

Enhance Small Medium Enterprise (Smes) Family Business In Malaysia Through E-Marketing Strategies.

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Abstract: E-marketing was a new concept in marketing world today. This method is used to further improve the existing marketing such as traditional marketing to online marketing. The main objective of this study is to investigate the implementation of e-marketing strategies in family business, especially in the Small Medium Enterprises (SMEs) and also to examine the extent of e-marketing in SMEs family business from Malaysia to proven their profit and sales for the business performance through e-marketing compare to the traditional method. From this study also, researcher can examine and identify the implementation impact of e-marketing used in the SMEs family business in Malaysia. Particularly, SMEs have problem to market their products and usually use the offline market such as direct sales, word of mouth (m2m) and use middle man. Sometime their use to speak more and more to attracting customers to purchase their goods and service compare to modern marketing that use modern facilities and technologies to attract consumers. Traditional marketing is also wasting cost especially in term of promotional, advertising and others cost compare to the modern method. Today, people prefer to choose e-marketing due to convenience and successful business from large market around the world and at the same time it can reduce cost of transaction trading. The data for this study collected using the online survey method from 140 respondents using the google form and have been analyze using the Statistical Package for Social Science (SPSS) version 20.0. From the result show that by using e-marketing, SME family business can be enhanced and need e-marketing method to improve their own business especially in term of profit and increase sales revenue.

Index Terms: E-marketing, Family Business, Business Performance, online marketing

1 INTRODUCTION

Generally, E-Marketing is used as a platform to market the product. Nowadays, many organizations use E-Marketing to market their product through online. Why they use E-Marketing? They use E-Marketing because this is the simple ways to sell the product. An idea to use E-Marketing comes from current information and newest technology may help to solve the problem within a simple ways. However, not all organizations believe E-Marketing as a good platform to market product. Maybe that organization lack of information about E-Marketing. Most of family businesses in SME use a traditional marketing to market their products. E-marketing is one of the techniques to distribute good or service directly to the customer or retailer by using the technology especially the internet. Furthermore, internet will help a seller to sell their product through online. Internet will advertise their product to many platforms such like a website, blog, Facebook, Instagram and so on. In this era, E-marketing is the best approach to sell goods and services. The capabilities of E-Marketing is to enhancing sales of product, introduce product, giving the best solution to market that product. “[2]” defines it as a stimulus to do a testing. Secondly, is users’ motivation to use system. users motivation to use system as an organism. To implementing E-Marketing, researcher need to know users motivation to use system because many of internet user not fully trust about E-Marketing platform. Lastly, actual system use as a response. To do a testing, researcher must finding a response which is what system are actually they use to market their product.

2. PROBLEM STATEMENT

This study investigate the implementation of e-marketing in family businesses, particularly in SMEs. A family business is a company generally owned and managed by a single root family. Succession and equity control are among the vital factors leading to problems within family businesses. “[1]” defines, “Family” emphasizes the definition of a family business. Furthermore, the proportion of family businesses to all other businesses is overwhelming as is the part of the family business of Gross World Product (GWP), employment and employment growth. Moreover, family businesses, particularly in SMEs have problems to market their products. Normally they will use traditional marketing concepts such as offline marketing. Offline marketing is used before the existence of the online system. Offline marketing, including direct sales, word of mouth, and so on. According to “[5]”, Traditional marketing used to speak more and more to attracting customers to purchase their goods or services, meanwhile modern marketing is the new method of attracting consumers by using modern facilities and technologies. The problem with traditional marketing is wasting cost. Most small businesses are only using traditional marketing. Generally, traditional marketing a high cost compared to the modern marketing like online marketing. Among the costs involved in traditional marketing is as promotional costs, advertising costs, maintenance costs and other costs. According to “[6]”, the surge in online marketing spending and large offline media expenditures raises important questions for managers. In fact, traditional marketing should be more time to implement it. This is because traditional marketing requires manual maintenance starting of the finished product to the consumer. Traditional marketing requires the full involvement of all marketers. By using e-marketing, people prefer to choose Electronic marketing and have a convenient successful business in this era. With this definition we could look briefly to the world’s market and feel the necessity of using new objects to solve the business problems and reduce the cost of transactions of

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trading. Suppliers will be able to introduce their goods or services in an easy access place and also costumers could find their needs in the right place, “[5]”.

