ABSTRACT

Past research has revealed the following obstacles to conducting effective digital business: a lack of experience in domestic and international digital marketing and the use of technology in business; insufficient marketing capital. The findings of this research concern factors that reduced these obstacles to successful performance of community enterprises, medium community enterprises, and small community enterprises. Specifically, these factors consist of: providing product information to customers (Communication), cooperating with business networks (Connection), and characteristics of individual entrepreneurs and products (Characteristic) that are correlated with the success of digital marketing, expanding customer base, increasing revenue and sales, and creating brand. Moreover, this research reveals the factors that influence success of high-level digital marketing, i.e. communication in which the business operators focus on the use of both basic and advanced digital communication techniques to provide customers with product information. Finally, the results of this research show that the use of digital techniques, such as Google Adwords (Pay Per Click) and SEO (Search Engine Optimization) and advertising of the product on a network (Content marketing) etc. created customer demand. Responding to customer demand by launching a digital sale completes successful digital marketing, and is a worthwhile investment in a digital marketing budget.

Keywords: 1) Reducing obstacles to digital business. 2) Google Adwords Pay Per Click. 3) Search Engine Optimization – SEO. 4) Effective digital business

1. Introduction

The primary obstacle facing effective digital commerce is the lack of experience of business operators in conducting digital business, especially, lack of experience in domestic and international online marketing and business technology (Piyaket, et al., 2004). At the same time, according to a survey of customers’ perceptions of Thailand’s e-commerce status reported by the Electronic Transactions Development Agency (Public Organization) (2010), over 59.7 percent of customers feared fraud which could result in non-compliant products being advertised, 26.8 percent of customers have no trust or confidence in making purchases on the Internet. Appropriate use of Digital Marketing to communicate effectively with customers can resolve these issues. However, analysis of the perspective of the business operators found only 18.2 percent focused on digital marketing/ digital public relations.

This focus has led to conflict between business operator perspectives and customer perspectives that has influenced the development of digital marketing in the past. The use of online marketing systems to communicate and build confidence in online trading can affect customer decision making. When viewed from the business operators’ perspective, online marketing
can be difficult and costly, leading to the conclusion it may not be cost effective (Avonina, S., 2007). In addition, there is a shortage of human resources with an understanding of the use of technology (Govindaraju and Chanda, 2011). However, government agencies are striving to provide digital literacy support, especially with the expansion of the international market.

Considering small and medium industry, research shows that digital marketing will affect the development of online commerce (Idris and Ibrahim, 2015). Therefore, investigating which factors are the most important for success in online marketing is essential. This research will help develop the concept of digital marketing for small and medium sized companies, enabling enterprises to develop clear operational concepts and successfully invest in digital marketing applications to further develop business value (Maryeni, et al., 2012). Therefore, this research focuses on factors influencing digital marketing performance. Study findings will encourage investment in the marketing operations of community enterprises, medium enterprises, and small enterprises to successfully participate in today's market.

2. Literature Review and Conceptual Framework for Research

2.1 Importance of Digital Trading and Marketing of Small and Medium Enterprises

Thai OTOP is already noted for a constructive utilization of information and communication technology (ICT) (Darbyshire, 2008, pp. 47-76) to promote sales generally. The Thai government has developed and promoted websites for economic enterprises since 2000. To promote OTOP the following site has been developed together by the Ministry of Interior, Ministry of Commerce, Ministry of Agriculture and Cooperatives, Bangkok Metropolitan Authority, and Internet Thailand, Ltd: http://www.thaitambon.com/English/AboutTTB.htm, a non-profit endeavor that provides information regarding OTOPs gathered in a wide-ranging database. The information includes maps, attributes of local professional organizations, products, and links to over a thousand export firms. The site also includes information on hotels and restaurants in each OTOP. Unfortunately, this does not necessarily translate to local use of digital marketing by individual firms (Sutanonpaiboon and Pearson (2006, pp. 53-82).

