

THE EFFECTIVE OF DIGITAL MARKETING TO SMES BUSSINESS IN THAILAND

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Abstract

A study of “The Effective of Digital Marketing to SMEs Bussiness in Thailand” aimed to investigate the elements of digital marketing, its influences, and the model of SME for the business end results. This study applied Quantitative Research through Survey Method, its data collection was conducted with the employees of the SME Development Bank. With statistical data analysis, the researcher found that the significance of their genders was 0.491 which exceeded 0.05 levels in all aspects. It showed that different genders did not significantly affect any site operations at 0.05 levels whereas ages, education, business size, enterprise capital, business type, and duration of enterprising until today gained significant values less than 0.05 levels. This showed that general information of respondents about age, education, business size, enterprise capital, business type, and duration of enterprising until today reached their significance at 0.05 levels.

Keywords: digital marketing; influences of digital marketing; SME operational models

Introduction

Technological waves dramatically shifted the behaviors of daily life spending and banking as well. Currently, there has been a new model of banking – e-banking such as internet banking and mobile application which service financial business from commercial banks or through e-devices like mobile phones, and tablets such as depositing, withdrawal, transactions, and,

balance inquiry, and so on. Such services have been developed responsive to the needs of the services to enable the users for self-services and thus provided conveniences, expedition and travel time-saving (Sungmala & Verawat, 2021). Most Thais likely thought of marketing through Facebook and Instagram the channels with a number of users and a mega-market. However, mega-channels would have to encounter much competition. Had marketers and business owners as such to see the opportunity of digital marketing in other channels, they would have eased their business surpassing their competitors.

Digital marketing has been another channel attracting enterprises consumers. “Digital marketing” meant marketing through the internet and digital devices such as computers and mobile phones as the medium to communicate goods and service promotions. Businesses could use digital marketing channels were as the search engine, social media, email, and websites to access clients and often called digital marketing which was coupled with ‘online marketing’ too for in-usability. They had their main objective to access their customer groups who needed to expand their digital and online devices. Such marketing offered numerous options and enabled to supply of in-depth data (Jarusen, 2021). Businesses could start up their markets Via the little budget at first and gradually improve and change by real performance. The communication of digital marketing could be the model for inter-community communication or brand owners with consumers through countless digital communications. Their examples were online advertisement purchase, SEO (searching engine optimization), email uses, and communication with clients through social media. They needed to use sciences and arts to learn various devices, reading and analyzing data included using creativity in designing advertisements and contents for their customers to watch too.

As for assessing innovation-oriented business capacity and innovative firms, Thailand had no complement data. Nevertheless, it was evident that the Thai companies themselves were characterized as the transnational companies e.g. PTT Group, Thai Cement Group or Charoen Pokphand Group which led to innovations followed by the giant the Thai telecommunication companies like True, AIS, DTAC which began to be the Startup, Accelerators/ Incubators and bank groups which had to begin to use financial digital innovation and adjusted themselves to survive the waves of fintech. In addition, enterprises that began with high innovative operations supposedly reaching-risk rate. Reports in 2017

showed that Thailand homed startup enterprises that had been capitalized for over 90 cases. However, they were very few successful as of the growth to the group with high capital value on the type “Venture Capital” and “Angel Investor (Series A and B)”. It was witnessed that companies preoccupied with well launching digital marketing in Thailand would be the only giant companies having shares and invested by domestic and foreign investors. As such, it allowed earning knowledge of technology and various appropriate aspects and enabled these giant companies to launch digital marketing businesses (Depe 2019). For these reasons above, they attracted the researcher and prioritized conducting research on “Digital Marketing Affecting the SME in Thailand” to understand and to know numerous factors affecting the SME enterprisers who dared not invest in digital marketing. Further, the findings of this study would be as guides to develop the direction of the SMEs to more invest in digital marketing.

Research Objectives

1. To study the digital marketing elements affecting the SME operations in Thailand;
2. To study the digital marketing influences affecting the SME operations in Thailand; and
3. To study the models of developing the SME business for its business performances.

Literature Review

The concepts and theories of digital marketing

Digital media was a social media primarily called ‘Other Media’. Later it was developed into Multimedia, New Media and Digital Media. Today it has been called the ‘digital Technic’. Digital media has been referred to the media embracing graphic information, motion pictures, sounds and VDO and so on which relied on computerized advancement technology to help those media information to be modified their status and linked together for the benefits of work uses (Viriyabuddhivong, 2010).

