

# Digital marketing: A lever for growth for small businesses

# BEN MAKHLOUF Yasmina<sup>1</sup>, AOUDIA FAIROUZ<sup>2</sup>

<sup>1</sup>Lecturer at the Faculty of Economics, Business and Management Sciences (Algeria), yasmina.ben\_makhlouf@ummto.dz

<sup>2</sup> Lecturer at the Faculty of Economics, Business and Management Sciences (Algeria), Fairouz.aoudia@ummto.dz

Received: 07/11/2023

Accepted: 31/12/2023 Published: 31/12/2023

#### Abstract:

The adoption of exponential technologies such as ICT, networks and AI is transforming all areas and introducing a new corporate culture. This digitization is essential for companies seeking to adapt to an ever-changing digital world. Marketing has been profoundly influenced by this revolution, giving rise to digital marketing, which is crucial to the competitiveness and sustainability of businesses. In Algeria, digital marketing has been developing in recent years, despite certain limitations. An empirical study, using semi-directive interviews, was carried out with fifteen small businesses in the wilaya of Tizi-Ouzou to understand the importance of using a digital marketing strategy via social networks.

**Keywords** : digitization, digital marketing, social networks, consumer, Tizi-Ouzou.

JEL Classification Codes: M31, O31

**Corresponding author**: BEN MAKHLOUF Yasmina, *e-mail:* yasmine.benmakhlouf@gmail.com.

#### **1. INTRODUCTION**

The global digital revolution is experiencing an accelerating pace, evoking a blend of anticipation and concern. This sweeping paradigm shift is propelled by the exponential advancement of technologies, exerting a pervasive influence across all sectors and ushering in a novel organizational ethos. Information and communication technologies (ICTs) assume a pivotal role in this metamorphosis, synergizing with other technological breakthroughs including artificial intelligence, nanotechnology, networks, and robotics. The digital revolution has already engendered substantial transformations in societal behavior, reshaping our modes of work, living, and consumption at large.

Digitalization has emerged as a paramount concern for enterprises, necessitating their adaptation to an ever-evolving digital landscape characterized by a profusion of changes across all sectors. Consequently, they must reevaluate their growth strategies to seamlessly integrate these transformations into their operations, with the aim of enhancing their competitive edge, production capabilities, profitability, and sustainability.

Undoubtedly, new technologies have exerted a profound influence on the marketing realm, from the advent of pioneering ecommerce platforms in the 1990s to the introduction of the first online advertising banners in 1993. As the user base of the Internet expanded, companies faced the imperative to reexamine their marketing approaches to effectively reach, satisfy, retain, and even astonish their customers. Keeping pace with technological advancements has become an indispensable criterion for consumers, inevitably propelling marketing into the digital sphere. To remain competitive and fulfill the demands of their clientele, companies must be adept at embracing these technological advancements.

In Algeria, the realm of digital marketing has gained significant momentum, propelled by the surge of the internet and social media platforms. Algerian enterprises have embarked on investments in digital marketing strategies to tap into new customer segments and enhance their brand visibility. Nevertheless, the advancement of digital marketing in Algeria encounters several hurdles that impede the realization of its potential benefits. These challenges encompass limited technological infrastructures and antiquated business practices, which serve as significant barriers hindering the full exploitation of the opportunities presented by digital marketing.

In this contribution, we propose to answer the following main question: To what extent does the utilization of a digital marketing strategy, specifically through social media platforms, hold significance for small-scale enterprises?

To support our main question, we propose to answer the following subsidiary questions:

• What is the digital marketing strategy used by small businesses in Tizi-Ouzou?

• What are the opportunities offered by the use of a digital marketing strategy by small businesses in Tizi-Ouzou?

• What are the disadvantages faced by small businesses in developing their digital marketing strategy in Tizi-Ouzou?

The aim of this contribution is to find out the importance and disadvantages of the use of a digital marketing strategy (through the use of social networks) by small businesses in the wilaya of Tizi-Ouzou.

