verissimo (2014) state in their study about digital marketing that companies plan to invest more in digital marketing and 45% of companies want to hire more employees in digital marketing. Even though investing in digital marketing is vital for micro and small companies, it is usually done on a smaller scale and therefore it is important to find ways to make digital marketing as cost-effective as possible.

Research about micro and small companies is very valuable. In 2018, 98.9% of all enterprises in the EU were micro or small enterprises and they employed nearly half of working people (European commission, 2019). The definition of micro enterprises in the EU and the US is that they employ less than 10 people. The definition for small enterprises varies between different areas. In EU, small enterprises must have fewer than 50 employees but, in the US, the definition depends on the industry. On average, in the US, the maximum number of employees in small enterprises is 500. (Small Business Administration, 2019; Headd, 2015; European commission, 2003)

The purpose of this study is to bridge the gap in the research of digital marketing in micro and small companies. Research in that subject is needed so that micro and small companies can see all of the possibilities that digital marketing offers. This research will be conducted as a systematic literature review.

The structure of the thesis is as follows. The first chapter, introduction, introduces the reader to the subject and it also defines the research gap. In the second chapter, aim of the study, the purpose of the study is described, and the research questions are defined. The third chapter, research method, contains an explanation about the process of selecting the articles for the systematic literature review. The fourth chapter, results, the results of the systematic literature review are revealed. The last chapter, conclusions and discussion, concludes the thesis and it also contains discussion about the research results and the strengths and weaknesses of the study. The structure is visualized on the figure below.

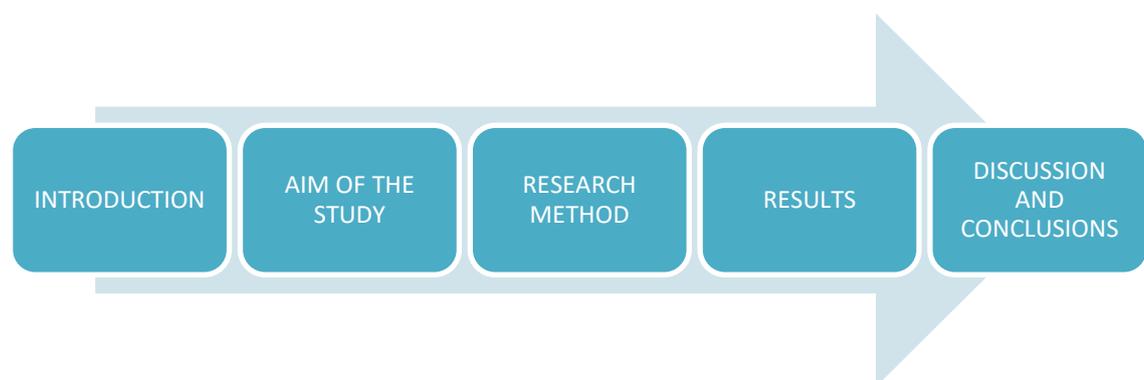


Figure 1. The structure of the thesis

## 2 AIM OF THE STUDY

The purpose of this thesis is to fill the gap in research about digital marketing of micro and small businesses. Even though a huge majority of companies are micro and small companies, research is mainly focused on bigger companies. Even though the basics of digital marketing are the same in all sized companies, the resources in micro and small companies are a lot smaller. That is why it is important to make research directly about micro and small companies. At first this study was intended to be only about micro enterprises, but because of the lack of research about micro enterprises, small companies were included in this study.

The aim of this systematic literature review is to find articles on the subject of digital marketing of micro and small businesses whose research methods will be case studies, surveys or big data. Articles from the years 2015 to 2021 are included in this study so that the research information is as relevant as possible.

With the systematic literature review, the aim is to find answers to the following research questions:

1. What kind of research information is available about digital marketing of micro and small businesses?
2. How do the micro and small businesses utilize digital marketing?

