

# Factors Affecting E-Marketing in Developing Countries: A Systematic Review

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## Abstract

Electronic marketing is moving elements of marketing strategies and activities on a computerized, networked environment such as the internet. Electronic marketing is growing at a dramatic pace and it is impacting customer and market behaviors. This has driven businesses to begin adopting e-marketing as the primary method of marketing in order to fulfill the expectations of their targeted clients. For the review process, 208 papers were identified from the online search databases and journal sites and after critically looking into their abstracts, conclusions, contents, years of publication and geographical locations of studies, only 31 were selected for the review process. Hence, the finding of the systematic review indicated that in developing countries, some of the major factors include lack of financial capacity and skilled man power, inadequate IT infrastructure and government support, low use of internet by customers and suppliers, high cost of technology adoption and absence of regulatory framework.

## Keywords

E-Marketing, Electronic Marketing, E-Business, E-Payment, Barriers, Factors, Adoption, Africa and Developing Countries

## 1. Introduction

Electronic marketing is described as the transfer of elements of marketing strategies and operations to a computerized, networked environment such as the internet. It combines all of the operations of advertising, promotion, and publicity, as well as determining the physical characteristics of the product and selling and purchasing it through online platforms (Lipych & Mokhniuk, 2020). The goal of e-marketing is to create and sustain long-term relationships with clients. Online marketing entails recognizing unmet requirements, developing products and

services to meet those needs, and pricing, distributing, and advertising those products and services to generate a profit (Kaur et al., 2015).

Electronic marketing has emerged as a significant driver in maintaining a company's competitive advantage (Eid & El-Gohary, 2013). It enables the profitable purchase and sale of items, information, and services via the internet and other online environments (Kaur et al., 2015). In addition, it can be regarded as a new way of thinking and modern business exercises involving the marketing of products and services via websites that employ a variety of technologies that aid in text messaging, enterprise resource planning, customer relationship management, supply chain management, and digital television platforms (Lipych & Mokhniuk, 2020). Furthermore, a survey performed among SMEs in Nigeria found that, in order to compete advantageously in a dynamic and competitive market, the use of innovative technologies such as e-marketing and digital marketing is critical to improving the operation and penetration of SMEs commercial activities (Otika et al., 2022).

Technological advancements in hardware, software, and big data enable electronic marketers in measuring the performance of specific promotional and organizational goals. This can be accomplished by employing concrete indicators in order to achieve successful consumer involvement. With the advancement of technological breakthroughs, many firms around the world are gathering data from customers in order to make better judgments. For example, internet businesses and firms utilize cookies to track web users' and online visitors' purchasing habits in order to provide customized advertising or marketing (Idemudia & Jones, 2015). With the rise of globalization and technology advancements, organizations that are open to the changes will be better prepared for the future. Electronic marketing is expanding quickly and has an impact on consumer and market behavior. This has compelled businesses to use e-marketing as their primary method of advertising and work to satisfy the expectations of their target market. Thus, electronic marketing is the future of marketing, because it has been positively impacted by the present technological revolution that has made using smart phones and other devices (Rahman, 2021).

It can be challenging to find a firm or organization in the contemporary market economy that does not do business online or that does not employ internet technologies or electronic marketing components in its operations. Most of the retailers of comparable goods conduct their business online while working from home, which benefits the advertising sector (Bilgihan et al., 2016). Global internet marketing experts are continually developing new tactics for improving keyword search algorithms, offering new content on a regular basis, and analyzing its dissemination on the site. This ensures that goods and services are effectively promoted on the network while also generating new sorts of advertising such as search engine optimization to enhance network traffic and potential customers and eventual monetization, article announcements, blog modifications, and others (Hassan, 2020).

In their study, [Krizanova et al. \(2019\)](#) stated that the segment of e-marketing and advertising is rising both in the consumer sector and in the business to business market, which is explained by the following primary benefits: Interactivity, the capacity to target as precisely as possible, and the capability of post-click analysis all lead to an increase in such indicators as website conversion in internet advertising.