To do this, we will first establish a theoretical framework for our study, integrating digital transformation, digital marketing, digital marketing strategies, etc. We will then conduct an empirical study using semi-directive interviews with a sample of small businesses located in the wilaya of Tizi-Ouzou in Algeria. We will then conduct an empirical study using semi-structured interviews with a sample of 15 small businesses located in the wilaya of Tizi-Ouzou in Algeria.

# 2. The theoretical framework of the study 2.1 Conceptualization and prerequisites

In what follows, we will rigorously define the key concepts and highlight the prerequisites for understanding our subject.

#### 2.1.1 What does the term "digitalization" refer to?

The notion of digitalization encompasses the entirety of digital technologies and instruments employed for intra-organizational communication. When incorporated as an integral aspect of an organizational strategy, the adoption of digital technology entails the implementation of comprehensive and well-structured management practices utilizing digital tools. It is crucial to note that digital transformation permeates all sectors of economic activity, including manufacturing domains such as the craft industry. This underscores the imperative for businesses to acclimate to digital advancements in order to sustain their competitiveness within an ever more interconnected milieu.

By integrating digital technologies into their operations, businesses can improve efficiency, productivity and profitability, while meeting the needs and expectations of their customers. This transition to digital enables them to reap multiple benefits, such as automating processes, collecting and analyzing data in real time, personalizing offers and facilitating interactions with customers.

As a result, it is imperative for businesses to develop an in-depth understanding of digital technologies and integrate them strategically into their activities. By doing so, they can optimize their operational performance and strengthen their competitive position in the everchanging marketplace.

#### 2.1.2 Digital marketing

There is a plethora of terms used as synonyms for the concept of digital marketing. Digital marketing, e-marketing, online marketing, web marketing - all these terms refer to the integration of information and communication technologies (ICTs) in the field of marketing and communication. Digital marketing can be defined as the process of planning and implementing the design, pricing, communication and distribution of an idea, product or service, using digital technologies in whole or in part, in line with individual and organizational objectives

(Bressolles, 2016, p.9).

Digital marketing can be seen as a new way of marketing that coexists with traditional marketing. In this way, digital marketing and traditional marketing share a number of similarities. However, according to Rioche and Sorin (2019), digital marketing has some distinct features:



Fig.1. The particularities of digital marketing

Source: compiled by us from Rioche and Sorin (2019)

• A real-time, dynamic, and personalized approach: Online tools enable the display of customized content based on the visitor's profile and the time of their website visit.

• Cost-effectiveness compared to direct marketing: Digital marketing minimizes media costs, which are often high and proportional to the targeted customer volume.

• Significance of IT integration: Digital marketing entails the creation and distribution of content, emphasizing the crucial role of information technology.

• Vast volumes of data: Digital marketing generates massive amounts of data, necessitating effective management and analysis.

• Continuous evolution in sync with technological advancements: Digital marketing is a rapidly evolving field that constantly adapts to

embrace the latest technological breakthroughs.

# 2.2 What's the point of digital marketing?

Perrin and Benyahia (2011) see digital marketing as a revolution in marketing, in response to the digitalization of the economy. This revolution is leading to changes in business models and the value of offerings. Digitalization is making it possible to generate revenue and reduce or even eliminate costs in innovative ways. As a result, new business models are emerging that are specifically adapted to the digital environment, particularly in terms of the revenue component. It also enables value to be created in a different way. It facilitates the creation of original service offerings that did not exist before, and enables them to be delivered to consumers in the form of digital products and information. It also facilitates the communication of value through websites, personalized customer relationships, multiple communication channels and conversations between consumers and customers on social media. It also facilitates the sharing of value through new partnerships (Ben yahia& Perrin, 2011, p.77).

This revolution in digital marketing is leading to the emergence of a new generation of consumers, known as 'augmented consumers'. These consumers are characterized by their familiarity with the Internet, their propensity to interact with each other and with companies, and their constant connectivity. They are hyper connected, in search of new experiences, highly demanding and on the lookout for the best prices on the market (Riou, 2017).

