A STUDY ON DIGITAL MARKETING AND SME PERFORMANCE DURING COVID-19: A CASE SAUDI SMEs

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—Abstract—
Digital marketing has become an integral aspect of business operations. Small and Medium-Sized Enterprises (SMEs) rapidly adopt digital marketing techniques because digital marketing helps firms decrease marketing costs and communicate with their customers more quickly. However, little study has been conducted to determine which digital marketing approach is most suitable for SMEs, what elements influence that strategy, and how that strategy affects the performance of SMEs. To address these concerns, this study aims to investigate which marketing strategy is appropriate for Saudi SMEs, what factors influence that strategy, and what effect that strategy has on the performance of SMEs. For this objective, data from 210 SME actors were collected and analyzed using structural equation modeling. The gathered data were analyzed using the CB-SEM method and AMOS-16. According to the survey findings, most SME actors believe that a social media marketing approach is most relevant for their operations and beneficial for enhancing SME performance. In addition, this study found that e-marketing orientation, perceived utility, and perceived simplicity of use positively influence social media marketing (SMM), which affects SMEs' performance. In other
words, social media marketing mediates the association between perceived usability, perceived utility, e-marketing orientation, and SME performance. These insights can serve as a foundation for SME actors and marketing professionals to construct their policies and plans. This is the first study of its sort about Saudi Arabian SMEs.

**Keywords:** Perceived ease of use, perceived usefulness, SMEs performance, E-marketing orientation, Social Media Marketing.

1. **INTRODUCTION**

Intensified competition and globalization are compelling small and medium-sized businesses to develop competitive and sustainable growth strategies. According to Etuk, Udoh, and Eke, (2021), SMEs must apply effective marketing techniques to improve their marketing efforts. Effective marketing strategies contribute to expanding potential clientele and attaining organizational goals. As a result, Froelich (1999) said that while marketing is essential for all businesses, it has become more crucial and advantageous for SMEs in accomplishing their goals. Even though marketing campaigns are expensive and time-consuming, SMEs can achieve their goals with minimal resources by employing digital marketing tactics. In this sense, Barbu, Florea, Dabija, and Barbu (2021) defined "digital marketing" as the process of promoting a product or service using the internet. In addition, Roy, Datta, Mukherjee, and Basu (2021) have recognized a variety of marketing strategies, such as pay-per-click (PPC), search engine optimization (SEO), SMM, and e-mail marketing, among others. Small and medium-sized businesses (SMEs) face an ever-changing and dynamic commercial environment. SMEs must constantly and swiftly adapt and expand their businesses to keep up with changing and emerging situations. Firms can adapt to thrive in a fast-changing world (Mei, Zhang, & Chen, 2019).

One way it's described is as a catalyst for invention. Innovation is the most important component of a company's success. When it comes to creating an advantage, innovation is the key. New customers and long-term profits can be generated by improving marketing operations Bala and Verma (2018). As we enter an era of unprecedented change, we must harness the power of innovation to create both economic and social value. When it comes to gaining a competitive advantage and expanding a firm, innovation is vital. There have, however, been some important developments in innovation, such as the size of the business and the culture of each country Saura (2021). Business growth trends are under threat, and established models are being transformed due to digital transformation. In order to avoid becoming a lagging firm or having to cease operations shortly, new business models must be developed Herhausen, Miočević, Morgan, and Kleijn (2020). For example, competition among businesses for insights on client behaviour and wealth has resulted in a shift in marketing. As a result, the company can reach a wider range of customers, increase customer awareness, open up new markets, and improve customer access to company information online. The
organization has transformed, and new economic prospects are opening up for organizations of all sizes Purwanti (2021).

Kalei (2020) observed that because SMEs usually face budget constraints when pursuing their objectives, digital marketing is more effective than traditional marketing tactics for accomplishing their goals. Nonetheless, during the pandemic (Covid-19), digital marketing tactics have been the key emphasis for firms, particularly SMEs, because they effectively interact with clients and satisfy their needs. Sadly, past research has paid scant attention to the impact of digital marketing, particularly on SMBs. Lack of understanding of e-marketing may be a contributing factor. In addition, little study has been conducted on the optimal digital marketing strategy for SMEs and how different digital marketing methods affect the performance of SMEs. So this study examines how digital marketing affects small and medium-sized businesses’ success. This study has a dual purpose. Digital marketing techniques for Saudi Arabian small and medium-sized businesses (PPC, SEO, social media, e-mail marketing, mobile marketing, and online advertising) should be evaluated. The second purpose of the study was to determine what factors drive the most effective digital marketing tactics and how these strategies affect the performance of SMEs.