Digital marketing has been referred to the development of new marketing in the future using technology and digital devices to function marketing activities risen when the company operated most marketing through the digital communicative media. The digital media had codes enabling to indicate the users. As such, it enabled marketers to endlessly communicate with their clients in two ways to each individual. Information received from communication from each individual and from each case would be the common learning and might be useful to sequential clients where continuity and cohesion were similarized. Also the marketers could adopt the real-time information and opinions directly received from clients for further maximized usefulness for clients (Reitzen, 2007; Laowlertvilai, 2015).

The concepts and theories of digital advertising

Digital advertising has been referred to as advertising risen from business sector used for communicating of presenting any information related to products, services or ideas not presenting individual characteristics to promote and to persuade and purchasing behavior of the targeted consumers or the message recipients who needed to buy goods and services. This was through internet network medium for communication through using technology or various electronic systems. They showed promotion results through online search engine and online society or website (Ariyaviriyant, 2013; Dissayatriphat, 2020)

The related researches

Larbhaicharoenkij et al. (2019) studied “Digital Marketing Influencing IT Product Buying Decision via Mobile Application of Customers.” This quantitative research found that the levels of the opinion on the digital marketing influencing IT product buying decision via mobile application of customers in general view were at high level. Reflecting each area, respondents prioritized most the digital content format followed by online public relation marketing and the least was the digital marketing channels. Regarding the opinions on buying decision by birdie views, they were also at high level. Reflecting each area, respondents prioritized the assessment of options most, followed by information searches and the least was the aftersales experiences. In addition, the hypothetical tests revealed that the digital marketing towards IT product buying decision via mobile application of customers had positive

relationship and the influences over the same direction by statistical significance at 0.05 levels.

Phittayaviroon (2014) studied “Digital Media Influencing the Responsiveness of the Consumers.” She found that respondents frequently used social media for 4 days a week. Most digital media used were social media to best access information during early evening at 18.01-24.00 Hours. Respondents aimed to search or to exchange or to service since they could conveniently and expeditely access. The strongest influential person to optimize social media was one own self. As such, consumers, at high level, recognized information through digital media and had their life styles on opinions most. As of interestedness and activities were at high levels. Responsiveness to digital media was at high levels on volition, interestedness, needs and buying decision. The consumers with different ages and education were differently responsive to access marketing information. As of recognition of information, the consumers had, in every area, relationship with the responsiveness to the digital media. As of their life style on activities, consumers had relationship with the behavior of digital media. Regarding the daily duration of behavior on using social media by average per weekly frequency had relationship with the responsiveness to the digital media on volition, and needs.

Gulati, et al., (2018) studied “Causal of Digital Marketing Influencing Hotel Customers’ Satisfaction and Loyalty in the Andaman Triangle Cluster, Thailand: Thailand” the findings were the marketing through online social media and the content media directly influenced the creation of the customers’ loyalty. Marketing through website media influenced the creation of the customers ‘satisfaction and loyalty when they recognized the value of good services of hotels. It could conclude that marketing through website, through online social media, through content media and the creation of values to recognize services had direct and indirect influences over the creation of clients ‘satisfaction and loyalty in the hotel business.

Khankaew (2018) studied “Digital Marketing Strategy and Marketing Performance Evidence from Service Businesses in Thailand.” The results revealed that (1) Digital marketing strategy on ability to create marketing content and the reputation on the online organization had positive relationship and effect on marketing performance. (2) Digital marketing strategy on the

reputation management of the online organization had positive relationship and effect on brand awareness. (3) Digital marketing strategy on ability to create marketing contents and the reputation management of the online organization had positive relationship and effect on good relationships between buyers and sellers. (4) Brand awareness contributed a positive relationship and effect on the marketing performance, and (5) the good relationships between buyers and sellers contributed positive relationship and effect on the marketing performance.

Phansuphamongkol, et al., (2019) studied “Digital Marketing Influencing Consumer Behavior of Decision to Buy Condominium in Pathum Thani.” They found that digital marketing influenced consumer behavior of decision to buy condominiums in Pathum Thani. The hypothetical tests showed that the digital marketing influenced consumer behavior of decision to buy a condominium in Pathum Thani with regards to marketing through websites with buying decision, residence, buying budget, frequency to find information and duration to search information which had relationship by statistical significance at 0.05 levels.