## **3 RESEARCH METHOD**

### **3.1 Systematic literature review**

The research will be done as a systematic literature review. Systematic literature review is a method used to identify, evaluate and interpret all available research that is relevant to the topic (Kitchenham, 2004). Eight essential steps of systematic literature review by Okoli, 2015, will be followed when making this thesis:

1. Identify the purpose
2. Draft protocol
3. Apply practical screen
4. Search for literature
5. Extract data
6. Appraise quality
7. Synthesize studies
8. Write the review

This systematic literature review is done by searching articles from three different databases. The searches will be done with the same exact search phrase and only the articles that come up with that phrase, are used. It is important, that the articles represent the best knowledge about the subject (Okoli, 2015).

In this systematic literature review, Covidence will be used to help with the different steps of the review. Covidence is an online tool made to help managing systematic reviews. It can be used to help with the citation importing and screening, full-text reviews, study selections, quality assessments, data extractions and data exporting. Covidence also automatically notices duplications of articles.

### **3.2 Search of articles**

Three databases: Scopus, ProQuest and EBSCOhost were used to search articles about small and micro enterprises and digital marketing. EBSCOhost contains numerous databases from which I chose the following databases: Library, Information Science & Technology Abstracts, Academic Search Ultimate and Communication & Mass Media

Complete. These databases were used because they cover a diverse range of articles in marketing and economics.

The search was made on 20.1.2021 and there were 136 search results in total. The search was limited to the titles, abstracts and keywords. The document type was limited to articles. Because of rapid development in digitalization, the search was limited to articles published after 2015. Search phrases used in different databases can be seen from table 1 below.

Table 1. Search phrases in different databases

Database	Search phrase
EBSCOhost	((("social media" OR digital OR online OR internet OR net) W2 (marketing OR advertising)) AND ((micro OR small) W0 (enterprise* OR business* OR venture* OR compan* OR organization*)))
Scopus and ProQuest	((("social media" OR digital OR online OR internet OR net) PRE/2 (marketing OR advertising)) AND ((micro OR small) PRE/0 (enterprise* OR business* OR venture* OR compan* OR organization*)))

### 3.3 Selection of articles

Before going through the articles' titles and abstracts, duplicates were excluded. In the title and abstract screening, the criteria for inclusion were that the articles have to be about small or micro enterprises and their digital marketing. The exclusion criteria in this phase were that the article is not relevant, or it focuses on larger companies. Articles that are not in English or Finnish will also be excluded from the systematic literature review.

Covidence was used to help with screening and reviewing articles. In the beginning 136 articles' references were imported to Covidence and it removed 16 duplicates. 120 articles' titles and abstracts were screened and 78 of them were excluded. The most common reason for exclusion was that the article did not focus on micro and small companies. The second most common reason for exclusion was that the article was not

discussing digital marketing of companies but digitalization in general. One of the articles was excluded because it was not in English nor Finnish.

After screening the titles and abstracts of the articles, the next phase is full text review. The criteria for exclusion were that the full text of the article is not available, or the research method is wrong. Literature reviews were excluded in this phase. The criteria for inclusion were that the article is a case study, or it has an interview or survey. Articles that used big data to analyze companies' digital marketing and its effects were also included in this systematic literature review.

42 articles reached the full text review phase. 12 of those articles did not have full text available, so they were excluded from the study. After that, 9 articles were excluded because they had wrong research method. Two articles were excluded because they were duplicates. Finally, 23 of the articles in full text review were excluded and 19 were included in the study. The process of article selection can be seen from figure 2 below.