2. LITERATURE REVIEW

2.1 Social Media Marketing (SMM)

The COVID19 pandemic has contributed to an upsurge in the volume of Saudi adults using social media recently, as has the number of people using social media generally (Mohammed & Ferraris, 2021). As a consequence, clients, decision-makers, and industry specialists have shaped social links on social media platforms, which has transformed the dynamics of the electronic e-market. Research by Krishen, Dwivedi, Bindu, and Kumar (2021), which established the importance of SMM, showed that integrated marketing promotional messages might alter buyers’ views of the product image and direct to consumption patterns. Public are fascinated to different facets of social media for diverse reasons. Utilizing the Gratification Theory, Mejía-Trejo (2021) investigated the assistances that Facebook users derived from participating in social media activities. Specifically, their online survey of Facebook users indicated that the process of uploading photographs might result in six various types of satisfaction. They concluded that affection, attention-seeking, habit, information sharing, disclosure, and social influence contribute to user happiness.

Moreover, Tourinho and de Oliveira (2019) demonstrated that consumers feel cognitive absorption when engrossed in using information technology. According to research conducted by Tourinho and de Oliveira (2019), cognitive absorption is one of the primary motivating factors for people's use of social media. One of the benefits of social media is that it provides users with a sense of temporal dissociation, which lessens their
awareness of the passage of time. In addition, social media platforms offer users the opportunity for focused immersion, enabling them to temporarily escape the harsh realities of everyday life. Thirdly, increased satisfaction from successful interactions between a user and a piece of software can be gained through social media. The fourth benefit of using social media is that it gives the user a sense of power, and the final benefit is that it can sate the users' insatiable thirst for novelty and wonder. Although it is enticing to a large number of people, the usage of social media can harm the population's mental health. Social media weariness may be caused by the unregulated usage of these platforms (Ashiru, Oluwajana, & Biabor 2022). This may lead to elevated levels of anxiety and despair. Businesses are increasingly turning to social media to make it easier for their customers to engage with them (Raulo et al., 2021). It was discovered by Patalay and Bandlamudi (2021), that integrated marketing promotional messages might effectively affect consumer attitudes about product image and lead to consumption habits.

Internet-based channels, according to a recent study, allow users to communicate with large or specific groups that receive value from user-generated content and a connection with others, whether in real-time or asynchronously (Desai, 2019). This definition was generated from the findings of a recently completed systematic review. One's interactions or relationships with other social media platform users and the material provided by an organisation, business, or individual can influence the social media's relevancy. Strategic use of social media communication (networks) and interactions (influences) to accomplish marketing goals is what is meant by a company's "social media marketing strategy" (De Pelsmacker, Van Tilburg, & Holthof, 2018). The use of social media platforms to communicate with one or more stakeholders falls within the purview of SMM. Dwivedi, Kapoor, and Chen (2015) established a framework of SMM to emphasise this issue. As a marketing technique, social media has a number of advantages. Firstly, the free marketing content offered by the firm will make the consumer more entertained, which will lead to less activity on social networks.

The pre-set search function on social networking sites (SNS), hashtags, or the direct custom searching services of businesses can all be used by customers to tailor their information searches further. Because social media is both real-time and rapid, clients may get the most up-to-date information and trends about the products and services offered by the business. As a result of the fourth and fifth benefits of a SMM plan, consumers are able to establish personal connections with one another. As a result of these word-of-mouth impacts, customers are more likely to pass along information they have seen on the company's social media to their friends and colleagues. This means that SMM consists of fun, interactivity, trendiness and personalization as well as word of mouth (Arrigo, 2018).

