



## The impact of online marketing strategy on conversion and revenue growth

Abdulwahid Adam Fadlallah<sup>1</sup>, Al Bager A Al Bager<sup>2</sup>, Mozamel M Saeed<sup>3\*</sup>

<sup>1</sup> Department of Business Administration, Prince Sattam Bin Abdulaziz University, Laylla, Saudi Arabia

<sup>2</sup> Department of Information Technology, Faculty of Computer Science and Information Technology Al Neelain University, Sudan

<sup>3</sup> Department of Computer Science, Prince Sattam bin Abdulaziz University, Al Kharj, Saudi Arabia

### Abstract

The SMEs are not keeping pace with digital advancement, primarily because of a lack of knowledge about online marketing and a lack of adequate infrastructure. The purpose of this study was to find out if Sudan SMEs are adopting online marketing to increase their conversions and revenue growth. The research conducted 13 semi-structured interviews of 16 managerial position people working at SMEs in Sudan. The data was collected after conducting semi-structured thematic interviews. The purpose of the interviews was to learn the firms' online marketing activities, the use of digital channels, and their problems in terms of usage. A qualitative content analysis approach was carried out to provide clarity to the usage of online marketing and the barriers. To sum up the study's findings, this assumption cannot be denied that a lot of SMEs are not using the online means of marketing their products and services. They cannot fully make use of all the opportunities that are there for them to exploit.

**Keywords:** Online marketing, conversion rate, revenues, growth, technology, SMEs, Sudan

### Introduction

The development of technology offers small business leaders an opportunity to analyse the data and use that information to increase their productivity (Keegan & Rowley, 2017) [15]. According to a study conducted by Dolan, Conduit, Fahy and Goodman (2017) [8], online marketing content has increased and has changed how organisations and individuals interact. To understand the benefits of online marketing, small business leaders need to ensure that their marketing processes are aligned with technological advancements. If they do not identify the potential benefits of online marketing, it can lead to loss of productivity, communication and revenues (Cheng & Liu, 2017) [5]. To endure competitive advantage and increase conversion and revenue growth, small business enterprises should devise strategies to satisfy their customers' requirements and implement innovative technological strategies (Chen & Liu, 2017) [5]. Another study by Kannan & Li (2017) [14] states that with time the way people interact with companies has changed to a great extent only because of technological advancements.

It means that the internet has changed the way businesses were done previously, which has affected the marketing side to a large extent. The concept of online marketing can be understood so that it is a technology-driven process by which companies interact or collaborate with their customers and partners to communicate, create, sustain and deliver value to their stakeholders. The practical use of many online tools by small business owners has led to new opportunities (Gaikwad & Kate, 2016) [11]. Consumers think of the internet as a reliable source to refer to before buying any product or services (Smith, 2017) [24]. Businesses are now making use of the internet to market their products and services to achieve financial success. They are now trying to build communication by showing their presence while using all online sales channels and social media advertising to reach different markets to expand their businesses (Banica,

Brinzea, & Radulescu, 2015) [3]. But online marketing does not come without challenges; one of the challenges is the uncertainty of which medium will affect the customer's decision positively, and another is knowledge, time and trained and talented staff required to get an insight about the customers and create a high-class content (Dahiya & Gayatri, 2018) [6]. According to Taiminen & Karjaluo (2015) [26], these challenges are more critical for small-medium-sized companies (SMEs) as they do not have the resources and abilities as their larger competitors do. This study considers Sudan SMEs for two reasons; firstly, as they are vital because they employ quite a hefty amount of work force, hence reducing unemployment, which is one of the significant concerns of Sudan

The above discussed factors now influence the SMEs in Sudan to adopt innovative strategies and technology to organise and manage their business. To grow, they need to keep themselves updated with the technological advancements to achieve competitive advantages (Zafar *et al.*, 2015) [27]. Many studies have investigated the concept of consumer journey (Dahiya & Gayatri, 2018 [6]; Scott *et al.*, 2017 [21]; Lemon & Verhoef, 2016) [16]. According to Di Fatta *et al.* (2018) [7], future studies should focus on online marketing channels that are a part of the consumer journey; it would be more insightful and informational to know how online marketing strategies impacts the conversion rates and how these platforms fascinate users to specific websites which ultimately help the companies to generate sales thus increasing the revenues and growth of the companies.

SMEs should include online marketing strategies into their business plans to grow their businesses and generate more profits. Furthermore, many studies have investigated the elements that influence the conversion rates and the relationship between the characteristics of a website and its conversions (Gudigantala *et al.*, 2016 [13]; McDowell *et al.*, 2016) [17]. But very little literature is there to explain the impact of online marketing strategy on conversion and revenue growth in SMEs.