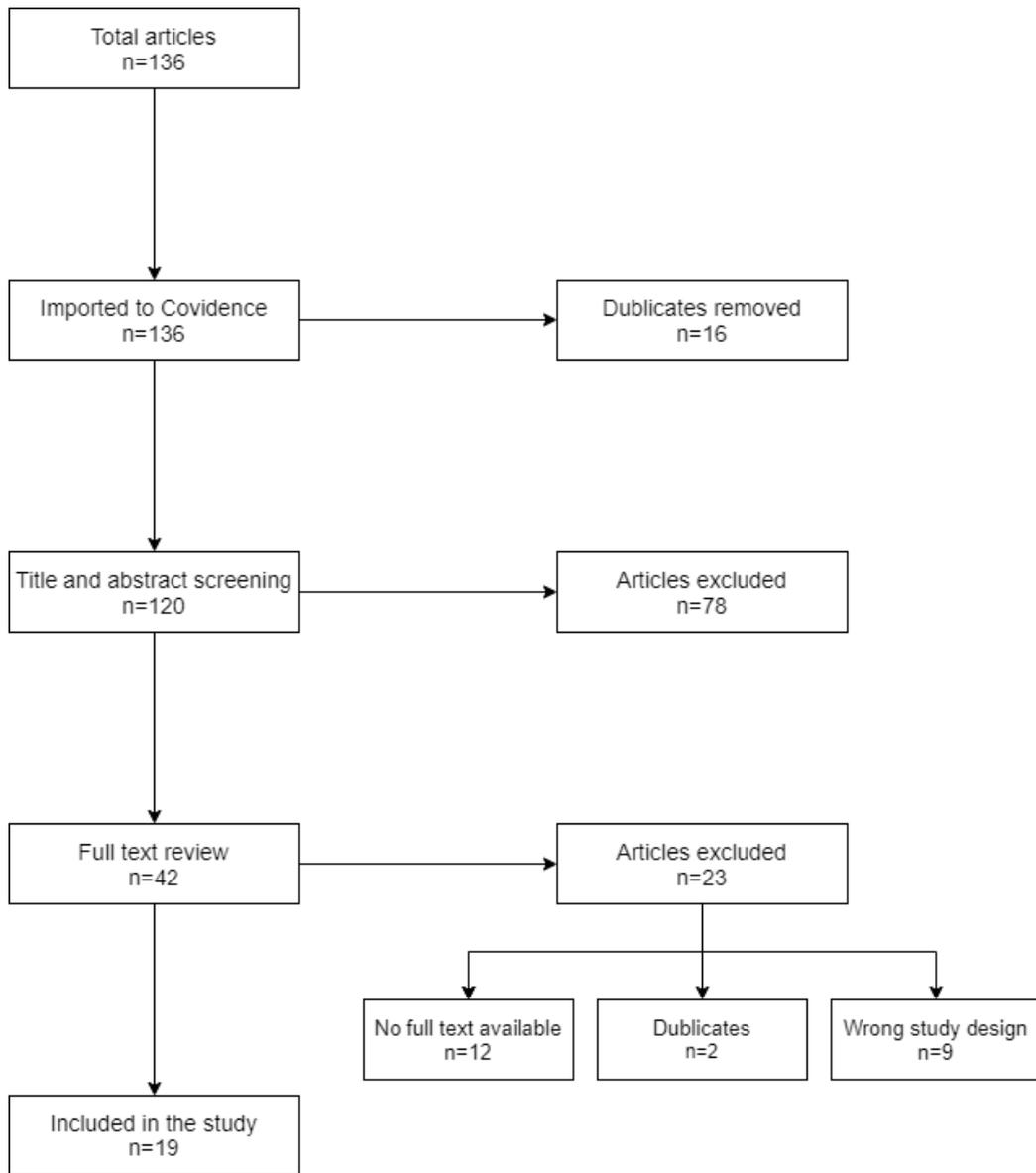


Figure 2. The selection of articles

## 4 RESULTS

### 4.1 Search results

From 136 articles that were imported to Covidence, 19 were finally included in the study. After the selection of articles, data extraction was done with Excel and Covidence. Information about the country, publication year, journal, research method, business size, article title and authors' names was included in the extraction. After the data extraction was done by that part, the aims and results for each article were defined and added to the data extraction table. From 19 articles included in the study, only one, made by Eze, Chinedu-Eze, Okike & Bello (2020), was about micro enterprises. Other 18 were about small companies.

As can be seen from tables 2–5 below, none of the articles included in the study are from the year 2016 and only one of the articles was published in 2017. Because the search was made in January 2021, none of the articles in the study are published in that year. One is a journal about industrial engineering and management, and a few are of health sciences. The authors, publication years, countries, article titles, journal titles, research methods, number of participants, aims and results of the included articles can be seen from tables 2–5 below.