Li, Larimo, and Leonidou (2021) discovered that SMM had a significant effect on many components of brand equity, such as purchasing intentions. In addition, several studies
have investigated the impacts of SMM in various contexts and demonstrated some of them. According to the findings of a study conducted by Rahardja, Hongsuchon, Hariguna, and Ruangkanjanases (2021), SMM has an indirect effect on the impact of social identity and perceived worth on satisfaction. On the other hand, social identity and perceived worth directly impact one's degree of happiness, which affects one's willingness to participate in activities and make purchases constantly. Rusfian and Alessandro (2021) demonstrated that SMM positively affects brand awareness and image, indicating that SMM is a precursor of brand equity. [Referencing needed] In a positive chain reaction, improved brand recognition and image increased consumer loyalty and encouraged word of mouth. According to previous research, SMM is a reflective second-order construct. This suggests that the indicators of a construct, such as amusement, interaction, trendiness, personalization, and word-of-mouth, are believed to be caused by the construct itself, in this case, SMM.

2.2 Hypothesis Development

Marketing is a critical tool for any business to connect with clients and grow sales, but not all firms have the skills and resources necessary to effectively implement these strategies, as they require specific competencies and resources. In this regard, Nath, Nachiappan, and Ramanathan (2010) highlighted that large corporations invest substantial resources in marketing activities, whereas small and medium-sized firms (SMEs) cannot afford to spend as much on marketing. Researchers have advocated that SME marketing strategies utilize digital technologies, such as digital marketing. According to researchers, digital marketing tactics are advantageous for SMBs due to their low cost and rapid output. According to Dora and Saudi (2020), SMEs need to leverage digital technology, namely digital marketing, to boost industrial growth. According to Hollebeek and Macky (2019), digital content marketing increases employee engagement while simultaneously increasing sales, customer loyalty, and consumer trust. According to Etuk et al. (2021), digital marketing enables SMBs to improve profitability, brand awareness, and customer service. In addition, Desai (2019) found that digital marketing techniques help businesses reduce marketing expenses, improve consumer communication, boost productivity, and evaluate marketing performance. Moreover, Kalei (2020) revealed that search engine optimization (SEO) is now a valuable digital marketing strategy because it lets firms attract unique clients to their social media pages, but it is unsuccessful at gaining market share.

Many factors influence how individuals utilize digital marketing methods, including perceived simplicity of use and perceived usefulness Zainab, Bhatti, and Pangil (2017). According to Davis, Bagozzi, and Warshaw (1989), perceived ease of use causes individuals to believe that employing a particular technology would not present any difficulties or hurdles. According to Ojo et al. (2019), organizations tend to choose digital technologies when considering these essential organization and usability strategies. Consequently, as enterprises learned that efficient use of digital technology
could help them enhance productivity Patma, Wardana, Wibowo, Narmaditya, and Akbarina (2021), SMEs began adopting similar technologies Sunday and Vera (2018). In addition, (Mufarih, Jayadi, & Sugandi, 2020) found that perceived ease of use encourages positive behavior in individuals, encouraging them to use a system that helps firms maximize their potential. Moreover Gao and Bai (2014) asserted that perceived ease of use positively affects user behavior when it comes to digital technology Kitsios, Giatsidis, and Kamariotou (2021). Moreover, Chatterjee and Kar (2020) found that perceived ease of use had a beneficial effect on adopting new technologies.

Similarly, perceived usefulness illustrates how individuals generate a sense of usefulness when they believe a system will aid in performance enhancement. According to Zainab et al. (2017), perceived usefulness stimulates the use of digital tools that increase productivity. According to Mufarih et al. (2020), usefulness increases people's propensity to use digital services Kitsios et al. (2021). Past research has examined the relationship between perceived utility and technological adoption. In this context, Akinwale and Kyari (2022) observed that when individuals perceive technology as valuable, their willingness to employ it increases. Likewise, Chatterjee and Kar (2020) discovered an association between perceived utility and smartphone adoption.