3. RESEARCH QUESTION

Internet is now considered as a much greater resource than traditional means of advertising, “[10]”. First, this study is to investigate E-Marketing use in SMEs and its also have many types. Secondly, when the firm use E-Marketing, is there any effect of E-Marketing towards Family Business in SME. And lastly, this study try to identify the key implementation factors of E-Marketing used by SMEs in Family Business.

4. RESEARCH OBJECTIVE

The objective of this study is to investigate how E-marketing can help family business in SME to enhance their profit and sales. At the same times, this study will examine the effect of E-marketing towards family business in the SMEs. This study also try to identify the implementation factor of E-marketing used by SMEs and lead to the research objective as per below :-

- I. To investigate E-marketing used in SMEs.
- II. To examines the effect of E-marketing towards family business in SMEs.
- III. To identify the implementation factor of E-marketing used by SMEs.

5. LITERATUE REVIEW

Marketing is influenced by the internet or so called World Wide Web (WWW). Information gathers in the internet is unlimited. It provides a virtual space and unlimited information to the user. As a user or a customer who wants to search for a property, many of them will use the internet for a preliminary search before doing the actual searching outside. Hence, internet marketing means to expose a product. This is definitely a great tool to market the product to customers. Its, mean technology is essential in every field, “[3]”. E-marketing also includes online marketing. How online marketing will increase their sales? According to “[8]”, Electronic Marketing (E-Marketing) can be viewed as a new philosophy and a modern business practice involved with the marketing of goods, services, information and ideas via the Internet and other electronic means. By reviewing the relevant literature it is noticed that definitions of electronic marketing (E-Marketing) vary according to each author's point of view, background and specialization, “[8]”. To attract a customer desired, the marketer should have a good relationship between customers. A contract shows the importance of core promise to get the value of proposition appealing to target customers. Next is content. Content shown how important to have a significant promotional activity to attract customer to click company advertisements. Its also important to regularly examine the segments of the market that have been appealing to hold a strong on to them and look for ways to attracting more customer, “[4]”. According to “[9]”, construction is the promises made by e-marketers are not unique to the Internet, but the medium's interactive capabilities make it easier for them to deliver on their promises quickly, reliably, and rewardingly. In practice, this means that promises must be translated into specific interactive functions and Web design features collectively giving consumers a seamless experience. Such design features as one-click ordering and automated shopping

help deliver the promise of convenience. On other hand, the new concept of E-Marketing also includes community. To enhancing family business, the electronic marketing that will used like community. “[9]” defines community is through site-to-user and user-to-user forms of interactivity (such as chat rooms), e-marketers can develop a core of dedicated customers who become avid marketers of the site too. This is showing how the community works to decide a purchasing decision. Next is concentration. A new concept of E-Marketing need concentration to fulfil customer needs and wants. According to “[9]”, concentration is a targeting through online behavioral profiling. The challenge in E-Marketing is controlling customer data. As outsourcing arrangements proliferate and delivery services become more expert in using information technology, e-marketers risk losing their lock on consumer data, “[7]”. The challenge in E-Marketing is delivering the good cost effectively. According to “[7]”, at present, every single transaction challenges e-marketers to deliver the goods quickly, cheaply and conveniently. This because delivery processes normally controlled by like Pos Malaysia, Gdex, Skynet and so on. Sometimes they have a problem in passing the parcel such as address not complete. So that, the customer will deliver the good not at the right time. “[11]”, defines, “Social Media is best defined in the context of the previous industrial media paradigm. Traditional media such as television, newspapers, radio and magazines are in one direction static show technologies. New web technology have made it simple for anyone to create and most highly, issue their own content’. Furthermore, “[14]”, defines as “web allows access to a plethora of information on different products, the organization must encourage the potential consumer to use the Web site as both an information tool as well as a purchase option”. When the information search and purchase process combines together, it will be more advance compare with traditional retailing. It will easier to online consumer personalized their targeting before they purchase.

