

FACTORS INFLUENCING ONLINE MARKETING DEVELOPMENT OF SMALL AND MEDIUM ENTERPRISES IN DONG NAI PROVINCE

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ABSTRACT: *Nowadays, the Internet is covering almost every corner of the places in Vietnam and it makes the transmission of information much faster. In The number of internet users is up to 80% and over 70% of internet users go to the net for information. With so much search content, the content is there, it's really great. Besides, online marketing is a way to advertise the products and services that will save enterprises a lot of money compared to traditional marketing. Online marketing campaigns can be easily measured and evaluated to be able to draw lessons for the following campaigns. Effectiveness comes quickly (eg, enterprises hire banner ads on a reputable website. So many visitors will find out information on enterprises' website.); and Broad range of marketing is not limited, information flow is rich, diverse in form. Customers can find the information they want anytime and anywhere, just the internet. Moreover, the research results showed that there were 300 customers who interviewed and answered about 15 questions. The Data collected from 05/07/2016 to 15/07/2017 in Dong Nai province. The researcher had analyzed Cronbach's alpha, KMO test, the result of KMO analysis used for multiple regression analysis. The research results were processed from SPSS 20.0 software. Finally, the researchers have recommendations supporting the sustainable development of online marketing development of small and medium enterprises (SMEs) in Dong Nai province.*

KEYWORDS: Online, internet, SMEs, E-commerce, Marketing and LHU.

INTRODUCTION

Now, there are many SMEs, big companies and organizations that developing online marketing channels to grow their client base and search for new customers are becoming increasingly potential marketing channels for businesses. Online marketing has many advantages in the society as the internet has become more and more popular. Users are tending to use the internet to find customers and sell. The increasingly competitive market, the big companies and large corporations are gradually dominating the market as they have a large team of people and a lot of budget for advertising channels, Public relations (PR) channel makes the business. New enterprises are no longer foothold and do not have enough budget to carry out advertising campaigns, PR promote products, promote their brands.

Online marketing will be a great opportunity for SMEs, new enterprises have opportunities to reach customers, advertise products, build their brands and sell goods with internet facilities with reasonable budget. Building online marketing gives your business many opportunities and potential to grow, especially in the age of modernization, which also uses the internet, using phones, computers for online use and social networking and internet shopping needs. The above mentioned things and combination with the practical requirements of teaching, the researchers had boldly chosen the theme: "***Factors influencing online marketing development of small and medium enterprises in Dong Nai province***". This paper finds out

the key factors affecting the online marketing of SMEs and the researchers have recommendations in order to enhance online marketing effectiveness of SMEs for the future.

LITERATURE REVIEW

Roberts, Mary Lou (2003). Internet marketing, or online marketing, refers to advertising and marketing efforts that use the Web and email to drive direct sales via electronic commerce, in addition to sales leads from Web sites or emails.

Hamill, Jim (1997). Online Marketing is the art and science of selling products and/or services over digital networks, such as the internet and cellular phone networks. The art of online marketing involves finding the right online marketing mix of strategies that appeals to your target market and will actually translate into sales.

David S. Evans (2009). The science of online marketing is the research and analysis that goes into both choosing the online marketing strategies to use and measuring the success of those strategies. Online Advertising - While there are still banner ads on the internet, there are also other myriad options available, from interstitials (web pages displayed before or after an expected content page) through text ads. Different social media, such as Facebook, offer their own advertising platforms. Learn more about how online advertising works.

Liu, Z. (2014). Internet marketing, or online marketing, refers to advertising and marketing efforts that use the Web and email to drive direct sales via electronic commerce, in addition to sales leads from Web sites or emails. Internet marketing and online advertising efforts are typically used in conjunction with traditional types of advertising such as radio, television, newspapers and magazines.

Shaik, M. (2002). Online advertising also called online marketing or Internet advertising or web advertising, is a form of marketing and advertising which uses the Internet to deliver promotional marketing messages to consumers. Consumers view online advertising as an unwanted distraction with few benefits and have increasingly turned to ad blocking for a variety of reasons.