Table 2. Selected articles (1/4)

Author(s), publication year, country	Article title	Journal title	Method, N	Aim	Results
Abu Bakar & Ahmed, 2015, Malaysia	Technology Motivation in E-Marketing Adoption Among Malaysian Manufacturers	Journal of Transnational Management	Survey, 116	Exploring the role of technology motivation in the adoption of e-marketing technology among firms	Technology motivation and managerial support influence e-marketing technology adoption.
Al Adwan, Aladwan & Al-Adwan, 2019, Jordan	E-Marketing Strategic for Jordanian Small Business to Increase Sale in	Academy of Strategic Management Journal	Survey, 110	Exploring how e-marketing can affect the sales in small businesses.	Young population believe that e-marketing is a good cost-efficient way of marketing, but older population are not as convinced about it due to lack of expertise.
Alfred & Page, 2015, UK	Marketing technology for adoption by small business	The Service Industries Journal	Case study, 27	Exploring the adoption of technology for marketing in small businesses.	Small businesses have a strong desire for digital marketing, because of its benefits. However, a lack of knowledge and difficulties with defining ROI, limit the abilities to adopt digital marketing.
Aswani, Kar, Vigneswara, Ilavarasan & Dwivedi, 2018, UK	Search engine marketing is not all gold: Insights from Twitter and SEOClerks: SSIS	International Journal of Information Management	Case study, 1	Highlighting how outsourcing digital marketing to service providers who lack expertise and knowledge, can be damaging. Figuring out why SEM services are often not as effective as they seem to be.	The main reason for people being unsatisfied with SEM services is because SEM services are outsourced to inexperienced service providers who lack expertise in SEM techniques.

Table 3. Selected articles (2/4)

Banica, Brinzea & Radulescu, 2015, Global	Analyzing Social Networks from the Perspective of Marketing Decisions	Scientific Bulletin – Economic Sciences	Big Data	Exploring the use of Big Data with SNA, to find explanations for client desires and opinions.	Exploring social media with SNA software will become one of the most popular marketing strategies for learning about customer loyalty, opinion leaders, and centers of influence.
Cole, DeNardin & Clow, 2017, USA	Small Service Businesses: Advertising Attitudes and The Use of Digital and Social Media Marketing	Services Marketing Quarterly	Survey, 201	Examining the attitudes that small business owners have towards advertising and their use of digital marketing.	Small business owners often see advertising as a cost rather than an investment. They use digital marketing to reach out to customers.
David, Sudhahar & Varghese, 2018, India	Digital Technology Integration for Small Restaurant Business in India	International Journal of Civil Engineering and Technology	Survey, 120	Analyzing the advantages and disadvantages in the use of social media platforms in marketing.	E-mail marketing is one of the main promotional tools. Facebook is the most popular promotional tool in social media and by using social media in marketing, small businesses can improve their brand image.
Donnelly, Simmons, Armstrong & Fearne, 2015, UK	Digital loyalty card ‘big data’ and small business marketing: Formal versus informal or complementary?	International Small Business Journal	Case study, 7	Revealing the relationship between the formalised nature of digital loyalty card data and the informal small business market orientation.	Data exposure led to a newfound structure and precision in small firm marketing planning, which complemented rather than contradicted an intuitive feel for markets. Employees were also encouraged to participate in marketing planning for small business owners.
Eze, Chinedu-Eze, Okike & Bello, 2020, Nigeria	Critical factors influencing the adoption of digital marketing devices by service-oriented micro-businesses in Nigeria: A thematic analysis approach	Humanities and Social Sciences Communications	Interview, 26	Investigating the critical success factors that influence microbusinesses' adoption of digital marketing devices	14 success factors were found.