The advancement of internet technologies and their use in marketing raises the cost of participation on these sites while ensuring their privileged membership, despite the fact that their quantity, level of competition, and demand are increasing. This is due to the desire to reduce costs, increase the number of consumers, increase their loyalty to the product or service being provided, and maximize profits, all of which are accomplished by growing sales through the use of Internet technology. Such objectives can be met by employing cutting-edge marketing methods such as website promotions and targeting, which enable online shoppers to make purchases ([Kayumovich & Annamuradovna, 2020](#); [López et al., 2019](#)).

One of the most important aspects of internet marketing in current business is the creation of various components that will improve brand recognition and develop a clear opinion of a potential consumer. This, in turn, will generate the ideal image, which will favorably affect the company's development; recognition is the main component of branding, and it is the most significant component of it. The recognition will reveal how well the target audience knows the brand and will raise brand awareness. In this regard, greater emphasis might be placed on e-marketing indicators such as the recreation of content across many media platforms and the viral impact ([Lebedeva & Bulganina, 2018](#)).

On the other side, sales work involves offline stimulation, which implies an increase in the offline sales coefficient over the internet; increase in sales over the internet. This indicator is primarily concerned with web resource conversion indicators associated with the launch of a completely new product or service into the market ([Suppatvech et al., 2019](#)). The growth of digital technologies and their applications in the globe with regard to organizational marketing operations is due to the need to optimize costs, expand the number of consumers, and promote customer loyalty to the product or service being produced. On the other hand, this will maximize earnings by expanding sales through the usage of internet technology ([Eldahamsheh et al., 2021](#)). Moreover, intermediate goals include reducing the level of costs that are needed to attract new customers, retention, guarantee quality service. In addition, increasing the level of effectiveness of advertising campaigns regardless of whether they are carried out on the network or outside and forming a positive opinion about a product (goods or services) that launched to the market with electronic marketing tools ([Suppatvech et al., 2019](#)).

## 2. Organization of the Paper

This paper discusses about the factors affecting e-marketing in developing coun-

tries and challenges associated with the operation and adoption of e-marketing. The paper is organized as follows. The first section is the introduction which presents the background as well the definition of e-marketing concepts. The section of the paper discusses about the methodology of the research including the search protocol, inclusion and exclusion criteria, research questions and search strategy. The next part of the paper gives the detail of the research findings focusing on the factors affecting the adoption and operability of e-marketing in developing countries. The final part of the paper summarizes the findings of the paper under conclusion and also gives future research directions.

### **3. Methodology**

#### **3.1. Search Protocol**

This review paper employed systematic literature review method to deal with the factors affecting e-marketing in developing countries. It evaluates and analyses of the existing and most recent literatures to exploit the factors affecting e-marketing. The paper summarizes and presents the details of the review papers including analysis of the contents and findings. In the process of article review, peer-reviewed research articles were included to further strengthening the findings and analysis of factors affecting e-marketing. To search for relevant papers, the keywords used were e-marketing, electronic marketing, e-business, e-payment, barriers, factors, adoption, Africa and developing countries. Thus, the abstracts and conclusions of the papers were reviewed which are relevant with the title of this paper and as well can answer the research question of this paper. The papers were collected and extracted from SCOPUS indexed journal sites such as Science Direct, Elsevier, Mendeley and also used Google scholar. The papers were downloaded from such sources to make them ready for systematic article review.

#### **3.2. Inclusion Criteria**

This review has used journal articles of less than 10 years since published with some exception whereby working papers, proceedings and expert meetings above 10 years were included for their contribution to the concept of the review. The papers included in this review were only those papers that are accessible for free. On the other hand, the articles included were those only done in the geographical boundary of developing countries and specifically African scenarios.

#### **3.3. Exclusion Criteria**

The selection of the relevant articles was based on the fact that this paper should only include relevant and more important ones only and book reviews were excluded along the journal articles that were more than 10 years. The papers that were written in languages other than English were excluded from the review.

### 3.4. Research Questions

This review was aimed at answering the research question of what are the factors affecting e-marketing in developing countries.