According to Sarquis, Hoeckesfeld, Favretto, and Cohen (2019), e-marketing is valuable for interacting and communicating with firm-identified customers. Asheq, Tanchi, Kamruzzaman, and Karim (2021) elaborated on e-marketing in this regard by arguing that e-marketing orientation has matured into an organizational strategy that must be integrated with all organizational operations. E-marketing is significantly less expensive than conventional marketing, according to Loh and Stephenson (2021). Moreover, according to Kraus, Gast, Schleich, Jones, and Ritter (2019), SMEs are motivated to adopt SMM because they believe it will improve their efficiency. In this regard, Sunday and Vera (2018) argue that SMEs have adopted SMM to improve their performance. As a result of the above, the following hypothesis was proposed, and the research model is depicted in Figure 1.

**H1:** Social media marketing mediates the relationship between perceived ease of use and SMEs' Performance.

**H2:** Social media marketing mediates the relationship between perceived usefulness and SMEs' Performance.

**H3:** Social media marketing mediates the relationship between E-marketing orientation and SMEs' Performance.
3. Methodology

According to Bhatti and Sundram (2015), qualitative and quantitative research methodologies exist. Quantitative research is important for investigating the proposed solution and conceptualization, but qualitative research is useful for comprehending the underlying notion and idea. Because this study examines the correlations between e-marketing orientation, perceived usefulness, perceived ease of use, SMM, and SME performance in Covid-19, the variables e-marketing orientation, perceived usefulness, and perceived ease of use will be examined. This examination is well suited to a quantitative research approach. As a result of the quantitative study, data was gathered by probability sampling. More specifically, simple random sampling was employed to acquire the data. For data analysis, structural equation modeling (SEM) was employed. According to Herhausen et al. (2020), structural equation modeling (SEM) is a two-step process in which researchers first review measurement models to analyze factor analysis and then examine structural models to evaluate the path and relationships among variables.

3.1 Data Collection

This research was divided into two parts. In the first round, 300 SME actors were given questionnaires regarding digital marketing strategies. Participants were presented with several digital marketing strategies and were required to respond to which digital marketing strategy they feel is most beneficial for their firm or which digital marketing strategy they would choose to utilize if granted the option. A total of 210 questionnaires were received, with 8 rejected due to nonsensical and incomplete responses. As a result,
the means score was derived using 202 completed surveys. An additional questionnaire was constructed in the second phase depending on the digital marketing strategy chosen by the respondent in the first phase (based on high Mean). In the second phase, a questionnaire was created based on past research measurements. In the second stage, 300 surveys were issued to individuals chosen using simple random sampling. A total of 180 completed surveys were received, with 5 being eliminated owing to nonsensical or incomplete responses. As a result, the final analysis included 175 completed questionnaires.

3.2 Measurements

To measure SMEs performance, 5 items scale was used, which was adopted from Patma et al. (2021). Scale items include 1- “My business performance has been increased using social media platform” 2- “My sales are above average compared to others using social media platform” 3- “My customers feel more connected with my business after using social media” 4- “My efficiency to identify the customers’ need has been increased using SMM” 5- “Creativity of my employees has been enhanced through the use of SMM.” In addition, Social Media Marketing was measured using 3 items developed by Patma et al. (2021). Scale items include 1- “For advertising my products and services, social media marketing is helpful” 2- “Because my competitors are using social media for marketing, I should use it” 3- “Usage of social media marketing technique is good for my business.” Perceived usefulness was measured using 5 items developed by Patma et al. (2021). Scale items include 1- “Social media is useful for business,” 2- “Social media is a valuable tool for marketing,” 3- “Social media enhances the productivity of the business,” 4- “Social media helps better query management” 5- “Social media helps more customer satisfaction” Similarly, perceived ease of use scales was adopted from Patma et al. (2021) which consist of 5 items. Scales items include 1- “Overall, it is easy to learn social media marketing,” 2- “It is easy to identify new customers using social media,” 3- “It is easy to identify customer demand using social media,” 4- “Information retrieval about a customer is easy using social media” 5- “Advertising products and services on social media platforms are easy.” The E-marketing orientation scale was adopted from Shaltoni, West, Alnawas, and Shatnawi (2018). The scale consisted of 12 items which included 1. “In our organization, we believe that it is a strategic necessity to be involved in e-marketing.” 2. “In our organization, we tell employees that success depends on adopting advanced e-marketing resources.” 3. “We encourage the development of e-marketing initiatives in our organization.” 4. “We feel that our organization should be highly involved in e-marketing.” 5. “In our organization, we follow the developments in e-marketing using several secondary sources (e.g., industry magazines, government statistics… etc.).” 6. “In our organization, we monitor competitors’ adoption of e-marketing.” 7. “We do in-house research about e-marketing.” 8. “Several meetings are held yearly in our organization to prepare e-marketing Plans.” 9. “The latest e-marketing technologies (e.g., web applications) are installed in our Organization.” 10. “There is adequate technical support for e-marketing Implementation
in our organization.” 11. “In our organization, e-marketing is done by employees who have e-marketing knowledge.” 12. “The activities of the different departments responsible for e-marketing implementation are well-coordinated.” Lastly, a list of digital marketing strategies was adopted from Ojo, Raman, and Downe (2019). Digital marketing strategies include e-mail, mobile marketing, social media marketing, pay-per-click, search engine optimization, and online advertising.