Kim, J.H. and Hyun, Y.J. (2010). It includes email marketing, search engine marketing (SEM), social media marketing, many types of display advertising (including web banner advertising), and mobile advertising. Like other advertising media, online advertising frequently involves both a publisher, who integrates advertisements into its online content, and an advertiser, who provides the advertisements to be displayed on the publisher's content. Other potential participants include advertising agencies who help generate and place the ad copy, an ad server which technologically delivers the ad and tracks statistics, and advertising affiliates who do independent promotional work for the advertiser.

Yannopoulos. P. (2011). Internet advertising revenues in the United States surpassed those of cable television and nearly exceeded those of broadcast television. Many common online advertising practices are controversial and increasingly subject to regulation. Online ad revenues may not adequately replace other publishers' revenue streams. Declining ad revenue has led some publishers to hide their content behind paywalls.

RESEARCH METHOD

In this study, an exploratory research design and a quantitative research approach have been adopted. Initially, the data were collected from the customers. The research method of the paper consists of two phases: Phase one is a preliminary study and the second phase is a formal and more comprehensive study. The study is done by qualitative method. The research will be done by formal quantitative methods. Unit of analysis is a customer. Study subjects are customers. The preliminary study for customers was conducted in July 2016, using qualitative methods to interview 30 customers in order to examine the content and meaning of the words used in the scale. Following this, the formal study was conducted in December 2016, using qualitative methods to interview 300 customers to examine the content and meaning of the words used in the scale.

Total number of customers at this time of the study was more than 800.000 customers in Dong Nai province. After completing the preliminary investigations, formal research is done by using quantitative methods questionnaire survey of 300 customers: the reason tested measurement models, and model and test research hypotheses. This study further translated versions of this application on a questionnaire survey to survey. The questionnaire is presented as follows: The preliminary study was conducted through qualitative methods using in-depth interviews with 30 customers related to online Marketing independently to test the content and meaning of the words and terms used in this scale to make sure they are appropriate and easy to understand. Basic statistical tools and factor analysis with the help of SPSS version 20.0 have been used in this study for analyzing the primary data, which is collected with the help of the self-administered questionnaire.

Customers' responses measured through an adapted questionnaire on a 5-point Likert scale: Conventions: 1: Completely disagree, 2: Disagree, 3: Normal; 4: Agree; 5: completely agree. Research Data collected were tested by the reliability index (excluding variables with correlation coefficients lower < 0.30 and variable coefficient Cronbach's alpha < 0.60), factor analysis explored (remove the variable low load factor < 0.50). The hypothesis was tested through multiple regression analysis with linear enter method and the researcher's collecting data and processed by SPSS 20.0 version.

RESEARCH RESULTS**Table 1: Descriptive Statistics and Cronbach's Alpha for the key factors affecting the online marketing development of SMEs**

No.	The cost (COS)	Mean	Std. Deviation	Cronbach's alpha
COS1	Information of the seller and quality of the products offered on website; online business costs for renting shops, warehouses are almost zero	3.1626	.98135	0.916
COS2	Variety of products offered and diverse in brand, color, quality	2.9273	1.02989	
COS3	Information of the price of the products are cheaper	3.1280	1.00392	
COS4	Offers and discounts provided; The number of large visitors is considered a lucrative market	2.9862	.96095	
COS5	Low advertising cost and simple social networking you can talk to friends	3.0242	1.05874	
COS6	After sale service and feedback are more quickly	3.1938	.97388	
COS7	The seller does not charge extra staffing, maintenance or office space due to transactions made over the Internet	2.9931	1.08651	
No.	The convenience (CON)	Mean	Std. Deviation	Cronbach's alpha
CON1	Variety of products offered and online shopping is easy to reach consumers	2.3114	1.26102	0.783
CON2	Product information it helps the buyer to own the item at the best price and quality	2.8962	1.27868	
CON3	Safe online payment is easy and the types of high-speed connection services are growing rapidly	2.5779	1.21977	
CON4	Cash on delivery and the interesting thing about online business is the ability to operate 24/7 anywhere	2.5536	1.07919	
CON5	Convenience of shopping at home and time saving	2.2664	1.14940	
No.	Online Marketing Development (OMD)	Mean	Std. Deviation	Cronbach's alpha
OMD1	The cost affecting Online marketing development	3.2768	.61196	0.544
OMD2	The convenience affecting Online marketing development	3.2872	.72926	
OMD3	Customer continues to use and introduce your friends about Online marketing development	2.4879	.93950	