6. RESEARCH METHODOLOGY

The data collection have been done by using the online survey by using the google form and has selected the family business in SMEs industry as the main source of investigation. In distributed a questionnaire, researcher decided to distribute it to around 140 respondents which are online user. This is because, researcher need to prove the effectiveness of e-marketing to enhancing family business in SMEs industry, and only 100 of them were fully completed and returned. Throughout the research, 140 sets of questionnaires have been prepared and distributed to the online respondents through google form. The results were analyzed using the Statistical Package for Social Science (SPSS) version 20.0.

7. CORRELATION ANALYSIS

Correlation analysis is one of the most widely used and reported statistical methods in summarizing medical and scientific research data “[13]”. According to “[12]”, a correlation analysis enables to quantify the strength of the linear relationship between two ranked or numerical variables. This +1 and -1. Most analysis software calculates this probability automatically. If this probability is less than 0.05 then it is considered statistically significant and if this probability is greater than 0.05 then it is not statistically significant. According “[12]” again, (**) shows the relationship is significant

and (*) shows the relationship is less significant. Based on the table shown below, the table of correlation between the independent variable (X) and the dependent variable (Y). Table I shows the first independent variable, website that symbolized significant X1 has a relationship with the dependent variable of the effectiveness of e-marketing, which is given the symbol Y. It is evidenced by the number of probabilities obtained less than 0.05. Thus the relationship between the site (X1) with the effectiveness of e-marketing (Y) is significant. While for the second independent variable of social networks in the given symbol X2. Based on the table 1, the probability obtained was 0.00. It proves that the association between social networks (X2) the effectiveness of e-marketing is significant. For the third independent variable of email marketing (X3). Based on the Table II shows that the probability for the X3 is 0.026. This means that the relationship between emails marketing (X3) with the effectiveness of e-marketing (Y) is less significant. It is proved by the probability obtained still less than 0.05. For the fourth independent variable of digital marketing (X4). Based on the table I, the probability of which appears to have a value of less than 0.05. This clearly proves that the digital marketing (X4) has a significant relationship with the effectiveness of e-marketing (Y). For the last independent variable of viral marketing that has been given the symbol X5. Based on the table 1, the probability obtained is less than 0.05. Thus, it was confirmed that the viral marketing (X5) have a significant relationship with the effectiveness of e-marketing (Y).

Table I
Correlation Analysis

		Correlations					
		X1	X2	X3	X4	X5	Y
X1	Pearson Correlation	1	.692**	.433*	.439*	.430*	.540*
	Sig. (2-tailed)		.000	.000	.000	.000	.000
	N	100	100	100	100	100	100
X2	Pearson Correlation	.562**	1	.326*	.432*	.486**	.657**
	Sig. (2-tailed)	.000		.001	.000	.000	.000
	N	100	100	100	100	100	100
X3	Pearson Correlation	.433**	.326*	1	.658**	.420*	.222*
	Sig. (2-tailed)	.000	.001		.000	.000	.026
	N	100	100	100	100	100	100
X4	Pearson Correlation	.430**	.432**	.658**	1	.479*	.476*
	Sig. (2-tailed)	.000	.000	.000		.000	.000
	N	100	100	100	100	100	100
X5	Pearson Correlation	.430**	.486**	.420*	.478**	1	.523**
	Sig. (2-tailed)	.000	.000	.000	.000		.000
	N	100	100	100	100	100	100
Y	Pearson Correlation	.540**	.657**	.222*	.476**	.523**	1
	Sig. (2-tailed)	.000	.000	.026	.000	.000	
	N	100	100	100	100	100	100

** Correlation is significant at the 0.01 level (2-tailed).
* Correlation is significant at the 0.05 level (2-tailed).
Source: SPSS Data Analysis