Research Methodology

Population and sampling

Population in this investigation involved exploring primary and secondary sources of more than 400 SME enterprises in Thailand. Sampling was Taro Yamane-based formula with confidence of 95% or at the statistical significance at 5% as details below:

$$\text{Percentage formula } n = \frac{N}{1+Ne^2}$$

Whereas

n = number of population

N = Sample size

e = 0.05 at confidence level

n = 399.881 or around 400 samples

Due to this investigation intendedly aimed at the SME enterprisers in Thailand; the researchers applied purposive sampling for data collection. However, the researchers determined 31 days to collect questionnaire through accidentally randomized respondents who only cooperated to respond the questionnaire.

Data collection instrument

Questionnaire was the instrument for data collection in the study of “Digital Marketing Affecting the SME Operations in Thailand”. The researchers explored information and literature reviews, concept, digital marketing theories and related researches while formulating conceptual framework and questionnaire. The instrument for survey and data collection was divided into 3 parts as below:

Part I: General Information of respondents

Part II: Questions of Digital Marketing

1). Digital marketing channels

2). Digital marketing content format

3). Online public relation marketing

Part III: Recommendations

The interpretation of the opinion level in the questionnaire

There were 5 levels of opinion, i.e. 5 = strongest agree; 4 = much agree; 3 = moderately agree; 2 = little agree; and 1 = least agree as shown in Table 1.

Table 1: Scaling levels of opinions and interpretation criteria

Means	Opinion Levels	Interpretations	Score of Distance Range
4.50-5.00	5	Strongest agree	0.50
3.50-4.49	4	Much agree	0.99
2.50-3.49	3	Moderately agree	0.99
1.50-2.49	2	Little agree	0.99
1.00-1.49	1	Least agree	0.49

Data collection technique

The data collection in this study was divided into 2 types, i.e.

1) Primary data collection from 400 respondents

2) Second data collection from academic articles, textbooks, concepts, theories and related researches; and

3) Formulating an instrument for data collection through questionnaire and finding questionnaire confidence applying Cronbach's Alpha Coefficient Formula (Cronbach 1970; Boonchom Srisa-ard, 2002)

$$\alpha = \frac{K}{K-1} \left[1 - \frac{\sum S_i^2}{S^2} \right]$$

Whereas α represented alpha coefficient
 K represented measurement instrument
 $\sum S_i^2$ represented Sum of variance of each item
 S^2 represented variance of sum of scores

4) Bringing the question to the site for data collection and taking them back, checking their completeness of each set and proceeding further.

5) Recording response codes for processing applying SPSS (Statistical Package for Social Science)

Statistics for analysis

Statistics for analysis in this study applied percentage, means, standard deviation (S.D.) and theoretical theories to analyze data and presented them to achieve the research objectives. Statistical applications were:

1). Frequency, and percentage to explain data collected in Part I: general information;

2). Means (\bar{x}) and S.D. (Standard deviation) to explain the data average collected in Part II and Part III; and

3). The hypothetical test applied referential statistics to analyze the levels of influences involving the investigated variables, i.e. Part II affecting the dependent variables applying the multiple regression analysis by order of priority and summarized the results of hypothetical test by statistical significance at 0.05 level.

Results

Results were 58.0% or 232 respondents by majority were female while 42.0% or 168 respondents were male. 46.3% or 185 respondents by majority aged 20-30 years old followed by 30.5% or 122 respondents aged 31-40 years old whereas 23.2% or 60 respondents aged 41-50 years old, respectively. 66.5% or 266 respondents by majority earned Bachelor Degree, followed by 16.8% or 66 respondents earned Master Degree, and 8.8% or 35 respondents earned higher than Master Degree, respectively. 70.3% of respondents hired not more than 281 employees followed by 29.7% hired not more than 45 employees. 67.0% or 268 respondents by majority invested less than 5,000,000 Baht, followed by 18.30% or 73 respondents invested 5,000,001-10,000,000 Baht and 8.0% or 32 respondents invested more than 25,000,000 Baht. 35.8% or 143 respondents by majority involved with service business, followed by 29.5% or 118 respondents involved retail business; and 21.3% or respondents involved production. Finally, 34.5% or 138 respondents by majority enterprised less than 3 years, followed 31.5% or 126 respondents enterprised 3-5 years, and 16.8% or 67 respondents enterprised more than 11 years.