### Significance of the Study

The study findings can be valuable for SMEs by giving information showing the potential significance of online marketing strategies. The study result shows that successful online marketing strategies act to aid in the purchasing decision of the consumers and help create a relationship between SMEs and their consumers. Researchers have explored that SMEs owners who can show online presence can take advantage of free media and continue generating sales and revenues and improving the local economy.

### Purpose of the Study

The purpose of this study is to find out if Sudan SMEs are adopting online marketing to increase their conversions and revenue growth. The following research questions have been designed to fulfil this purpose.

**RQ1:** What barriers do SMEs face in adopting online marketing?

**RQ2:** What is the impact of online marketing strategies on conversion rates?

**RQ3:** How does an online marketing strategy help to generate revenue growth?

The rest of the paper is organized as follows: Section 2 reviews the related literature. In Section 3, the methodology the experimental setup, and the datasets used in this paper are discussed. In Section 4, the results of the experiments are analyzed and discussed, and general discussion of the approach and found results are presented. In Section 5. The conclusion and Study Implications are discussed in Sections 6 and 7, respectively.

### Literature Review

Online marketing can be taken as the foundation of a web economy (Erdur, 2016) <sup>[9]</sup>. It means that online marketing is significant for SMEs and customers. To get hold of a wide range of consumers, small and medium business enterprises should attain knowledge of the recent technologies and online marketing concept (Gaikwad & Kate, 2016) <sup>[11]</sup>. Business leaders should create a competitive advantage by adopting new technology (Bashir, Yousuf & Wani, 2016) <sup>[4]</sup>. Bashir *et al.* (2016) <sup>[4]</sup> further stated that technology improvements help the suppliers become even more proactive in terms of their approaches. Zolait (2014) <sup>[28]</sup> noted that SMEs should utilise the available resources to be successful with the new innovative techniques.

To stay in a competing business, the companies should need to use advanced online marketing strategies of the internet (Nuseir, 2018) <sup>[18]</sup>. They can use the internet for advertising purpose, booking orders, promoting their products and services, and communicating with consumers worldwide. It let the companies identify new market opportunities that may lead to the expansion of business. According to Aral *et al.* (2022) <sup>[2]</sup>, transformation occurs from traditional to online media and innovations. In online marketing, one innovative long-term strategy that companies can adopt is conversion marketing, which focuses on improving visitors' flow and their online experience. The purpose of this is not to attract additional traffic but convert the existing ones. The conversions affect all the stages of a consumer lifecycle, and many conversion marketing explanations are used to help the transition take place smoothly from one phase to the other (Schwarzl & Grabowska, 2015) <sup>[19, 20]</sup>.

Online marketing strategies also affect the sales and the ability of the companies to grow. Without including this type of advertising nowadays, companies can lose their ability to be successful. A company that does not use the latest online marketing tool or strategies as a part of its marketing plans also confines the growth chances (Frank, 2020). SMEs play a significant role in the economy of developing nations at the micro and macro level. They are equally important in developed countries because they contribute towards meaningful workforce employment and GDP. At the moment, the SMEs are in an excellent position as they can access the global market and share pertinent information to recognise the needs of specific consumers and customise their products and services to match the consumers' needs. In this context, SMEs' performance can positively impact the introduction of online marketing as a part of their business procedures.

According to a study conducted by Apenteng and Doe (2014) <sup>[1]</sup>, they observed that many people are joining the social media platforms. Still, unfortunately, the SMEs in Ghana were failing to take this opportunity of showcasing their products and services on the websites for the reason that they did not have adequate knowledge of using the social media platform as a medium to market their products. Studies have shown that digitisation has positively impacted small businesses regarding their growth, performance, competitiveness and sales. Online marketing and its various platforms can provide SMEs opportunities to grab new consumers' attention and reach the current ones more effectively. The starting of digitisation and access to broadband has brought ample significant opportunities to SMEs like; reaching the new target audience, improving growth, increasing conversion rates, efficient performance and competitiveness (Galloway, 2007 <sup>[12]</sup>; Shideler and Badasyan, 2012 <sup>[23]</sup>; Spurge and Roberts, 2005) <sup>[25]</sup>. To be realistic, SMEs' marketing strategies are far from the ones carried out by large businesses; therefore, online marketing is challenging for them to carry out.