4. ANALYSIS AND RESULTS

The present study performed descriptive and inferential statistics to analyze the data. Table 1 presents the mean values of the constructs. As per Table 1, SMM got the highest mean score with 3.11, which was used for further study in phase 2 of this research. In phase 2, effects of perceived usefulness, ease of use, and e-marketing orientation were examined on SMM. In addition, SMM was examined on SMEs' performance during Covid-19. Other digital marketing strategies got mean score as pay per click (1.25), search engine optimization (2.01), E-mail marketing (2.55) and online advertising (2.71).

Table 1: Mean Score of Digital Marketing Strategies

<table>
<thead>
<tr>
<th>Constructs</th>
<th>Mean Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pay Per Click (PPC)</td>
<td>1.25</td>
</tr>
<tr>
<td>Search Engine Optimization (SEO)</td>
<td>2.01</td>
</tr>
<tr>
<td>E-mail Marketing</td>
<td>2.55</td>
</tr>
<tr>
<td>Social Media Marketing</td>
<td>3.11</td>
</tr>
<tr>
<td>Online Advertising</td>
<td>2.71</td>
</tr>
</tbody>
</table>

Before analyzing the average values of constructs, their reliability was first assessed. Table 2 below presents the reliability analysis results analyzed by Cronbach’s Alpha values. As indicated in Table 2, the Cronbach’s Alpha values of the study constructs vary between 0.71 to 0.82. The construct of perceived usefulness has the lowest Cronbach’s Alpha value (i.e. 0.71) and the construct of SMEs performance has the highest Cronbach’s Alpha value (i.e. 0.82). Thus, the reliability of each construct of the study is established.

Table 2: Reliability of the Scale

<table>
<thead>
<tr>
<th>Constructs</th>
<th>Internal Consistency</th>
</tr>
</thead>
<tbody>
<tr>
<td>Perceived ease of use</td>
<td>0.74</td>
</tr>
<tr>
<td>Perceived usefulness</td>
<td>0.71</td>
</tr>
<tr>
<td>E-marketing orientation</td>
<td>0.76</td>
</tr>
<tr>
<td>Social Media Marketing</td>
<td>0.75</td>
</tr>
<tr>
<td>SMEs Performance</td>
<td>0.82</td>
</tr>
</tbody>
</table>
Table 3: Measurement Model fit

<table>
<thead>
<tr>
<th>Overall Model Measure</th>
<th>Overall Model Score</th>
<th>Acceptable Model Fit</th>
<th>Acceptable Baseline</th>
</tr>
</thead>
<tbody>
<tr>
<td>CFI</td>
<td>0.901</td>
<td>Passed</td>
<td>≥0.90</td>
</tr>
<tr>
<td>AGFI</td>
<td>0.844</td>
<td>Passed</td>
<td>≥0.80</td>
</tr>
<tr>
<td>RMSEA</td>
<td>0.019</td>
<td>Passed</td>
<td>&lt; 0.10</td>
</tr>
<tr>
<td>CMIN/DF</td>
<td>2.551</td>
<td>Passed</td>
<td>&lt; 3</td>
</tr>
<tr>
<td>TLI</td>
<td>0.951</td>
<td>Passed</td>
<td>≥ 0.89</td>
</tr>
<tr>
<td>IFI</td>
<td>0.944</td>
<td>Passed</td>
<td>≥ 0.90</td>
</tr>
</tbody>
</table>