Results of data on “Digital Marketing Affecting the SME Operations in Thailand”

Results were digital marketing channels in general was at high level (S.D. = 0.708). By each area, they found that much opinion level on frequent information update to ease uses, convenience and expedition to search information (S.D. = .888, 9.87), respectively. Digital marketing content format in general had the highest level of opinions (S.D. = .688). By each area, highest level of opinion was about the interestedness with the short content graphic, conciseness, essence-oriented, easing understanding, interestedness on content provided information for the benefit of the goods, and interestedness of communication with pictures or figurative narration (S.D. = .786, .837, .872), respectively. The online public relation marketing in general had the highest opinion (S.D. = .683). By each item, they found that the 2 highest opinions were the uses of various social media to search information and to shop goods. It was felt that social media has been the channels to more conveniently and speedily updating information.

The hypothetical tests

1). Different digital marketing elements affected different SME operations in Thailand; and

2). Different digital marketing influences affected different SME operations in Thailand.

Gender

Descriptions		Levene's Test for Equality of Variances	
		F	Sig.
Digital marketing channel	Equal variances assumed	.475	.491
	Equal variances not assumed		
Content model of digital marketing	Equal variances assumed	.020	.888
	Equal variances not assumed		
Online public-relation marketing	Equal variances assumed	.001	.982
	Equal variances not assumed		

By data analysis. It was found that gender was significant values at 0.491 which was higher than 0.05 levels in every issue. It showed that different personal data did not affect operation on sites by significance at 0.05 levels. The hypothesis was rejected.

Digital Marketing Channel

Descriptions		Sum of Squares	df	Mean Square	F	Sig.
2.age	Between Groups	60.969	10	6.097	7.717	.000
	Within Groups	307.329	389	.790		
	Total	368.297	399			
3.education	Between Groups	24.732	10	2.473	4.554	.000
	Within Groups	211.258	389	.543		
	Total	235.990	399			
4.Business size	Between Groups	43.738	10	4.374	3.796	.000
	Within Groups	448.200	389	1.152		
	Total	491.938	399			
5. enterprise capital/ amount	Between Groups	34.183	10	3.418	2.319	.012
	Within Groups	573.377	389	1.474		
	Total	607.560	399			
6.Business type	Between Groups	209.743	10	20.974	20.134	.000
	Within Groups	405.235	389	1.042		
	Total	614.978	399			
7.Duration in enterprising until today	Between Groups	74.781	10	7.478	3.775	.000
	Within Groups	770.497	389	1.981		
	Total	845.278	399			

Analyzing the Digital marketing Channel related to general information of the respondents about age, education business size, enterprising capital, types of business and duration of enterprising; it was found that age, education business size, enterprising capital, type of business and duration of enterprising earned significance more than 0.05 levels. It showed that the above variables had significance value less than 0.05 levels. It revealed that the general information of the respondents about age, education business size, enterprising capital, types of business and duration of enterprising had significance at 0.05 levels. The hypothesis was retained.

Digital Marketing Content Models

	Descriptions	Sum of Squares	df	Mean Square	F	Sig.
2. Age	Between Groups	41.757	10	4.176	4.974	.000
	Within Groups	326.540	389	.839		
	Total	368.298	399			
3. Education	Between Groups	56.563	10	5.656	12.263	.000
	Within Groups	179.427	389	.461		
	Total	235.990	399			
4. Business size	Between Groups	30.206	10	3.021	2.545	.006
	Within Groups	461.732	389	1.187		
	Total	491.938	399			
5. Enterprise capital /amount	Between Groups	18.796	10	1.880	1.242	.262
	Within Groups	588.764	389	1.514		
	Total	607.560	399			
6. Business type	Between Groups	114.848	10	11.485	8.933	.000
	Within Groups	500.129	389	1.286		
	Total	614.978	399			
7. Duration in enterprising until today	Between Groups	59.510	10	5.951	2.946	.001
	Within Groups	785.768	389	2.020		
	Total	845.277	399			