Many small enterprises have not successfully incorporated digital marketing into their business models (Iqbal and El-Gohary, 2014, pp. 234-256). Key reasons for this failure include technological limits of small business leaders and the complicated nature of digital marketing technologies as well as the firm’s strategic viewpoint (Romero, et al., 2014, pp. 1-20). In their survey of a sample of small and medium enterprises (SMEs) in Sweden and Indonesia Kartiwi and McGregor (2007, pp. 35-51) identified 3 groups of barriers to the use of digital marketing and e-commerce. The barriers contained in a group labeled “too difficult” included the following: (a) We do not have the technical knowledge in the organization to implement e-commerce; (b) e-commerce is not suited to our way of doing business; (c) e-commerce is not suited to the ways in which our clients (customers or suppliers) do business; and (d) e-commerce is not secure (Guzman, 2012).

A study in Chiang Mai, Thailand instituted training to alleviate these kinds of barriers to participation, entrepreneurs’ lack of knowledge regarding digital marketing techniques, in this case search engine optimization (SEO) (Marung, 2016). This kind of training and opportunity is important because when enterprises apply information communication technology, including digital marketing they become more competitive, they are able to access new markets, and create new employment opportunities (Sebora, Lee and Sukasame, et al., 2009, pp. 303-316). The ultimate outcome is the production of wealth and sustainable economic growth.
Digital marketing or electronic marketing enables more effective communication between consumers and firms for mutually beneficial results. Consumers obtain superior products and services because enterprises develop better products and services in response to customer use online while customer feedback and improved products translates to enhanced profits. Digital marketing consists of the use of the Internet to institute and sustain interaction between companies and their target markets (El-Gohary, 2010, pp. 214-244; TsioTsou and Vlachopoulou, 2011, pp. 141-155; Chabayta, 2017). As such, it is an ICT that improves trade and produces derived strategies based on many uses that further the earning potential of a firm and the marketability of its brands (TsioTsou and Vlachopoulou, 2011, pp. 141-155).

According to Zhang and Okoroafo (2014, pp. 129-137), commercial success is correlated with how efficiently businesses use ICT, in particular, advanced information technology (IT). Effective use of ICT offers an advantage over the competition by expanding market opportunities for companies by promoting the firm’s culture, product marketability, and brand via the Internet vs. relying solely on sales at a brick and mortar site. Whether using apps, videos, social networks, and more, entrepreneurs who use IT for digital marketing control markets due to their cutting-edge development of operating and administrative processes, including strategy, auditing and maintenance, cooperation and interchange, and the benefit of gaining partnerships and investors, data resources, and improved infrastructure processes.

Digital marketing is also cost effective because it offers enterprises the ability to gain from instituting innovative service delivery systems and procedures that lessen wasteful expenditures. It is different from traditional physical marketing processes that frequently consist of face-to-face communication and point-of-sale sites because it is designed for transactions between many stakeholders in a firm or product line for the purpose of attracting interactions within the market. Moreover, digital marketing creates a system in which enterprises and consumers share data regarding needs and insights of the market and turn them into trends and interests that mold and delineate the importance of the marketability of a product, procedure, or service. This type of communication between consumers and the enterprise offers consumers positive involvements based on the institution of target-based improvements in the product, process, or service and marketing strategies (Radikonyana, et al., 2015, p. 437; Trainor et al., 2011, pp. 162-174). As a result, digital marketing provides companies with customer retention as well as increased profits by paying attention to the core values of consumers, advances in technology, and consumer trends (Chabayta, 2017; TsioTsou, and Vlachopoulou, 2011, pp. 141-155).

Digital marketing creates a key field for commercial undertakings that increase development and progress by promoting more deep and meaningful relationships between firms and clients. The dialogue produced via instantaneous exchanges of information between customers and firms results in enhanced benefits, better information gathering and database management, constant streamlining of product management policies and firm portfolios, as well as customer retention due to customers’ recognition that design, marketing, and even policies respond to their core values, trends, and interests, including cultural and socioeconomic interests. When methods of communicating are readily available and information sharing is more accessible, all stakeholders profit from the creation of market solutions offered via digital marketing (Andreki and Yazdanifard, 2014, pp. 333-336; Chabayta, 2017; Samanta, 2011, pp. 37-63; Trainor, et al., 2011, pp. 162-174).