Table 4: Structural Model Fit

<table>
<thead>
<tr>
<th>Overall Model Measure</th>
<th>Proposed Model</th>
<th>Acceptable Model Fit</th>
<th>Acceptable Baseline</th>
</tr>
</thead>
<tbody>
<tr>
<td>CFI</td>
<td>0.924</td>
<td>Passed</td>
<td>≥0.90</td>
</tr>
<tr>
<td>AGFI</td>
<td>0.851</td>
<td>Passed</td>
<td>≥0.80</td>
</tr>
<tr>
<td>RMSEA</td>
<td>0.017</td>
<td>Passed</td>
<td>&lt; 0.10</td>
</tr>
<tr>
<td>CMIN/DF</td>
<td>2.547</td>
<td>Passed</td>
<td>&lt; 3</td>
</tr>
<tr>
<td>TLI</td>
<td>0.964</td>
<td>Passed</td>
<td>≥ 0.89</td>
</tr>
<tr>
<td>IFI</td>
<td>0.921</td>
<td>Passed</td>
<td>≥ 0.90</td>
</tr>
</tbody>
</table>

The inferential statistics of the study were analyzed using CB-SEM that was performed through AMOS 16 software. Before testing the study's hypothesis, the mode-fit of measurement and structural model was analyzed. Table 3 presents the model-fit indices of the measurement model. The values of CFI = 0.901, AGFI = 0.844, RMSEA = 0.019, CMIN/DF = 2.551, TLI = 0.951 and IFI = 0.944. Similarly, Table 4 presents the model-fit indices of the structural model. The values of CFI = 0.924, AGFI = 0.851, RMSEA = 0.017, CMIN/DF = 2.547, TLI = 0.964 and IFI = 0.921.

Table 5: Summary of Effects

<table>
<thead>
<tr>
<th>Variables</th>
<th>Direct Effects</th>
<th>Indirect Effects</th>
<th>Total Effects</th>
</tr>
</thead>
<tbody>
<tr>
<td>Perceived ease of use --&gt; Social media marketing</td>
<td>0.181</td>
<td>-------</td>
<td>0.181</td>
</tr>
<tr>
<td>Perceived usefulness --&gt; Social media marketing</td>
<td>0.301</td>
<td>-------</td>
<td>0.301</td>
</tr>
<tr>
<td>E-marketing orientation --&gt; Social media marketing</td>
<td>0.219</td>
<td>-------</td>
<td>0.219</td>
</tr>
<tr>
<td>Social Media Marketing --&gt; SMEs performance</td>
<td>0.299</td>
<td>0.317</td>
<td>0.317</td>
</tr>
<tr>
<td>Perceived ease of use --&gt; SMEs performance</td>
<td>-------</td>
<td>0.412</td>
<td>0.412</td>
</tr>
<tr>
<td>Perceived usefulness --&gt; SMEs performance</td>
<td>-------</td>
<td>0.477</td>
<td>0.477</td>
</tr>
</tbody>
</table>
The values presented in Table 3 and Table 4 pass the cut-off values. Hence, the model-fit of measurement and structural model is established. Table 5, Table 6, and Figure 2 present the findings of the inferential statistics. Results of the SEM reported that SMM mediates the relationship between perceived usefulness, perceived ease of use and e-marketing orientation. Therefore, hypothesis H1-H3 are supported. SEM results supported H1 and explained that SMM mediates the relationship between perceived ease of use and SMEs performance during Covid-19 (t = 3.24; t > 1.96). Similarly, results of the SEM indicated that SMM mediates the relationship between perceived usefulness and SMEs' performance during Covid-19 (t = 3.47; t > 1.96).