Table 4. Selected articles (3/4)

Jain, Bahnan, Coleman, Chene & Hu, 2019,	The Show Must Go On: A Case for Web 2.0 Technology	Journal of Marketing Perspectives	Case study, 1	Exploring, how small companies can leverage digital marketing.	Through technological innovations such as social media, small businesses have the opportunity to reach large audiences with little money,
Kovalenko & Kuzmenko, 2020, Global	Online Marketing Impact on Micro-Enterprises: An Insight through Visibility in Search Engines	Management and Marketing	Survey, 306	Investigating internet website visibility from the perspective of information flows in small businesses.	There is a link between the number of used digital marketing methods and the visibility of small businesses in the search engine. There are particular methods that provide high visibility and effectiveness to digital marketing.
Lupo & Stroman, 2020, USA	Social Media Marketing Adoption Strategies: An Exploratory Multiple Case Study of Landscape Industry Small Businesses	Journal of Social, Behavioral, and Health Sciences	Case study, 4	Investigating how small companies have implemented digital marketing campaigns to ensure their viability.	In successful marketing strategies, Facebook was often used as the primary social media site. The cost-effectiveness of digital marketing was one of its benefits, but the disadvantages included a trial-and-error learning curve.
Matikiti, Mpinganjira & Roberts-Lombard, 2018, South Africa	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	Survey, 150	Determining the factors that affect people's attitudes toward social media marketing	Managerial support and managers' level of education have the biggest influence on the attitudes towards social media marketing. The ease and benefits gained and pressure from competitors were the main prominent factors that affect the use of social media marketing.
Nair & Sunil, 2020, Unknown	Ease of Business Growth with the Use of Digitalisation in Modern Era: Marketing Strategies and Consumer Analysis	Journal of Critical Reviews	Survey, 250	Exploring the implementation of TAM and DIY model and the outcomes of it in small businesses.	Managers and business owners are motivated to try digitalization for the financial benefits, not because of a possible lack of quality.

Table 6. Selected articles (4/4)

Porto & de Abreu, 2019, Brazil	Investment in online advertising and return on sales: Does it pay to outsource the services to an advertising agency?	Journal of Marketing Communications	Case study, 1	Investigating the financial impact of digital marketing investments on a company's services, as well as whether or not it is outsourced to advertising agencies.	The higher the advertising budget, the more cost-effective it is to outsource the operation to an advertising firm in order to increase profit margins. However, when the investment is low, it does not pay to outsource.
Raut, Mitrović, Melović & Lolić, 2018,	Social Networks as New Business Concept for Enterprises	International Journal of Industrial Engineering and Management	Case study, 1	Demonstrating the possibility of using social media for the establishment, growth, and quality functioning of businesses.	Using social media saves time and resources. Social networks provide an excellent opportunity for digital marketing.
Ritz, Wolf & McQuitty, 2019, USA	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	Survey, 250	Examining the participation of small businesses in digital marketing and the incorporation of TAM and DIY behavior model to explore the outcomes.	Small business owners and managers may be motivated by more than just technical advantages. Furthermore, the DIY behavior model applies to small business owners/managers who perform tasks that need specialized expertise.
Sufian, Min, Murad & Aziz, 2020, Malaysia	The Impact of Social Media Marketing on Sales Performance of Small Online Business	European Journal of Molecular & Clinical Medicine	Survey, 150	Investigating the factors of digital marketing that impact on the sales of online small businesses.	Communication and having a relationship with the customers is the most significant factor in social media marketing.
Veleva, 2019, Bulgaria	Internet Advertising - a Marketing Tool Supporting E-Commerce	Trakia Journal of Sciences	Case study, 1	Exploring and analyzing the application of internet advertising to support and develop e-commerce	Digital marketing with a strong vision can be a powerful marketing tool for influencing customers and enhancing brand image and increasing cash flow.