This revolution is also having an impact on the structure of markets and their ecosystems. Information circulates widely, reducing confidentiality and giving consumers access to offers from different suppliers on a global scale, prices, notices and incidents. Markets have become spaces where all players, including consumers and influencers, have information and a voice that counts as much as that of companies. Moreover, the rapid evolution of technology is constantly providing both consumers and companies with new tools for marketing (Ben yahia& Perrin, 2011, p.77).

Digital marketing plays an essential role in this revolution, enabling companies to adapt to these profound changes in business models, consumer behaviour and market structure. It offers new opportunities for companies to communicate, interact and create value in innovative and effective ways.

# 2.3 Distinctive features of digital marketing resources

A digital resource is defined as a collection of numerical representations of resources that can be leveraged using information technology tools (Barron & Le Goff-Janton, 2014, p.15). Undoubtedly, digital resources, particularly social media platforms, have caused a disruptive shift in communication and marketing practices. The once passive customer has transformed into an active participant, generating and disseminating information on behalf of the company, thereby giving rise to the emergence of the consumer-actor paradigm.

Digital marketing encompasses a wide array of tools and strategies, including social networks, virtual networks, public relations 2.0, viral marketing, buzz creation, instant messaging, chats, online communities, e-influence groups, forums, newsgroups, wikis, blogs, microblogs (such as Twitter), RSS feeds, online market research, online satisfaction surveys, emails, newsletters, opt-in/opt-out policies, privacy measures, information and customer service portals, websites, web 2.0 platforms, web analytics tools, and online activity monitoring (Benyahia& Perrin, 2011, p.80).

The coherence and consistency of the various digital marketing initiatives undertaken by a company are largely facilitated by the multitude of available digital channels. Thus, as Baines et al. (2012) suggest, to effectively harness digital resources in marketing activities, it is imperative to comprehend the distinct structural attributes of these digital resources. This understanding aids marketers in making informed decisions concerning the most suitable tools to achieve their marketing objectives. Whether it is a digital technology, channel, platform, application, or system, each resource possesses a unique combination of structural properties that influence its usage and impact the user experience. These properties can also be utilized to compare digital channels and assets with their analog counterparts. Key properties include vividness, synchronization, stimulation, transfer mode, and interactivity. As an illustration, Baines et al. (2012) highlight social networks like Facebook and LinkedIn, where users can engage in real-time interactions and exert greater control over the form and content of their experiences, in contrast to traditional media. The figure delineates the various structural properties by which digital assets may vary and their implications for marketing.



Fig.2. Structural properties of digital resources

Source: Baines & al (2012): marketing: from fundamentals to contemporary practice; De Beock. p631

In the realm of digital marketing, several key factors come into play. Synchronization refers to the alignment between users and the system/channel, as well as the speed at which responses are received. Stimulation involves managing the pace and order of information transfer, which can be controlled by both the sender (external stimulation) and the recipient (internal stimulation). Interactivity encompasses the exchanges and interactions between parties, including the speed of exchange and the level of control each party possesses. Transfer mode refers to the process through which something is transmitted from a source to a recipient. Lastly, vivacity pertains to the technology's ability to create immersive and sensoryrich experiences, accounting for the number and quality of sensory inputs involved.

# 2.4 Digital marketing strategies

A digital marketing strategy is a set of actions undertaken through digital media and channels with the aim of achieving specific objectives as part of a digital marketing campaign (Bressolles, 2016). This strategy manifests itself through the use of social media, which can be grouped into three main categories: online communities and forums, blogs and social networks. Online communities and forums bring people together virtually to exchange information, opinions and views on a common subject. Blogs, on the other hand, are personal or company pages that allow the regular publication of articles on a shared area of interest. Social networks are used to connect individuals around a sociological concept, offering public or private profiles, making it easier to share content and communicate. They can be used for personal purposes (friendships and family relationships) or as sharing platforms in a professional context.