(Source: The researchers' collecting data and SPSS 20.0)

Table 1 showed that there are Cronbach's alphas that are high 5.0. The result showed that the Cronbach's alpha coefficient if the removal variables is more than 0.6. In addition, the correlation coefficient of the total variations is more than 0.3. The mean value is around 3.0 and Std. Deviation is around 1.0. There were 300 customers who interviewed and answered about 15 questions but 289 samples processed and 11 samples lack of information.

Table 2: KMO and Bartlett's Test for the key factors affecting online marketing development of SMEs

KMO and Bartlett's Test							
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.						.858	
Bartlett's Test of Sphericity		Approx. Chi-Square		1909.330			
		df		66			
		Sig.		.000			
Total Variance Explained							
Com.	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings ^a
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total
1	4.752	39.604	39.604	4.752	39.604	39.604	4.752
2	2.787	23.223	62.827	2.787	23.223	62.827	2.789
3	.776	6.466	69.292				
4	.746	6.217	75.509				
5	.603	5.027	80.536				
6	.537	4.472	85.008				
7	.449	3.740	88.748				
8	.405	3.375	92.123				
9	.289	2.412	94.535				
10	.285	2.378	96.913				
11	.237	1.973	98.885				
12	.134	1.115	100.000				

(Source: The researchers' collecting data and SPSS 20.0)

Table 2 showed that Kaiser-Meyer-Olkin measure of sampling adequacy was statistically significant and high data reliability ($KMO = 0.858 > 0.6$). This result was very good for data analysis. The result showed that Cumulative percent was statistically significant and high data reliability was 62.827 % (> 60 %). This Data is very good for the next analysis of structure matrix.

Table 3: Structure Matrix for the various key affecting the online marketing development of SMEs

Code	Component	
	1	2
COS6	.917	
COS3	.881	
COS4	.832	
COS1	.797	
COS2	.789	
COS7	.786	
COS5	.716	
CON3		.871
CON4		.771
CON1		.726
CON5		.651
CON2		.633

(Source: The researchers' collecting data and SPSS 20.0)

Table 3 showed that structure matrix for key factors affecting the online marketing development of SMEs that had two components following: X1: The cost (COS) factor is from COS1 to COS7; X2: The convenience (CON) factor is from CON1 to CON5. They are independent variables the online marketing development of SMEs.

Table 4: KMO and Bartlett's Test for the online marketing development**KMO and Bartlett's Test**

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.599
Approx. Chi-Square		82.229
Bartlett's Test of Sphericity	df	3
	Sig.	.000

Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	1.625	54.170	54.170	1.625	54.170	54.170
2	.792	26.398	80.568			
3	.583	19.432	100.000			

Extraction Method: Principal Component Analysis.

Component Matrix^a

Code	Component
	1
OMD1	.805
OMD2	.719
OMD3	.678

(Source: The researchers' collecting data and SPSS 20.0)

Table 4 showed that Kaiser-Meyer-Olkin measure of sampling adequacy was statistically significant and high data reliability, KMO = 0.599. This result was very good for data analysis. The result showed that cumulative percent was statistically significant and high data reliability was 54.170 % (> 50 %). This Data is very good for the next analysis of regression analysis for factors affecting the online marketing development of SMEs. The result showed that structure matrix for the online marketing development of SMEs that had 1 component

(OMD1, OMD2 and OMD3). The researcher calls Y: the online marketing development of SMEs. Y is dependent variable.

