



UNIVERSITY OF GOTHENBURG

SCHOOL OF BUSINESS, ECONOMICS AND LAW

Difficulties faced by small and medium-sized enterprises (SMEs) in underdeveloped nations in implementing digital marketing.

A Case study of Bangladesh and Ethiopia

Furutuna Woldu

Quazi Tasnim Mithila

Supervisor: Ethan Gifford

Master's thesis in Innovation and Industrial Management

Spring 2024

Graduate School , School of Business, Economics and Law, University of Gothenburg,
Sweden

Copyright © 2024 Furutuna Woldu & Quazi Tasnim Mithila

Difficulties faced by small and medium-sized enterprises (SMEs) in underdeveloped nations in implementing digital marketing. A Case study of Bangladesh and Ethiopia
School of Business, Economics and Law, University of Gothenburg

Box 601

405 30 Gothenburg, Sweden

Unit for Innovation and Entrepreneurship

All rights reserved.

No parts of this publication may be reproduced or distributed in any forms or by any means without the prior written permission by the authors.

Contact- furutunagwahid@gmail.com and qmithila11@gmail.com

Abstract

This study focuses on the difficulties that Small and Medium-sized Enterprises (SMEs) in Bangladesh and Ethiopia have while implementing digital marketing strategies into practice. SMEs today have more opportunities for business because of the digital revolution, but those in underdeveloped nations face particular challenges because of their lack of resources and expertise. Semi-structured interviews with SME managers and owners in both countries were analyzed thematically using a qualitative research approach to find recurrent issues. One of the many major findings is that social media sites like Facebook, Instagram, Twitter, LinkedIn, and TikTok are the most popular for digital marketing, especially in cities. The lack of resources, social and cultural issues, and infrastructure constraints like internet connectivity are major obstacles. Digital marketing reach is greatly limited by the digital divide, particularly in rural areas, and low digital literacy among consumers and businesses further complicates implementation. Traditional marketing channels are still preferred by many SMEs, and it's still very difficult to stand out in a competitive market with well-established competitors. The limited sample size, potential limitations resulting from the use of semi-structured interviews, and the lack of quantitative data regarding the effects of digital marketing are some of the study's limitations.

Keywords: Digital Marketing, SMEs, Developing Economies, , Digital marketing channels, Digital marketing challenges, Digital marketing in developing countries

Acknowledgment

We sincerely thank everyone who has helped us along the way with our thesis. First and foremost, we would like to sincerely thank Ethan Gifford, our thesis supervisor, for his insightful advice, guidance, and support during the writing process. Second, we would want to express our gratitude to the participants for their cooperation, time, and willingness to share their experiences and knowledge with us. Lastly, we would like to express our gratitude to the School of Business, Economics, and Law for two educational and motivating years as we submit our final projects for the Master's programme in Innovation and Industrial Management.

Best,

Furutuna Woldu & Quazi Tasnim Mithila

Abbreviations

SME- Small and medium enterprise

ICT - Information and communication technologies

DOI- Diffusion of innovation

GDP- Gross domestic product

SEO - Search engine optimization

KPI -Key performance indicator

1. Introduction	1
1.1 Background	1
1.2 Problem Discussion	3
1.3 Purpose and Research Questions	4
1.4 Disposition	4
1.5 Delimitations	5
2. Literature review	6
2.1 Small and Medium Enterprises (SMEs)	6
2.1.1 Small and Medium Enterprises (SMEs) in Ethiopia	6
2.1.2 Small and Medium Enterprises (SMEs) in Bangladesh	8
2.1.3 Challenges Faced by SMEs in Underdeveloped Nations	8
2.2 Digital Marketing	10
2.2.1 Digital marketing in Underdeveloped Nations	12
2.2.2 Digital Marketing in SMEs	13
2.2.3 Challenges of Digital Marketing for SMEs in Underdeveloped Nations	15
2.3 Theory underpinning the study	15
2.3.1 Diffusion of Innovation Theory	15
2.4 Theoretical Framework	16
3. Methodology	18
3.1 Research strategy	18
3.2 Research design	18
3.3 Data collection	19
3.4 Interview guide process	20
3.5 Sampling	20
3.6 Data analysis	21
3.7 Research Quality	22
3.7.1 Validity	22
3.7.2 Reliability	23
3.8 Ethical Consideration	23
4. Findings	25
4.1 Description of Cases from Ethiopia	25
4.1.1 Case One: Bless Leather Goods Manufacturing (R1)	25
4.1.1.1 Company Overview	25
4.1.1.2 Digital Marketing Adoption	25
4.1.1.3 Challenges related to Digital Marketing Adoption and the Social Environment	27
4.1.2 Case Two: Pana Communications (R2)	29
4.1.2.1 Company Overview	29
4.1.2.2 Digital Marketing Adoption	29
4.1.2.3 Challenges related to Digital Marketing Adoption and the Social Environment	31
4.1.3 Case Three: Seregela Gebeya (R3)	33