To investigate E-marketing used in SMEs

In this study, the first objective is to investigate the use of e-marketing in SMEs. In the early stages of the study, researchers submit five (5) types of e-marketing used to boost their family business in SMEs. Among them are as follows: -a. Website b. Social networking c. Email marketing d. Digital marketing e. Viral marketing The results obtained show that all five of these platforms directly involved with E-marketing to increase the family business in the SME sector. To investigate E-marketing elements used in SMEs, researchers decided to investigate by collecting data through surveys conducted through online. Researchers took 140 respondents in the process of gathering information. Based on Table II, E-marketing platform presented by the researchers have a strong relationship with E-marketing. Thus, it proves that the five platforms are directly involved with E-marketing to increase business in the SME family. Thus, it is evident that this study has been able to investigate E-marketing use in SME. This means that this objective has been achieved.

Table II
Coefficient Relationship
Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.812	.304		2.666	.009
	X1	.202	.096	.180	2.105	.038
	X2	.463	.086	.461	5.364	.000
	X3	-.323	.104	-.278	-3.099	.003
	X4	.263	.086	.284	3.047	.003
	X5	.166	.066	.202	2.501	.014

a. Dependent Variable: Y

To examines the effect of E-marketing towards family business in SMEs Furthermore, every platform involved in E-marketing has its own function and its effects. The results of the studies that have been conducted to prove the website can have a positive impact in improving the family business in SMEs. Almost 92% of respondents said that family businesses can be introduced through the website. In addition, 89% of respondents agreed that the contents of the advertisements espoused through the website easily understood by everyone. Thus it can help family. Businesses improve their business through effective ads through the website. The effect of this web site may facilitate the purchase and product search. Therefore, it can overcome common problems faced by family businesses in the SME like to market and introduce products. For the second platform of E-marketing is social networking, researcher acknowledges that the effect of social networks is enormous. 94% of respondents agreed that social networking is one of the best channels to increase SME family business in particular. This proves that social networks can have a positive impact on businesses in the SME family. Almost 94% of respondents believe that family businesses can be enhanced through this channel. The proof is that today many family businesses have managed to penetrate the market only by using social networks such as Facebook, Instagram and others. For the third channel in E-marketing is email marketing. E-mail marketing is a method that is unique in introducing and developing the business. This channel may be rarely used but many are still not aware of the function of this email marketing. 99% of respondents agree that email marketing is an effective tool in reaching the target market organization. It is said to be effective for the many organizations use email marketing as a marketing channel and the effect is simply amazing. 97% of respondents agreed that marketing via email is a more effective marketing channel for introducing a family business. The next channel is one of the new channels introduced. Although it was introduced but already many are aware of the effectiveness of improving a business. 86% of respondents agreed that digital marketing is an effective channel to attract customers and increase sales. In addition, 89% of respondents agreed that with this channel, a family business can grow successfully. And for the last channel in E-marketing of viral marketing. The results obtained, as much as 88% of respondents agree that advertising via YouTube more effective in attracting customers to buy it. The results obtained, each channel involved in E-marketing has proved that all have a positive impact on improving family business in SME. Thus, it is evident that these studies have examined the effects of E-marketing for the family business in SME. This means that both objectives have been achieved. To identify the implementation factor of E-marketing used by SME Last is to identify the implementation factors of E-marketing used by SME. According to a study conducted, 92% of respondents agreed that one factor is the

implementation of E-marketing for technology needs and trends of the present time. This shows that the importance of the use of E-marketing nowadays. In addition, 90% agree that the implementation of E-marketing is due to lower marketing costs. Thus, it is evident that the study was able to identify the implementation used by SME. This means that the third objective has been achieved.

8. CONCLUSION AND RECOMMENDATION

Based on the studies that have been conducted, researchers have proposed several suggestions for future research such as digital marketing, viral marketing and social networks. As digital marketing is still new in E-marketing, so that future studies can be made by way of evoking in detail the impact of digital and marketing functions. In addition, future research can be made by elicited more elements involved in digital marketing. Furthermore, for future research, researchers can develop the actual function of viral marketing to promote products. Viral marketing can be combined with social network traffic increases product sales because social networks are their preferences online. So that it can be combined with viral marketing and digital marketing.

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