#### 2.4.1 Social network marketing

Social network marketing encompasses the use of interactive platforms to establish direct communication with a company's prospects and customers. In order to thrive in this field, it is imperative to listen carefully to users and provide them with responses tailored to their needs and concerns. The main objective of marketing on social networks is to subtly capture users' attention with regard to the company's products and services, to increase its online visibility and to establish lasting relationships with its customers. To achieve these objectives, it is essential to cultivate a lively communications network and promote the brand's image within these networks. It offers companies the opportunity to create closer, more personalized links with their customers, leveraging the advantages offered by social platforms to achieve their business performance objectives.

# 3. Title Empirical part of the study

This part refers to the research phase, which is based on concrete data that are analyzed and interpreted to answer our main question.

# 3.1 Methodologyused

In order to carry out our study and provide informed answers to our main question "To what extent does the utilization of a digital marketing strategy, specifically through social media platforms, hold significance for small-scale enterprises?", we undertook a two-stage approach. Firstly, we carried out an in-depth literature review covering the various aspects of our topic, namely digital marketing, social network marketing and digital marketing strategy. Secondly, we conducted a field survey using semi-structured interviews with the digital marketing managers of the companies surveyed.

Our choice of the semi-structured face-to-face interview as the survey tool was justified by the very nature of the subject we were addressing. The interview guide was pre-tested in April, enabling us to refine our questions. The interviews were conducted in June and lasted a maximum of 45 minutes each, providing us with a wealth of valuable information.

The interview guide is divided into several sections, including a profile of the interviewees (age, level of education, position held and training in the field of digital marketing), an overall presentation of the company (size, geographical scope, sector of activity, seniority and workforce), a contextualization of the development of digital marketing in Algeria, and finally, the central aspect of our study, namely the digital marketing strategy employed within the companies surveyed and the behavior of customers (consumers) in relation to these strategies.

#### 3.2 Results and discussion

In this section we present the conclusions and analyses drawn from the data collected during the study.

a. Profile of interviewees

Table 1. Profile of interviewees

Nº inter view ed	Ag e	Level of education	Position held	Traini ng in the MD	Experien ce in MD
1	33	University/ Marketing	Marketing executive	Yes	3 years
2	30	University/Communi cation	Communications and Customer Relations Officer	Yes	2 years
3	37	Academic / IT	In charge of implementing the digital marketing plan	No	6 years
4	36	University/ Management-	Digital marketing manager	Yes	3 years

	1	marketing			
5	34	University/ Marketing	Digital marketing manager	Yes	3 years
6	33	University/commerc e	Marketing executive	No	4 years
7	37	University/Managem ent	monitoring operations.	Yes	6 yearsold
8	32	Academic / IT	Digital marketing manager	Yes	7 yearsold
9	31	University/Marketin g	Marketing executive	No	4 years
10	36	University/Electroni cs	monitoring operations.	Yes	2 years
11	34	University/Managem ent	Communications and Customer Relations Officer	Yes	5 years
12	35	University/Marketin g	Marketing executive	Yes	3 years
13	38	University/Managem ent	Digital marketing manager	No	6 yearsold
14	32	Academic / IT	Digital marketing manager	Yes	4 years
15	32	Academic / IT	Communications and Customer Relations Officer	Yes	2 years

Source: Our own research based on survey data June

# b. Profile of compagnies surveyed

 Table 2. Profile of compagnies surveyed

				Number	Social networks mobilised			
Compa ny	sector	Age	loca tion	of employee s	Fac ebo ok	Instag ram	Linke din	You Tube
FB	Services	6	TO	5	Х	24K	Х	Х
WH(C D)	Services	3	ТО	10	Х	38K	Х	Х
GLTO	Trade	10	TO	8	63K	35K	5K	Х
LETO	Services	3	ТО	15	25K	12K	2K	Х
HADM	Services	5	ТО	8	30K	15K	900	Х
LYB	Trade	2	ТО	2	Х	09K	Х	Х
FRG	Services	6	ТО	3	20K	15K	735	Х
YTZ	Services	4	TO	2	05K	02K	Х	Х
BBJ	Services	6	ТО	6	40K	35K	925	Х
YSI	Trade	2	TO	3	20K	07K	300	Х