The marketing techniques carried out by SMEs are very informal, spontaneous and reactive. They focus mainly on generating sales, and their primary goal of marketing is to create awareness about the company and its products and services. To be precise, SMEs' marketing is very unplanned and disorganised, although some SMEs are engaged in conventional and formal marketing such as planning. Those SMEs that have a marketing strategy to follow benefit ultimately as this activity has been one of the critical factors for success. It is believed that a formal plan for marketing in SMEs would increase as the younger generation, which will be more specialised in management education, will become the managers (Taiminen & Karjaluto, 2015) <sup>[26]</sup>.

### Methodology

#### Study Design and Sample

The study conducted 13 semi-structured interviews of 16 managerial position people working at SMEs in Sudan. The managers carried various titles, and many SMEs even do not have full-time marketing managers. Still, each of these people was responsible for carrying out the marketing activities of the company. These companies were selected based on subjective sampling as the purpose was to observe the impact of online marketing strategies on conversions and revenue growth of those SMEs who were carrying out online marketing but had not fully adopted the advanced digital tools to be a part of their marketing strategies.

### Data Collection

The data was collected after conducting semi-structured thematic interviews. The purpose of the interviews was to get knowledge of the firms' online marketing activities, the use of digital channels and the problems experienced by them in terms of usage.

### Data Analysis

The interviews were recorded and transcribed into English, and notes were jotted down, which parsed the data. After going through the transcribed material, the data were categorised into themes. Once the data had been organised, the participants' own wordings have been quoted to support the study's findings. A qualitative content analysis approach was carried out to provide clarity to the usage of online marketing and the barriers.

### Results and Discussion

#### Online Marketing utilisation in SMEs

The 13 interviewees who represented 13 SMEs stated that their companies had a website that was considered an important channel for marketing and communications. The other means of online marketing used were email, newsletters used by 7 out of 13 SMEs, and social media platforms used by 6 out of 13 SMEs. The interviewees also stated that the company's size did not clarify the usage of media for its marketing purposes. The use of online digital tools by SMEs is a means to market themselves and be used to communicate with their consumers, as stated by Gaikwad & Kate (2016) [11]. The study further noted that the concept of online marketing can be understood so that it is a technology-driven process by which companies interact or collaborate with their customers and partners to communicate, create, sustain and deliver value to their stakeholders. The practical use of many online tools by small business owners has led to new opportunities.

#### Knowledge about Online marketing and Conversions

Online marketing can be taken as the foundation of a web economy (Erdur, 2016) [9]. This means that online marketing is vital for SMEs and customers. The interviewees in this study found it very difficult while using online marketing to increase conversions. The first problem identified was keeping track of the website views. One of the participants noted his concerns about website traffic by stating that *"If the customers are not clicking the website pages, this shows that there is a lack of engagement. He further stated that "To measure the consumer's engagement, we use a site called "XXX" which is free to use and allows us to get hold of click activities on our company's website as this helps to identify the engagement of the consumers and their attitudes."* The firms were aware of how to measure the power of marketing practices through online platforms; to increase the conversion rates, few of the interviewees knew what measures should be taken and what strategies should be devised, which can positively impact the conversion rates.

This reflects that online marketing strategies within the companies were implemented on ad hoc basis rather than in a pre-planned manner. This shows that these companies had knowledge about consumer engagement, but most did not know how online marketing helps the companies get conversions or leads. According to Dahiya & Gayatri (2018) [6], this online marketing does not come without challenges,

one of the challenges is the uncertainty of which medium will affect the customer's decision positively, and another is knowledge, time and trained and talented staff required to get an insight about the customers and create a high-class content.

#### Barriers of Online Marketing

The interviewees identified the company resources to be the most significant barrier or obstacle in the way of using online marketing tools, which included knowledge; this was stated by 8 out of 13 SMEs as well as lack of human resources as stated by 7 out of 13 SMEs. Moreover, financial resources were also mentioned but by only 2 companies. Whereas, the main hurdles identified were the use of new digital tools and finding an appropriate person who could take care of the company's online marketing. The interview with the managers also revealed that they were aware of the limited IT competence prevailing within their companies, but they did not find this as the barrier. Among the interviewees, there were both kinds of people, those who were very enthusiastic about online marketing and those who cared less. But the ones who were more excited about online marketing were able to build their company's presence either by taking help from resources within the company or outside it. Purchasing knowledge from an outside source was considered an excellent way to establish and maintain communications (external). Besides, the two companies' marketing staff were excited and knowledgeable about online marketing, which was more than others. It looks like that the staff attraction towards IT influences the online engagement of SMEs.