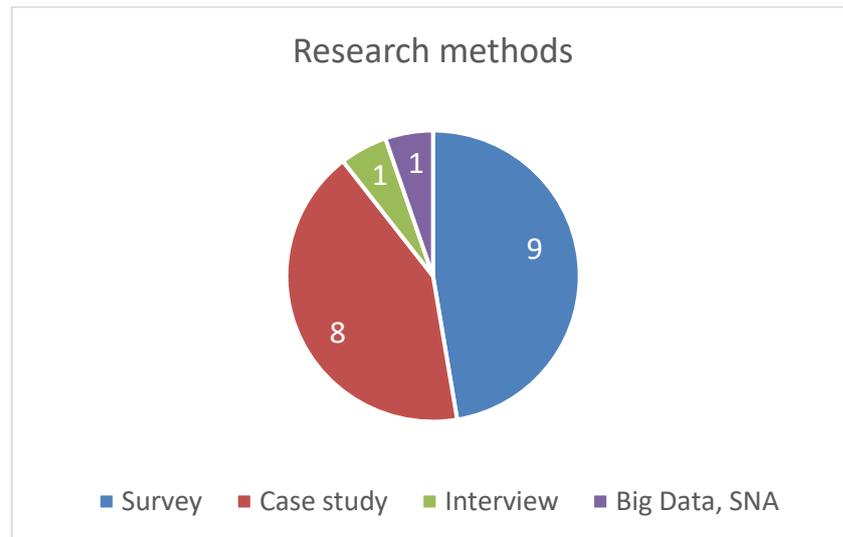


Figure 3. The research methods

The research methods are shown in figure 3. Most of the articles included in the systematic literature review have research based on surveys. The second most common research method is case study. The number of case companies varies between one and 27. However, the case studies mostly have only one case company. The number of participants in surveys varies from 110 to 306. Only one article is an interview-based study and it had 26 participants.

Figure 4 shows the distribution between the countries that the case companies and survey participants are from. Two of the articles have participants from different countries. One of them is an analysis based on big data, made by Banica, Brinzea & Radulescu (2015), and the other one is a survey made by Kovalenko & Kuzmenko (2020) that has 306 participants in it. In an article written by Nair & Sunil (2020), the country has been left unknown. Only three countries have more than one article from them; four articles are from the USA, three articles are from the United Kingdom and two of the articles are from Malaysia. The other countries have only one article from them. The articles are well distributed between continents; four is from North America, one is from South America, five is from Europe, four is from Asia and two is from Africa.

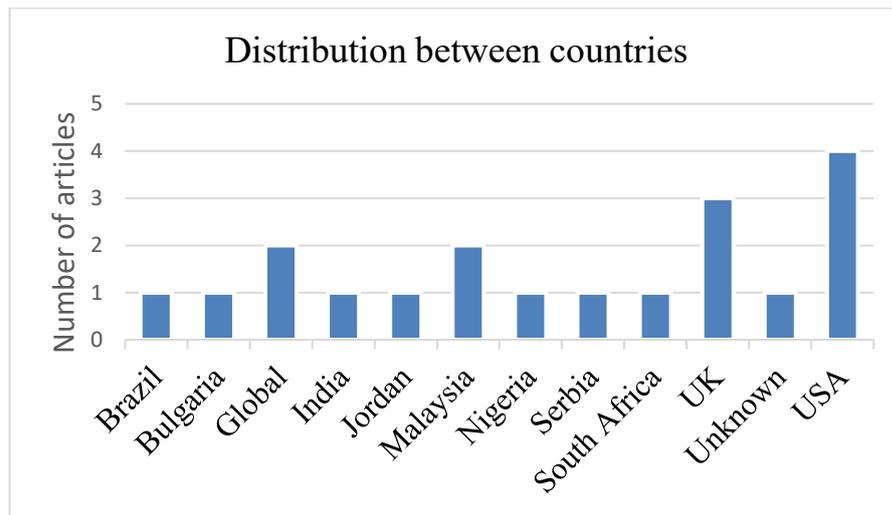


Figure 4. Distribution between countries

## 4.2 The use of digital marketing in micro and small companies

Advertisement today is a very important part of companies' success. Usually, small companies have small budgets on marketing, and that is why investing in digital marketing is a good solution for them. (Cole, DeNardin & Clow, 2017) Many of the studies point out that digital marketing is a cost-effective way of marketing. In the case study of Lupo & Stroman (2020), all four participants agreed that one of the biggest benefits of digital marketing is its low cost. However, according to Cole, DeNardin & Clow (2017) even though digital marketing does not need a lot of money, effort or time, small companies struggle with investing enough in it and it is often seen as an expense rather than a profitable investment. However, investing more in digital marketing improves profit margin (Porto & de Abreu, 2019).