Table 6: Result of Analyses and Hypotheses

<table>
<thead>
<tr>
<th>Hypotheses</th>
<th>P-value</th>
<th>t-value</th>
<th>Accept or Reject</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1  Social media marketing mediates the relationship between perceived ease of use and SMEs' Performance.</td>
<td>0.001</td>
<td>3.24</td>
<td>Accept</td>
</tr>
<tr>
<td>H2  Social media marketing mediates the relationship between perceived usefulness and SMEs' Performance.</td>
<td>0.001</td>
<td>3.47</td>
<td>Accept</td>
</tr>
<tr>
<td>H3  Social media marketing mediates the relationship between E-marketing orientation and SMEs Performance.</td>
<td>0.012</td>
<td>2.55</td>
<td>Accept</td>
</tr>
</tbody>
</table>

Note: Significance Level (p<0.5)

Figure 2: Structural Model
In addition, results of the SEM indicated that SMM mediates the relationship between e-marketing orientation and SMEs performance during Covid-19 (t = 2.55; t > 1.96).

5. DISCUSSION

According to Mufarih et al. (2020), academics and marketing managers must understand digital marketing features to execute marketing strategies successfully. They argued that the increasing use of digital media by society drives businesses to engage with clients through digital marketing tools. Consequently, this study aims to determine which marketing approach is optimal for Saudi SMEs, which variables influence that strategy, and how that strategy influences SME performance. According to the findings of this study, SMM is the most effective approach for SMEs since SME actors believe it helps them achieve their targeted goals and boosts the company's performance. Previous research Hollebeek and Macky (2019); Kalei (2020) indicated that SMM can improve the performance of SMEs. In addition to SMM, SME actors believe that internet advertising and e-mail marketing improve SME performance. The rising popularity of social media, which enables SMBs to engage with their customers more quickly and easily, may help explain these outcomes. E-mail marketing is an important digital marketing approach, yet fewer customers check and use their e-mail than SMM. As a result, SME actors concur that SMM can enable them to reach a big number of clients simultaneously.

In the second part of this research, the researcher has explored the impact of perceived ease of use, usefulness, and e-marketing orientation on SMM and its impact on SME performance. Evidence in the research proves that SMM mediates the relationship between perceived ease of use, perceived usefulness and e-marketing orientation and SME performance. The research findings are in line with previous research, which shows that when people perceive that using technology is beneficial, they are more likely to use it, which helps them enhance organizational performance Mufarih et al. (2020). Furthermore, the results of this paper reflect the conceptualization of Ojo et al. (2019); Patma et al. (2021), who stated that when employees consider technology to be simple to use, they are more likely to accept it, which helps the business perform at a higher level. Moreover, evidence found in this research also backs up Sarquis et al. (2019) findings as e-marketing orientation positively influences SME performance. Employees may perceive that e-marketing is a cost-efficient, quick, and productive way to complete marketing activities and useful in achieving business goals as one plausible cause for these observations. Finally, the results of this paper are similar with prior study results, which show that SMM assists SMEs work better Kraus et al. (2019) because they think it will benefit them in connecting with their customers and meeting their needs.
6. IMPLICATIONS

From a philosophical standpoint, the findings of this study contribute to current knowledge by stressing the importance of digital marketing, specifically SMM, in enhancing the performance of SMEs. The findings of this study corroborated the initial conception of the technology adoption model (TAM) and its implications for SMM. This study concludes by discussing how SMM can assist SMEs improve their performance and the factors that drive SMM, such as perceived ease of use, perceived utility, and e-marketing orientation. Logically, the research findings inspire marketing experts to restructure their SMM and ensure that the material is simple to use and beneficial. In addition, they should teach SME actors and employees how to use e-marketing and develop user-friendly and valuable content.

7. LIMITATIONS AND FUTURE RESEARCH DIRECTIONS

This study has several limitations, which motivates future research. Since most SMEs were in the coffee and hospitality industries, the results may not apply to all SME types. Future research could collect information from various SME types, such as technology-related, tourism-related, production-related, and medical-related SME types, to bolster the present study's findings. Second, this study examined only three variables: perceived ease of use, usefulness, and e-marketing orientation. Future research could investigate the influence of other variables, such as pricing, technological orientation, and innovativeness on SMM.

Moreover, current studies focused mostly on SMM because it earned the greatest mean score compared to other digital marketing techniques; nonetheless, e-mail marketing and online advertising also gained significant mean scores from SME actors. Consequently, future research must study what factors influence e-mail marketing and online advertising and the effect of e-mail marketing and online advertising on SME performance. Even though the current study was conducted in Saudi Arabia, future research should replicate this model in other nations and contexts to preserve the existing findings.

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