In the present day world economy, networking to form associations with business partners is vital to the survival and advancement of an enterprise (Sebora, Lee, and Sukasame, et al., 2009, pp. 303-316). Constructing and sustaining a network of
contacts is essential to the success of the modern entrepreneur. With the advent of the Internet, the significance of cyber networking has become widely recognized. In this way, enterprise leaders can obtain up-to-date information rapidly and inexpensively (Sebora, Lee, and Sukasame, et al., 2009, pp. 303-316). Online networking enables them to access new dimensions of data and contacts while swiftly seizing new opportunities (Company and McMullen 2007, pp. 301-322). Actually, online networking has concrete benefits over other kinds of networking. Sustaining the network is less expensive and easier than in-person or even conversations by phone. The comparatively easy contact and light maintenance can offer stronger bonds and more wide-ranging interactions among enterprises and their customers and commercial partners (Sebora, Lee, and Sukasame, et al., 2009, pp. 303-316).

Due to the increasing number of digital online users, trade on social networking sites is a full-fledged commercial development, especially in terms of creating interaction between buyers and sellers (DailySocial and Veritrans, 2012). According to marketing theory, digital marketing is often related to the introduction of specific electronic technology tools (Strauss and Frost, 2001). Development of digital marketing was used to revolutionize the implementation of this dimension of marketing. Digital marketing is a tool that helps sellers, organizations, or small and medium sized enterprises (SMEs) obtain more extensive marketing opportunities. It provides more opportunities to advertise products and services, as well as more diverse and convenient financial transactions for consumers (Chaffey, et al., 2009; El-Gohary, 2012, pp. 566-590) via digital communication technologies, such as a world wide web site, an electronic Internet site, electronic mail system and the use of multimedia (Chaffey, et al., 2009).

2.2 Factors that Affect the Development of Online Marketing

Research indicates there are four main factors why small and medium community enterprises participate in digital marketing: (a) usefulness, (b) ease of use, (c) external pressure, and (d) strategic intent (Idris and Ibrahim, 2015). In addition, the above research suggests the factors that affect the different types of online business models and online marketing depend on the following:

1. Competitiveness and marketability of product features which can be measured by the type of product and the number of buyers (Basri, Mahmood and Alanezi, 2012, pp. 1-20);

2. Availability and understanding of technology (Govindaraju and Chandra, 2011)

3. Understanding of applied technology in digital marketing and digital communication for small and medium industries to communicate effectively to customers (Barwise and Farley, 2005, pp. 67-80; Idris and Ibrahim, 2015; Maryeni, et al., 2012; Govindaraju and Chandra, 2011);


In the present study, we use these four groups of variables as predictive variables to analyze factors that influence the performance of digital marketing.

2.3 Measurement of Digital Marketing Performance

Previous research has identified indicators that significantly impact the effectiveness of digital marketing, including measurement of the effectiveness of digital marketing from net profit, e-marketing value (Idris and Ibrahim, 2015), benefits of product perception creation, and the success level of the company’s business, all of which enable the measurement and demonstration of the benefits of using digital marketing (Melewar and Lim, 2010).
3. Research Methodology

The research instrument was a questionnaire developed to determine the relationship between the factors of Characteristic, Communication, Connection, and Digital Economic Understanding which impact Digital Marketing Performance. Specifically, the questionnaire was designed to obtain information concerning the above factors. It contains quantitative data questions operationalizing the conceptual framework of this research. The questions are divided into 5 sections. After collecting basic information about the company in section 1, the next 4 sections ask about the level of related actions, product forms and features, understanding of business operators in doing digital marketing, marketing communication with customers through digital techniques, and conducting marketing communication with customers digitally via a relationship network. The last section queries the level of effectiveness of doing digital marketing. See Figure 2 for a copy of the questionnaire.

Data collection and Data analysis

The study used a qualitative design and the sample consisted of enterprise owners or officers (business owner, manager, or marketing officer) who were directly responsible for performance of digital marketing. In all four (3) who were available and had an in-depth understanding of all activities of digital marketing. 150 questionnaires were distributed to OTOP in the lower north, which consists of Phitsanulok, Sukhothai, Tak, Phetchabun, Uttaradit, Thailand. Of these, 109 business operators completed surveys. 43.3% of business operators were aged 25-35 years old, 51.9 percent graduated with less than a bachelor’s degree, while 48.1 percent graduated with a bachelor’s degree and above. Of the respondents, 46.2 percent were new business operators who operated less than five years, 37.5 percent operated 5-10 years, and 12.5 percent operated 12-20 years.