This finding is in line with the results of several studies such as Keegan & Rowley (2017) [15], which states that the development of technology offers an opportunity to small business leaders so that they analyse the data and use that information to increase their productivity. Dolan, Conduit, Fahy and Goodman (2017) [8], online marketing content has increased and has changed how organisations and individuals interact, and Cheng & Liu (2017) [5] states that to understand the benefits of online marketing, small businesses need to be sure that their marketing processes are aligned with the technological advancements. If they do not identify the potential benefits of online marketing, it can lead to loss of productivity, communication and revenues. Another reason for not using online platforms actively in terms of marketing and communications was the resistance from the management side.

One more reason for not using online platforms like Facebook that came into the limelight was that the managers did not have an identified goal and did not know how it would benefit the company. Also, the managers were not aware or, in other words, were not confident about what should be communicated to the masses through these online platforms. According to one of the participants, *"I believe we are only wasting hefty amounts of money only because we don't have a crystal ball to see what would be the outcome. The company is using every platform to advertise and so our efforts are going down the drain."*

#### Online Marketing and Sales

Online marketing strategies also affect the sales and the ability of the companies to grow. Without including this type of advertising nowadays, companies can lose their ability to be successful. A company that does not use the

latest online marketing tool or strategies as a part of its marketing plans also confines the growth chances for their business (Frank, 2020). This means that online marketing directly affects sales. One of the participants said, *“The content which we upload helps in driving more consumers towards the company’s website which ultimately helps us to attract more customers which helps to generate more revenues and the company grows.”* Not all the companies were well-informed about attracting and retaining visitors and audiences with the content they posted online.

The information related to the company’s products and services was posted on the website and other social media platforms that disseminated information for multiple users by only those companies that knew how important it is to keep the company’s website updated with their latest products and services. Using online marketing strategies like posting powerful, persuasive, and appealing content on the website to reach customers was preferred by those companies.

To sum up the study’s findings, this assumption cannot be denied that a lot of SMEs are not using the online means of marketing their products and services. They cannot fully make use of all the opportunities that are there for them to exploit. The study’s findings also raise the question of whether the SMEs have understood the change in communication by bringing the world’s digitalisation now. The unplanned and unorganised online marketing strategies implemented by the companies reported by the interviewees show a lack of knowledge about the concept of online marketing strategies.

## Conclusion

The purpose of this study was to find out if Sudan SMEs were adopting online marketing strategies to increase the conversion rate and revenue growth. The study took a qualitative approach by interviewing people working at managerial positions in 13 SMEs of Sudan. The participant replies were categorised into four themes: online marketing utilisation in SMEs, online marketing barriers, online marketing and sales, and knowledge about online marketing and conversions. The study contributes to the literature about emerging online marketing by giving an overview of its use, knowledge, barriers and growth related to online marketing in SMEs in a specified region, Sudan. The study’s findings showed that the companies which participated in this study did not fully adopt technological tools for online marketing. The study also observed the use of the internet and other social media platforms usage in Sudan; still, this study’s results are astounding and alarming. In short, the findings show that the use of online marketing tools for marketing purposes in SMEs do not depict what was expected.

## Study Implications

### Practical implications

The SMEs are not keeping pace with digital advancement, primarily because of a lack of knowledge about online marketing. Many of the SMEs which were a part of this study are not fully applying the new online tools, and therefore they are unable to benefit from it.

## Social implications

The development of SMEs calls for training programs to assist them in making use of digitalisation ultimately. This is where the government comes in to play its role actively.

## Declarations

**Acknowledgement:** The authors would like to express their deep thankful and grateful to all the associated personnel in any reference that contributed in/for the purpose of this research.

**Conflict of Interest:** The authors declares that they have no known competing financial interests or personal relationships that could have appeared to influence the work reported in this paper.

**Funding Statement:** The authors did not receive support from any organization for the submitted work.

**Availability of Data and Materials:** The datasets used and analyzed during the current study are available from the corresponding author on reasonable request.