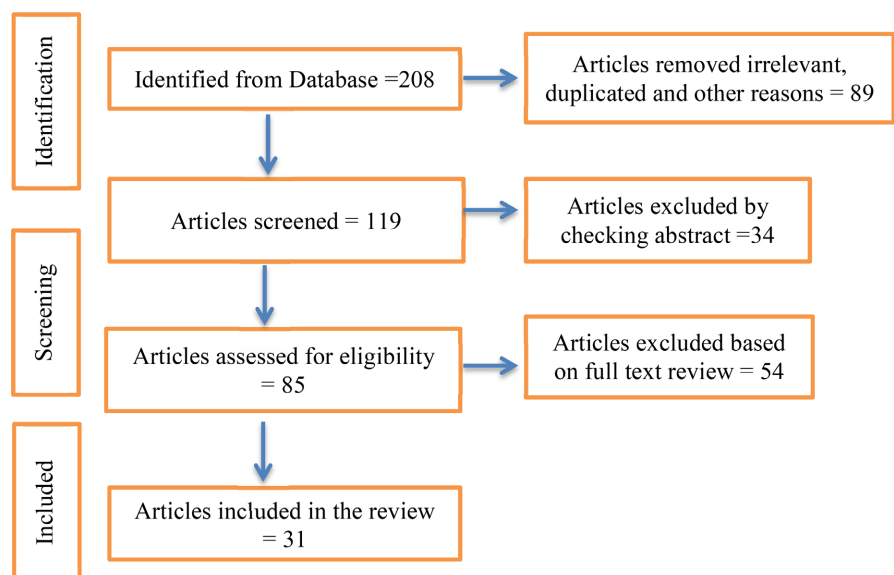
### 3.5. Search Strategy

In the process of this systematic review PRISMA chart is used in identifying, screening and including the relevant papers in the study. Hence, using the keywords, 208 articles were identified from online platform and made ready for further screening. Thus, while cleaning for irrelevant and duplicated articles, 89 articles were removed and not moved to the screening stages. After removing irrelevant articles only 119 articles were left for further screening. The screening process involved checking for relevancy of abstracts of the papers and 34 articles were excluded at this stage and 85 articles were kept eligible for full text review. Finally, with the full text review including conclusion of the papers, 54 papers were excluded and finally 31 articles were included in the review process (Figure 1).

## 4. Findings of the Review

### Factors Affecting E-Marketing

E-marketing success depends on effective strategic planning and the choice of strategies appropriate for marketing activities. E-marketing strategies integrate planning with the use of communication technology; as a result, this complementary relationship can assist firms in keeping an eye out for potential issues and threats while also offering them chances to flourish and take a strategic position in the market. This necessitates the organization to prepare its promotional



Source: Page et al., 2021.

**Figure 1.** PRISMA chart of the article screening and selection stages.

mix by attending to the most important components of the strategy and supplying the fundamental conditions for these strategies' success (Jaas, 2022). In general, firms look for new ways to maintain strong relationships with their clients by efficiently leveraging online marketing tools (Shih et al., 2013). Numerous firms have shifted their marketing and operational activities to the internet by utilizing virtual networks (Gazi, 2020).

According to Shrestha (2019), e-marketing is an innovative strategy that mixes current and classic methods to serve customers' wants through digital communication channels. In the current developments of e-marketing, there are several factors that affect the progress of e-marketing adoption. These include web architecture, comfort to shop, efficiency, security, value, price reduction, input from past clients, and nature of items. In addition, it can also be influenced by the quality of manufactured goods, trust in online sellers, monetary, and non-conveyance risks. In some countries, the effectiveness of e-marketing will also be affected by social behavior and national culture (Eid & El-Gohary, 2013).

According to the study done in Bahir Dar city tourist hotels, the primary factors influencing adoption of e-commerce, among others, were financial capacity, skilled man power, IT infrastructure and government support (Nuru, 2021). The adoption of e-marketing by Ethiopian supermarkets is significantly affected by the competitive pressures, adoption cost and IT infrastructure. On the other hand, owners or managers IT knowledge and governmental support have moderately affected the e-marketing adoption in Ethiopian supermarkets (Ababa, 2019).

The adoption of e-marketing is influenced by the abilities of the owners/managers, the owners' lack of technological understanding, the competitiveness in the industry, the type of industry, and the type of product/service. According to the study, other factors influencing e-marketing adoption among SMEs include low internet use by customers and suppliers, low company literacy among SME owners, financial, technical, and resource requirements, security, organization size, and a lack of qualified staff to develop and support e-marketing (Gyamfi, 2016).