A multiple regression model was used for statistical analysis. Five variable groups were classified as predictor variables and outcome variables. The 5 groups of predictor variables were as follows: characteristic (includes 2 factors as a characteristic of firm) x1 (and characteristic of Product) x2 (Connection includes 2 factors: Collaborative Activity Partnership) x3 (and Collaborative Marketing Partnership) x4 (Digital Economy understanding) x5 (and Communication includes 2 factors as Communication Advance technique) x6 (and Communication basic technique) x7 (which have an impact on the digital marketing performance, which is the dependent or outcome variable the latter can be measured by 5 Factors, which include success in expanding customer groups, success in increasing revenue and sales, success in creating brand awareness for customers, success of running your own business. Basic technique, which includes using social media like Facebook, YouTube, Google AdWords, a Website, etc. Advanced technique emphasizes function such as paying for ads on FB, good content marketing, promotional posts, video marketing, good electronic payment to support digital marketing, good promotion systems with customer behaviors etc.)
Table 1: The factors related to success in expanding customer groups

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>6 (Constant)</td>
<td>.007</td>
<td>.076</td>
<td>.087</td>
<td>.931</td>
</tr>
<tr>
<td>Basic technique of digital marketing communication</td>
<td>.518</td>
<td>.084</td>
<td>.509</td>
<td>6.148</td>
</tr>
<tr>
<td>Advanced technique of digital marketing communication</td>
<td>.307</td>
<td>.084</td>
<td>.303</td>
<td>3.661</td>
</tr>
</tbody>
</table>

Two factors were significantly related to success in expanding customer groups. Basic technique of digital marketing communication affected the results in the same direction as expansion of the customer base (.518) and had a higher value than advanced technique of digital marketing communication, which also affected the results in the same direction as the expansion of the customer base (.307).

Table 2: The factors Related to success in increasing revenue and sales

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>6 (Constant)</td>
<td>2.788</td>
<td>.081</td>
<td>34.61</td>
<td>.000**</td>
</tr>
<tr>
<td>Basic technique of digital marketing communication</td>
<td>.492</td>
<td>.089</td>
<td>.460</td>
<td>5.504</td>
</tr>
<tr>
<td>Advanced technique of digital marketing communication</td>
<td>.373</td>
<td>.089</td>
<td>.350</td>
<td>4.187</td>
</tr>
</tbody>
</table>

Two factors were significantly related to success in increasing revenue and sales. Basic technique of digital marketing communication affected results in the same direction as increasing revenue and sales (.492) and had a higher value than advanced technique of digital marketing communication, which also affected the results in the same direction as increasing revenue and sales (.373).
Table 3: The factors related to success in creating brand for customers

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Constant)</td>
<td>2.840</td>
<td>.086</td>
<td>32.891</td>
<td>.000**</td>
</tr>
<tr>
<td>Basic technique of digital marketing</td>
<td>.498</td>
<td>.096</td>
<td>.464</td>
<td>5.189</td>
</tr>
<tr>
<td>communication</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Advanced technique of digital marketing</td>
<td>.289</td>
<td>.095</td>
<td>.271</td>
<td>3.028</td>
</tr>
<tr>
<td>communication</td>
<td></td>
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</tbody>
</table>

Two factors that were significantly related to success in creating brand for customers were Basic technique of digital marketing communication, which affected results in the same direction as creating brand (.498) and had a higher value than advanced technique of digital marketing communication, which also affected results in the same direction as creating brand (.289).