Analyzing Digital Marketing Content Models related to general information of the respondents about age, education business size, enterprising capital, types of business and duration of enterprising; it was found that they earned significance values less than 0.05. It revealed that the general information of the respondents about age, education business size, enterprising

capital, types of business and duration of enterprising had significance at 0.05

Descriptions		Sum of Squares	df	Mean Square	F	Sig.
2. Age	Between Groups	88.229	10	8.823	12.255	.000
	Within Groups	280.068	389	.720		
	Total	368.297	399			
3. Education	Between Groups	23.340	10	2.334	4.270	.000
	Within Groups	212.650	389	.547		
	Total	235.990	399			
4. Business size	Between Groups	92.357	10	9.236	8.991	.000
	Within Groups	399.580	389	1.027		
	Total	491.938	399			
5. Enterprise capital /amount	Between Groups	111.302	10	11.130	8.725	.000
	Within Groups	496.258	389	1.276		
	Total	607.560	399			
6. Business type	Between Groups	137.083	10	13.708	11.158	.000
	Within Groups	477.895	389	1.229		
	Total	614.978	399			
7. Duration in enterprising until today	Between Groups	80.725	10	8.072	4.107	.000
	Within Groups	764.553	389	1.965		
	Total	845.277	399			

levels. The hypothesis was retained.

Online public-relation marketing

Analyzing Online public-relation marketing related to general information of the respondents about age, education business size, enterprising capital, types of business and duration of enterprising; it was found that they earned significance values less than 0.05. It revealed that the general information of the respondents about age, education business size, enterprising capital, types of business and duration of enterprising had significance at 0.05 levels. The hypothesis was retained.

Discussion

Analyzing digital marketing channels related to general information of the respondents about age, education business size, enterprising capital, types of business and duration of enterprising; it was found that they earned significance values less than 0.05. It revealed that the general information of the respondents about age, education business size, enterprising capital, types of business and

duration of enterprising had significance at 0.05 levels. This was corresponded with Phittayaviroon (2014) studying “Digital Media Influencing the Responsiveness of the Consumers.” This investigation aimed to explore responsiveness to the digital media of the consumers to access information. Findings were the consumers recognized information through digital media at high level. There was the highest opinion in their life style. As of their interestedness and activities, there were sat high levels and high responsiveness to the digital media on volition, interestedness, needs and buying decision. Consumers with different age and education had different responsiveness to access marketing information. However, recognizing information of the customers had relationship with their responsiveness to every area of digital media. As of the lifestyle, it had relationship with the behavior of using digital media with regards to duration of uses by daily average. The weekly uses of digital media regarding weekly frequency had relationship with the responsiveness to the digital media with regards to volition and needs.

The information of Digital Marketing Content Models related to general information of the respondents about age, education business size, enterprising capital, types of business and duration of enterprising was found that they earned significance values less than 0.05. It revealed that the general information of the respondents about age, education business size, enterprising capital, types of business and duration of enterprising had significance at 0.05 levels. It was corresponded with Khankaew (2018) studied “Digital Marketing Strategy and Marketing Performance Evidence from Service Businesses in Thailand.” The results revealed that (1) Digital marketing strategy on ability to create marketing content and the reputation on the online organization had positive relationship and effect on marketing performance. (2) Digital marketing strategy on the reputation management of the online organization had positive relationship and effect on brand awareness. (3) Digital marketing strategy on ability to create marketing contents and the reputation management of the online organization had positive relationship and effect on good relationships between buyers and sellers. (4) Brand awareness contributed a positive relationship and effect on the marketing performance, and (5) the good relationships between buyers and sellers contributed positive relationship and effect on the marketing performance.

The Online public-relation marketing related to general information of the respondents about age, education business size, enterprising capital, types of business and duration of enterprising was found that they earned significance values less than 0.05. It revealed that the general information of the respondents about age, education business size, enterprising capital, types of business and duration of enterprising had significance at 0.05 levels. It was correspondent with Larbchaicharoenkij et al (2019) studied “Digital Marketing Influencing IT

Product Buying Decision via Mobile Application of Customers.” Reflecting each area, respondents prioritized the assessment of options most, followed by information searches and the least was the aftersales experiences. In addition, the hypothetical tests revealed that the digital marketing towards IT product buying decision via mobile application of customers had positive relationship and the influences over the same direction by statistical significance at 0.05 levels.

Recommendations

1. There should be investigations on options of managing digital marketing affecting SME operations in Thailand.
2. Upon better situation of COVID 19, there should be re-investigations on digital marketing affecting SME operations in Thailand.
3. There should be investigations of SME development models.

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