Despite a rapid expansion of IT and internet into developing countries, the introduction and spread of digital marketing to these countries has been slower. Among others, the primary reasons include lower overall levels of education and less experience in modern marketing practices. In particular, overcoming the constructs of traditional marketing enables businesses to focus on digital marketing or communication through social media (Smith & Zook, 2016).

The primary impediment to e-marketing adoption among SMEs is that most owners are unsure of the benefits of e-marketing adoption on their operations. Other barriers identified by the study include a low level of technology usage within the organization, a low level of literacy among SME owners, a lack of qualified staff to develop, implement, and support websites, a lack of financial, computer software, and hardware resources, and the high cost of internet con-

nectivity and websites (Gyamfi, 2016).

The major factors influencing the adoption of e-marketing among Nigerian SMEs were IT infrastructure and IT skills. Other characteristics noted in a survey conducted among Nigerian SMEs include: IT skills, IT knowledge, the owner's education level, and the availability of resources, perceived compatibility, firm size, IT experts, attitude, and a lack of financial resources (Otika, 2022). Technology readiness, perceived benefits from technology, owners' inventive talents, owners' IT experience, and owners' IT ability were identified as determinants of e-commerce adoption by SMEs in Indonesia in a study conducted among SMEs in Indonesia (Rita & John, 2015; Mapunda, 2021).

According to a research conducted among Tanzanian SMEs, the key variables influencing the use of e-marketing were security concerns, government assistance, and support from technological specialists (Michael, 2014). Furthermore, small-business owners face a number of challenges that prevent SMEs from adopting and utilizing e-marketing. These include a lack of knowledge of the potentials of e-marketing adoption, the high cost of technology adoption, such as worker training and external expertise, the inaccessibility of internet services, and the lack of a legal framework to oversee e-marketing (Kazungu et al., 2015).

The results of the study conducted among small tourism entities in Nepal suggested that internal factors, e-marketing accessibility and ease of use had a positive influence on the adoption of e-marketing. In addition, the study concluded that adoption of e-marketing in Nepalese tourism organizations have faced other determining factors such as owner skills, the available resources of the organization, organizational culture, adoption cost, size of the organization, compatibility, competitive pressures, government influence, market trends, national infrastructure and cultural orientation towards e-marketing by the organization customers) have a significant positive effect on the acceptance of e-marketing (Shrestha, 2019).

Based on the study carried out on digital marketing practices effectiveness in Ethiopia, perceived ease of use and infrastructure had significant relationship on digital marketing practices (Dagem, 2020). The study done by Mooya & Phiri (2021) revealed that internet knowledge, frequency of internet use and level of education had influence on perceived ease of use of E-marketing in Zambia. Technological invention had a strong positive correlation with adoption of digital marketing in colour cosmetic companies in Kenya (Bosire, 2021). In South Africa, competitive pressure, customer pressure and compatibility highly influenced E-marketing adoption among SMEs (Sechabe & Fatoki, 2021).

## 5. Conclusion

The success of electronic marketing requires successful strategic planning and the selection of strategies suitable for marketing activity. Electronic marketing is growing at a dramatic pace and it is impacting customer and market behaviors. This has forced firms to start incorporating e-marketing as the main form of

marketing and try to meet their targeted customers' needs. Electronic marketing is, thus, the future of marketing as it has been positively affected by the current technological change which has made the use of smart phones and gadgets a necessity. In the current developments of e-marketing, there are several factors affecting the adoption and progress of e-marketing in developing countries. The main factors affecting e-commerce presented in the reviewed literatures include lack of financial capacity and skilled man power, inadequate IT infrastructure and government support, owner's lack of awareness of the technology and SME owners, low use of internet by customers and suppliers, lower overall levels of education and less experience in modern marketing practices, perceived compatibility, firm size, IT experts, attitude, limited understanding of the potentials of e-marketing adoption, high cost of technology adoption such as training to workers and external expertise, inaccessibility of internet facilities and absence of regulatory framework.

## 6. Future Research Directions

This systematic review has provided important insight of the factors affecting e-marketing in developing countries. It has provided the general overview in the subject matter but it needs detail study which is based on African setup specifically on individual countries in the continent. Thus, for the future study, high level study of factors affecting the adoption of e-marketing in Africa must be undertaken to fully utilize the benefits of e-marketing.

## Conflicts of Interest

The authors declare no conflicts of interest regarding the publication of this paper.

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