Porto & de Abreu (2019) studied whether small businesses advertising campaigns should be managed in-house or by an advertising agency. The result varies according to the amount of money invested in marketing. If the budget is small, it is better not to outsource, but if the budget is increasing, outsourcing gives better results. Large businesses are more likely to do digital marketing than small businesses (Ritz, Wolf & McQuitty, 2019).

### 4.2.1 Communication as a part of digital marketing

Communication has a significant impact on sales performance (Sufian, Min, Murad & Aziz, 2020). Several studies state, that social media is a great way to communicate with

customers. Social media is only one part of digital marketing, but it is a very powerful one (David, Sudhahar & Varghese, 2018).

Social media is a great way to increase brand awareness with good posts. (David, Sudhahar & Varghese, 2018) Small businesses can easily reach out to customers and engage them with the brand through social media (Cole, DeNardin & Clow, 2017). Through social media marketing, companies can affect the way that customers see their brand (Banica, Brinzea & Radulescu, 2015).

All four participants of a case study by Lupo & Stroman (2020) agree that Facebook is the best platform to use when reaching out to customers. There you can easily post pictures and stories and have two-way interactions with customers. Three of the four case study participants had previously had a company webpage, but due to lack of interaction with customers, they are no longer active. If the company does not have a loyal customer base yet, marketing on their own webpage is not as efficient as marketing on social media channels such as Facebook (Jain et al, 2019). Facebook is a great way to reach out to many customers. Over half of internet users are using Facebook. (David, Sudhahar & Varghese, 2018)

Communication is an important part of marketing and improving sales performance. Twitter is a great way to communicate with people. In their study, Aswani et al. (2018) argue that only half of the tweets they extracted are original, and the other half are responses and retweets. It suggests that interaction has a huge part of communication on Twitter. In a research made by David, Sudhahar & Varghese (2018) they suggest that Twitter is the place, where customers believe that they will get responses from the companies. 42% even expect a response within an hour. That is why companies must be very careful with how they answer to customers. By answering nicely to customers, companies can have a positive impact on their brand image. Not only the customers, but the companies also agree that Twitter is great for two-way communication (Alfred & Page, 2015).

A survey made by Cole, DeNardin & Clow (2017) reveals, that only 30.3% of the companies in their study have own website and only 24,9% use social media. Companies are using social media marketing for different purposes. And for all of those different purposes there are different social networking platforms. Before investing in social media

marketing, the companies should decide, what are they looking for in their presence in social media. (David, Sudhahar, & Varghese, 2018)

According to Cole, DeNardin & Clow (2017), e-mail marketing was the used marketing strategy. However, the result of a survey made by Veleva (2019) points out that only 5,5% of respondents think that e-mail ads are useful and informative. E-mail marketing can be profitable if it is done correctly, and the quality of the e-mails is good. (David, Sudhahar, & Varghese, 2018)

#### **4.2.2 Data analysing in digital marketing**

One of the benefits of digital marketing is that there is a lot of data available about the customers and what marketing ways are working. Most sites have their own analytics tool, where you can see how the customers are reacting to the advertisement. By analyzing data, companies can easily target right advertisement to the right customers. (Alfred & Page, 2015; Donnelly et al, 2015)

Even though one of the key advantages of digital marketing is that there is a lot of data and analytics available, it is often overlooked, because people do not know how to utilize the available data. Because of that, some people find it harder to measure the benefits of digital marketing compared to traditional marketing such as prints and radio. The lack of knowledge in using data analytics often leads to difficulties with measuring return on investment (ROI). (Alfred & Page, 2015; Lupo & Stroman, 2020)

Several of the studies state, that lack of knowledge is one of the biggest challenges in digital marketing. There are two kinds of challenges that small companies have, when it comes to digital marketing. Small companies often find it difficult to understand what factors are affecting the effectiveness and efficiency in digital marketing activities. The other issue is with measuring and formalizing research data. Small companies rarely have enough expertise and resources to go through the analytics of digital marketing. (Kovalenko & Kuzmenko, 2020)

According to many of the articles, management plays a significant role in the adoption of digital marketing. People's attitudes are better if they believe digital marketing will provide advantages or offer the company a competitive advantage. Competition can also

pressure companies to using digital marketing more. (Matikiti, Mpinganjira & Roberts-Lombard, 2018)

### **4.2.3 Digital marketing adoption**

According to Abu Bakar & Ahmed (2015), there are many different factors that can influence the adoption of digital marketing. The study argues that if a firm is motivated to use technologies in general, it has a positive influence on the adoption of digital marketing technologies. Another important part of successful digital marketing adoption is managerial support.