Table 4: The factors related to success of running a business

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Constant)</td>
<td>2.900</td>
<td>.091</td>
<td>31.971</td>
<td>.000**</td>
</tr>
<tr>
<td>Basic technique of digital marketing</td>
<td>.580</td>
<td>.101</td>
<td>.502</td>
<td>5.760</td>
</tr>
<tr>
<td>communication</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Advanced technique of digital marketing</td>
<td>.293</td>
<td>.100</td>
<td>.255</td>
<td>2.923</td>
</tr>
<tr>
<td>communication</td>
<td></td>
<td></td>
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</tbody>
</table>

Two factors were significantly related to success of running a business. Basic technique of digital marketing communication affected results in the same direction as success of running a business (.580) and had a higher value than advanced technique of digital marketing communication, which also affected the results in the same direction as success of running a business (.293).
Table 5: The factors related to an overview of digital market efficiencies

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Constant)</td>
<td>2.861</td>
<td>.084</td>
<td>33.915</td>
<td>.000**</td>
</tr>
<tr>
<td>Basic technique of digital marketing</td>
<td>.506</td>
<td>.094</td>
<td>5.400</td>
<td>.000**</td>
</tr>
<tr>
<td>communication</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Advanced technique of digital marketing</td>
<td>.273</td>
<td>.093</td>
<td>2.928</td>
<td>.004**</td>
</tr>
<tr>
<td>communication</td>
<td></td>
<td></td>
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</table>

Two factors were significantly related to an overview of digital market efficiencies. Basic technique of digital marketing communication affected the results in the same direction as an overview of digital market efficiencies (.506) and had a higher value than advanced technique of digital marketing communication, which also affected the results in the same direction as an overview of digital market efficiencies (.273).

Figure 1: Developing a conceptual framework for research and tools for the development of digital marketing models.
Which marketing model do you choose on cyber and Internet? (Choose more than 1)
- Website
- Blog
- Social Media: Facebook
- Social Media: Line
- Social Media: Others

With high tech, selection of communication tools is important for digital marketing.
1. How do you conduct marketing and promotion through a Search Engine (Search Engine Marketing) such as Google?
2. What level of marketing do you use by using Google Adwords (Pay Per Click) and SEO (Search Engine Optimization) techniques?
3. What level of content marketing do you have for content advertising?
4. What level do you conduct online marketing using E-market place sites such as tarad.com, lazada.com, kaidee.com?
5. How do you deal with techniques of online marketing using a website, blog, and more?
6. What level of online marketing techniques do you use with social media marketing?
7. How do you deal with techniques of online marketing using other techniques and formats such as E-mail marketing, Banner, and any other techniques?

Figure 2: Questionnaire

4. The Results of Empirical Research

As shown in Tables 1-5, the technical communication of product information to customers) Communication( in basic and advanced digital communication influences digital marketing success by expanding the customer base, increasing revenue and sales, creating brand awareness for customers, and the general success of the business.

Specifically, analysis indicates that if the Purpose of OTOP in the lower north is to use Digital Marketing Performance to expand the customer base it is necessary to develop and learn the basic techniques of digital marketing communication, which will expand the customer base. While not as significant, the use of advanced techniques can also increase the efficiency of expanding the customer base.

Analysis also indicates that if entrepreneurs want to use Digital Marketing Performance to improve success in running a business, they should choose basic techniques of digital marketing communication. This choice is important because running a business is a long-term enterprise. The use of basic techniques such as developing good content marketing and utilizing a basic online marketing channel continuously help to create brand awareness and customer relationships by direct communication with the customer.

Due to the values of both factors, if the Purpose of OTOP in the lower north is to use Digital Marketing Performance to increase revenue and sales, entrepreneurs need to plan to use basic and advanced digital marketing techniques concurrently. This will result in higher revenue.

Analysis also found that using basic techniques of digital marketing communication is significant for building brand awareness. It is a fruitful undertaking to create awareness and communicate brand value.

Finally, analysis revealed that overview of digital market efficiencies is affected by the choice of basic techniques of digital marketing communication. The basic techniques help create awareness and communication with the customer, which impacts branding in the early stages as well as meeting the needs of customers but entrepreneurs should consider using advanced techniques to increase revenue and sales by better meeting the needs of customers and the target audience, which ultimately increases revenue and profitability.
5. Conclusions

This research reveals the factors that influence the success of high-level digital marketing involve communication in which the business operators focus on the use of both basic and advanced digital communication techniques to provide customers with product information. The results of this research also shows that the use of digital techniques, such as Google Adwords (Pay Per Click), SEO (Search Engine Optimization) and advertising of the product on a network (Content marketing) created customer demand. Limitations: While internal validity is high, study results are limited to the enterprises participating in OTOP in the lower north. Further research is necessary to generalize findings to a more diverse population.

References