## References

1. Apenteng SA, Doe NP. Social media and business growth: Why small/medium scale enterprises in the developing world should take an advantage of it (A Case of the country Ghana). *IOSR Journal of Business and Management*,2014;16(5):76-80.
2. Aral S, Dellarocas C, Godes D. Introduction to the special issue—social media and business transformation: a framework for research. *Information Systems Research*,2022;24(1):3-13.
3. Banica L, Brinzea V, Radulescu M. Analysing social networks from the perspective of marketing decisions. *Scientific Bulletin of Economic Sciences*,2015;14:1437-1450. Retrieved from [www.economic.upit.ro/repec](http://www.economic.upit.ro/repec).
4. Bashir M, Yousaf A, Wani A. Green marketing and CSR: A proactive and innovative tool to gain competitive excellence. *Journal of Supply Chain Management Systems*,2016;5:35-55. Retrieved from [www.publishingindia.com](http://www.publishingindia.com).
5. Cheng J, Liu S. A study of innovative product marketing strategies for technological SMEs. *Journal of Interdisciplinary Mathematics*,2017;20:319-337. doi:10.1080/09720502.2016.1258837.
6. Dahiya R, Gayatri. A research paper on digital marketing communication and consumer buying decision process: an empirical study in the Indian passenger car market. *Journal of Global Marketing*,2018;31(2):73-95.
7. Di Fatta D, Patton D, Viglia G. The determinants of conversion rates in SME e-commerce websites. *Journal of Retailing and Consumer Services*,2018;41:161-168.
8. Dolan R, Conduit J, Fahy J, Goodman S. Social media: Communication strategies, engagement, and future research directions. *International Journal of Wine Business Research*,2017;29(1):1-19. doi:10.1108/IJWBR-04-2016-0013.
9. ERDUR DA, Esen KARA. Investor responses to corporate sustainability in a developing country: The case of Turkey. *Süleyman Demirel Üniversitesi İktisadi*

- ve İdari Bilimler Fakültesi Dergisi,2016:21(4):1487-1502.
10. DePino F. The Impact of Digital Marketing on Business Growth. Available at: <https://mediaboom.com/news/the-impact-of-digital-marketing-on-business-growth/> (Accessed: 6, April, 2021).
  11. Gaikwad M, Kate P. E-marketing: A modern approach of business at the door of consumer. *International Journal of Research in Commerce and Management*,2016:7:56-61. Retrieved from [www.ijrcm.org.in](http://www.ijrcm.org.in).
  12. Galloway L. Can broadband access rescue the rural economy? *Journal of Small Business and Enterprise Development*, 2007.
  13. Gudigantala N, Bicen P. An examination of antecedents of conversion rates of e-commerce retailers. *Management Research Review*, 2016.
  14. Kannan PK. Digital marketing: A framework, review and research agenda. *International Journal of Research in Marketing*,2017:34(1):22-45.
  15. Keegan B, Rowley J. Evaluation and decision-making in social media marketing. *Management Decision*,2017:55:15-31. doi:10.1108/MD-10-2015-0450.
  16. Lemon KN, Verhoef PC. Understanding customer experience throughout the customer journey. *Journal of Marketing*,2016:80(6):69-96.
  17. McDowell WC, Wilson RC, Kile Jr CO. An examination of retail website design and conversion rate. *Journal of Business Research*,2016:69(11):4837-4842.
  18. Nuseir MT. Digital media impact on SMEs performance in the UAE. *Academy of Entrepreneurship Journal*,2018:24(2):1-13.
  19. Schwarzl S, Grabowska M. Online marketing strategies: the future is here. *Journal of International Studies*,2015:8(2):187-196.
  20. Schwarzl S, Grabowska M. Online marketing strategies: the future is here. *Journal of International Studies*,2015:8(2):187-196.
  21. Scott S, McGuire J. Using diffusion of innovation theory to promote universally designed college instruction. *International Journal of Teaching and Learning in Higher Education*,2017:29:119-128. Retrieved from [www.isetl.org](http://www.isetl.org).
  22. Shaikh H. Most SMEs in Saudi Arabia Are Optimistic about Trade Outlook. Retrieved 08 September 2009.
  23. Shideler D, Badasyan N. Broadband impact on small business growth in Kentucky. *Journal of Small Business and Enterprise Development*, 2012.
  24. Smith A. The evolution of technology adoption and usage. Washington, DC: Pew Research Center,2017. Retrieved from [www.pewresearch.org](http://www.pewresearch.org).
  25. Spurge V, Roberts C. Broadband technology: An appraisal of government policy and use by small-and medium-sized enterprises. *Journal of Property Investment and Finance*,2005:23(6):516-524.
  26. Taiminen HM, Karjaluoto H. The usage of digital marketing channels in SMEs. *Journal of Small Business and Enterprise Development*,2015.
  27. Zafar A, Almaleh AI, Alshahri S, Alqahtani SS, Alqahtani ND. Role of information systems in KSA small and medium enterprises (SMEs). *International Journal of Advanced Research in Computer and Communication Engineering*,2015:4(5):6-11.
  28. Zolait AHS. Innovation acceptance research: A review of theories, contexts, and approaches. *Journal of Internet Banking and Commerce*,2014:19(3):1-18. doi:10.7748/nr.21.5.19.e1240.