Table 5: Regression Model for key factors affecting the online marketing development

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.831 ^a	.691	.689	.31136	1.619

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	62.075	2	31.038	320.146	.000 ^b
	Residual	27.727	286	.097		
	Total	89.802	288			

a. Dependent Variable: Y

b. Predictors: (Constant), X2, X1

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error				Beta	Tolerance
1	(Constant)	1.188	.088		13.556	.000		
	X1	.189	.022	.279	8.503	.000	1.000	1.000
	X2	.497	.021	.782	23.790	.000	1.000	1.000

(Source: The researchers' collecting data and SPSS 20.0)

Table 5 showed that adjusted R square (= 0.689) was statistically significant and high data reliability. The adjusted R square reached 68.9 percent. The results showed that all t value > 2 (Sig < 0.00) was statistically significant and high data reliability. The regression coefficients were positive. This showed that the effects of independent variables in the same direction with the online marketing development of SMEs with significance level of five percent.

CONCLUSIONS AND RECOMMENDATIONS

Conclusions

In the online marketing, readers' access to information is no longer as traditional as they are with the support of technology devices such as computers, laptops, cell phones, etc... This is the opportunity and challenge of enterprises in the battle for customer attention. Besides, online communication is a practical action that businesses need to take to improve brand recognition in the minds of consumers and promote buying behavior. Online marketing to enterprises, especially small and medium enterprises reach a large number of customers; use free online tools like Fanpage, website, email, social networking... SMEs can cut down the cost and time for reaching potential customers and increased competitiveness. The research

results showed that there were 300 customers who interviewed and answered about 15 questions. The Data collected from 05/07/2016 to 15/07/2017 in Dong Nai province. The researcher had analyzed Cronbach's alpha, KMO test, the result of KMO analysis used for multiple regression analysis. The research results were processed from SPSS 20.0 software. The researchers have the recommendations following:

RECOMMENDATIONS

SMEs' staffs do not stop learning, practice skills every day, always learning, training and skills, with the field of Internet Marketing skills. They can not ignore, register to study online. SMEs continue to train Marketing staffs for skills following: digital marketing, knowledge of Facebook Marketing, sales skills, start-up business, Marketing, advertising, graphic design, English communication skills.

SMEs should build Website marketing: Imagine that the website is a big supermarket and there are certainly plenty of entrances. So enterprises build each of the "landing pages" that are a different entrance of a supermarket. SMEs build a one-stop landing page system, edit online system with customer (without login), have construction of the registration form system of customer information and build up the system popup register for customer information. SMEs should boost the product's desirability by adding images. Images of the products make them seem more tangible and "real" to the visitors and are a powerful sales tool. But sometimes revealing what the product is too early in the sales process can kill the sale. SMEs may need to highlight the product benefits and value before the enterprises reveal exactly what it is.

SMEs should build online marketing content development: Content is an extremely important part of content marketing, or content is the king. That shows it is extremely important. SMEs should develop a content strategy that leverages all of your online channels so that you not only entice customers to repeatedly return to your main website, but also reinforce your brand image and messaging.

SMEs should build customer search email system: create a system to find leads, build a customer information filtering system before taking care of it and construct the system to send thousands of emails every day. Raising the visibility of the most important and relevant content to the top level of the website pages. This helps search engine crawlers easily find the best content, rather than having to search for it deep in SMEs' site.

SMEs should build automated customer care email system. In the system it will save customers' manpower, resources, reduce sales staff, telesales staff will not need anymore. The system will act as a day and night worker for SMEs automatically and build an email marketing response system, send mail automatically to customers. This is a great customer care system. SMEs should corporate blog, Facebook Business Page, Twitter feed and other social sites all serve as potential platforms for fielding customer inquiries, sourcing ideas for new content and enhancing enterprises' brand image on the web. Additionally, social content, such as tweets and YouTube videos, will be indexed by search engines, which help boost the content's relevance and page ranking. Finally, the next study should survey more than 300 customers and surveys more than 15 items of the online marketing development of SMEs in others provinces.

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