Digital marketing: A lever for growth for small businesses

BL	Crafts	3	ТО	2	Х	10K	Х	Х
GM	Services	2	ТО	4	07K	04K	237	Х
YYB	Trade	4	ТО	4	30K	30K	877	Х
DW	Trade	5	TO	5	30K	30K	2K	Х
SBSI	Services	6	ТО	3	Х	30K	Х	Х

Source: Our own research based on survey data June 2023

The results of our survey show that the companies examined are mainly active in the services sector. They are characterized by their youth and modest size. What's more, they are located in the wilaya of Tizi-Ouzou (T.O). The relevant aspect to highlight here is that all the companies surveyed mainly favor visibility on the social network Instagram, followed by Facebook, while Linkedin and You Tube are used less. This observation reflects the ability and preference of customers to use one or other of these social media. Consequently, these results lead us to conclude that the corporate method is less widely used.

# 3.3 Digital marketing: strategy and reality

The study reveals that the digital marketing sector is expanding rapidly and becoming increasingly important. However, respondents identified a number of obstacles to this expansion. There was unanimous agreement that the quality of the internet connection is often unreliable, limiting the reach of digital channels. In addition, the lack of widespread, secure online payment facilities reduces the range of products available online. Despite these challenges, the interviewees remain optimistic about the future of digital marketing in Algeria, provided it is used wisely.

The digital marketing strategies adopted by the companies surveyed highlight several important elements. Particular importance is attached to a presence on social networks, especially Instagram and Facebook, in order to reach a wider audience and boost brand awareness. Some also stressed the importance of traditional media such as word-ofmouth and display advertising, seeing them as a first step, while recognizing the importance of digital media.

Strategic approaches vary according to the interviewees. Some put the emphasis on raising customer awareness and training their teams, considering this to be essential. Others focus more on offering attractive products and services and building a strong brand image. The use of sponsored advertising is also highlighted as an effective way of increasing visibility.

Despite obstacles such as the quality of the internet connection and the lack of widespread online payment methods, digital marketing in Algeria is booming. Companies are adopting strategies based on a presence on social networks, raising customer awareness and creating a strong brand image. The use of traditional and digital media is seen as complementary. Continued efforts and judicious use of digital marketing can help to further stimulate its development and success in Algeria.

# **3.4 Digital marketing: analyzing and monitoring customer attitudes**

Attracting and retaining new customers through digital marketing requires a customer-centric approach and effective communication via a variety of distribution channels, including social networks. The selection and identification of potential customers varies according to the digital marketing strategies adopted by companies. However, everyone agrees on the crucial importance of building customer loyalty, which involves personalizing and individualizing the relationship between the company and its customers.

Respondents stressed the importance of gauging people's interest in multimedia content on social networks, responding quickly to their comments and maintaining close communication with them. Other retention methods include the use of email, events, SMS and wall posts, as well as sponsorship on social networks. Some respondents also mentioned offering free training or discounts to attract and retain customers. Finally, the creation of attractive and interactive content, in line with current web and industry 4.0 trends, is seen as an essential element in attracting and retaining potential customers.

It is vital to take the emotional dimension into account in the process of attracting and retaining customers. Customer satisfaction is seen as the cornerstone of customer loyalty. Companies therefore need to carefully analyze and monitor their customers' attitudes in order to develop effective digital marketing strategies. Respondents stress the importance of analysing comments, communicating on social networks, observing customer activity on platforms such as Instagram, Facebook or Linkedin, and monitoring e-mail campaigns. The use of these channels makes it possible to build up a rich and detailed customer database.