In their articles, Ritz, Wolf & McQuitty (2019) and Nair & Sunil (2020) state that technology acceptance model (TAM) and do-it-yourself (DIY) behavior model can be applied to small companies. By combining these two models to one structured model, small business owners and managers are more likely to be motivated to take on digital marketing. (Ritz, Wolf & McQuitty, 2019) The combination of these two methods is great, because they take different things into consideration. TAM only considers the benefits and utilities of technology whereas the DIY behavioral model accounts the costs and resources. (Nair & Sunil, 2020) According to Matikiti, Mpinganjira & Roberts-Lombard (2018), Technology-Organization-Environment (TOE) framework can also be used with TAM. TOE is used to understand three important aspects that may affect the adoption of technology. The three aspects are: technology, organization and environment.

## 5 DISCUSSION AND CONCLUSIONS

The purpose of this thesis was to fill the gap in the research of micro and small businesses and their digital marketing. In the thesis, there are two research questions, one about what kind of information can be found about this subject and the other one concerning the use of digital marketing in micro and small companies. The research was conducted as a systematic literature review.

There is not a lot of research information available focusing on micro and small companies. A huge majority of research is about larger companies. However, there were 19 articles, that could be used in this systematic literature review. They consisted of case studies, articles with surveys or interviews and article with big data analysis. Studies that had other research methods were excluded from the systematic literature review. The 19 included articles were well distributed around the world. The article search was limited to articles published after 2015 because of the rapid development of digital marketing technologies. The articles included were from the years 2015, 2017, 2018, 2019 and 2020. Only one of the articles was about microenterprises and all of the other ones were about small companies.

Based on the results of the systematic literature review, the possibilities of digital marketing are acknowledged, but there are difficulties with exploiting all of its potential. Majority of micro and small businesses are utilizing digital marketing at some level, but due to lack of knowledge and expertise, it is not as beneficial as it could be. The main advantages that digital marketing has are the huge amount of data that is available, the cost-effectiveness and the possibility for a two-way communication on social media platforms. The available data can be used to make advertisement that works better for the target audience and to target the advertisement to the right people. Social media platforms are a great way for companies to have two-way interactions, which often increases brand awareness. Social media platforms are better for small companies to market themselves than their own websites. Through social media companies can reach a lot more customers, than they would by only using their own webpage. These results are aligned with the research results of Taneja & Toombs (2014).

As many of the articles in the systematic literature review stated, the main issue with digital marketing and the adoption of new marketing technologies is the lack of

knowledge in micro and small businesses. The available data is not utilized as effectively as it could be and due to limited resources, developing their technology skills so that they could benefit from all of the opportunities that digital marketing has, is challenging. The lack of knowledge in data analyzing often leads to difficulties with trying to define the ROI for digital marketing which in turn leads to small companies not knowing whether or not digital marketing is a good investment.

The strength of this thesis is that even though the amount of knowledge found about micro businesses and their digital marketing was limited, the used data was from all over the world, it had different publication years and they studied digital marketing of small and micro businesses from different perspectives. The data from the studies was also extracted well.

The challenge with this study was that there was only a limited amount of research available about this subject. Because of the rapid development of technologies and social media platforms, only the research published after 2015 was included in this study so that the research result stays relevant. Even then, some of the research might be outdated. Even research that has been made a year ago might already be irrelevant, because of the speed that digital marketing and social media platforms have been developing for the past year. COVID-19 has influenced people's internet behavior, but because research takes a lot of time to make, the effects of COVID-19 could not have been taken into consideration when making this thesis.

This subject should be studied further. There is only a limited amount of information available concerning the digital marketing of micro and small businesses. The effective use of digital marketing should be studied further, especially, when used by micro and small businesses.

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