#### 3.5 Digital marketing strategy: importance and drawbacks

From what we've heard, it's clear that adopting a digital marketing strategy is of paramount importance, having a huge impact on businesses and their customers' behaviour. This approach makes it possible to establish contact with consumers in a more precise, personalised and interactive way, which can significantly influence their choices and purchasing decisions.

Thanks to this strategy, companies gain a deeper understanding of their customers' needs, preferences and expectations, enabling them to tailor their offerings in a more relevant way. This ability to create a unique experience and establish a relationship of trust with their customers is crucial. At the same time, the digital marketing strategy offers customers instant and easy access to information about the products and services they want, making them more informed and demanding. In addition, the use of social networks enables them to seek opinions, share their experiences and interact directly with brands.

In addition, our interviewees identified a number of advantages inherent in the use of digital marketing, such as the personalization of actions, interactive communication, efficiency and a lower-cost approach, as well as the enhancement of brand image. However, this strategy is not without its drawbacks. These include the automation of customer relations, the discrepancy between customer expectations and corporate objectives, the risks associated with cybercrime and consumer distrust of the messages received. However, it should be stressed that despite these drawbacks, the advantages of digital marketing outweigh the disadvantages, and proper strategic monitoring can prevent potential problems.

#### 4. CONCLUSION

The field of digital marketing is expanding significantly in Algeria and is beginning to assume increasing importance. Nevertheless, it is important to note that the quality of the internet connection, which is not always reliable, and the lack of widespread, secure online payment solutions, represent obstacles to the widespread adoption of this new practice. In the wilaya of Tizi-Ouzou, small businesses are implementing a number of key components in their digital marketing strategies. These include a presence on social networks, the use of both digital and traditional media, raising customer awareness, offering attractive products and services, and using sponsored ads to gain visibility.

To attract new customers, these companies consider it vital to capture their attention by responding to their specific needs and communicating their offer through various distribution channels, paying particular attention to social networks. They also stress the importance of personalising the relationship with their customers in order to build loyalty, and see tracking customer attitudes as a crucial part of their digital marketing strategy.

By adopting a well-designed digital marketing strategy, these companies can reach their customers in a more targeted, personalised and interactive way, influencing their customers' choices and decisions.

However, there are a number of disadvantages to consider, such as the empowerment of the customer relationship, the gap between customer expectations and corporate objectives, the risks associated with cybercrime, and consumer distrust of the messages received. However, the advantages of digital marketing outweigh these disadvantages, and proper strategic intelligence can help prevent potential problems.

#### 5. Bibliography List :

- 1. Books :
- Baines, P., Fill, C., & Page, K. (2012). Marketing: from fundamentals to contemporary practice. De Boeck, Belgium.author's
- Benyahia, A., & Perrin, M. (2011). Applied marketing: from tools to strategies. Hachette Supérieur, France.
- Bressolles, G. (2016). Le marketing digital (2nd edition). Dunod, France.
- Rio, N. (2017). Le consommateur digital: les nouvelles approches pour le séduire. Eyrolles, France.
- Rioche, H., &Sorin, Y. (2019). Le webmarketing en 150 questions. GERESO.
- 2. Journal article :

- Marabet, Y., &Chaichaa, I. (2002). Le marketing digital et l'image de marque de l'entreprise: revue de littérature. Revue Management et Cultures (REMAC), (7).
- Vial, G. (2019). Understanding digital transformation. The Journal of Strategic Information Systems, 28(2), 118-144.

### 3. Seminar article:

- Ben makhlouf. Y&Aoudia. F (2023).Digital marketing: How important is it for small businesses?, Contemporary marketing and e-commerce in the shadow of the social platform environment, Relizane University, Faculty of Economics, Commerce and Management Sciences, October 10, 11, 2023, Algeria.

# 4. Internet websites:

- BoD - BooksOnDemand. (n.d.). A guide to social networking (E-book)).