4.1.3.1 Company Overview	33
4.1.3.2 Digital Marketing Adoption	33
4.1.3.3 Challenges related to Digital Marketing Adoption and the Social Environment	34
4.2 Description of Cases from Bangladesh	36
4.2.1 Case Four: Leather Bangladesh(R4)	36
4.2.1.1 Company Overview	36
4.2.1.2 Digital Marketing Adoption	36
4.2.1.3 Challenges related to Digital Marketing Adoption and the Social Environment	37
4.2.2 Case Five: Chalabon Best Furniture (R5)	39
4.2.2.1 Company Overview	39
4.2.2.2 Digital Marketing Adoption	39
4.2.2.3 Challenges related to Digital Marketing Adoption and the Social Environment	40
4.2.3 Case Six: Star World Fashion(R6)	41
4.2.3.1 Company Overview	41
4.2.3.2 Digital Marketing Adoption	42
4.2.3.3 Challenges related to Digital Marketing Adoption and the Social Environment	42
5. Discussion	45
5.1 Digital Marketing Adoption	45
5.2 Challenges related to Digital Marketing Adoption and the Social Environment	47
5.3 Comparing Digital Marketing Practices in SMEs between Bangladesh and Ethiopia	52
6. Conclusion	55
6.1 Answering the research question	55
6.2 Implication	56
6.3 Limitation	57
6.4 Future research	58
Reference	59
Appendix I	65
Appendix II	67

1. Introduction

In this chapter, the research background is briefly summarized, along with the motivation for the study and its aims, and the research questions are presented. An overview of the study's limitations is included at the end.

1.1 Background

The Integral influence of technology, particularly Information Technology (IT), has reshaped our lives across all aspects at home, in schools, and workplaces. For both firms and consumers, IT has provided useful tools for informed decision-making. The internet's readily available information, encompassing diverse products and services, empowers consumers while offering businesses insights into customer preferences (Moran, 2014). This environment of plenty of data feeds digital marketing, a potent instrument used by businesses to attract in new clients, retain existing ones, develop brand loyalty, advertise goods and services, and eventually increase sales. Small and medium-sized enterprises (SMEs) in emerging nations, however, face significant difficulties in navigating this dynamic environment. It can be especially challenging to adjust to ongoing developments and use them to your advantage (Kannan, 2017).

The SME sector is widely recognized as a crucial economic driver, fostering economic transition through skillful and talented individuals without requiring extensive training, high capital, or sophisticated technology. These entities are also considered the "domestic engine" of entrepreneurship, continually injecting the economy with fresh ideas, skills, and innovations (Hailemariam, 2020). This fosters a strong entrepreneurial spirit among youth, attracting many to venture into the world of business, embracing its inherent risks and rewards.

In many nations, Micro, Small, and Medium-Sized Enterprises (MSMEs) play a significant role in creating jobs and boosting GDP. In emerging economies, where small-scale production is more common, these organisations frequently have a larger role. For SMEs, digitalization offers a wide range of benefits, but it also brings with it unique difficulties that may impede their progress. A significant obstacle to daily operations can be obtaining the funds required, which could interrupt the supply chain and eventually result in lost business and unhappy customers (Nichter & Goldmark, 2009). SMEs are using digital marketing more and more to reach clients and overcome these obstacles. But this change also presents

SMEs in developing nations with internal and external obstacles, making it more difficult for them to fully take advantage of the advantages that digitalization has to offer.

As of January 2024, internet penetration has reached a staggering 66.2% of the global population, with social media users constituting 62.3% (Petrosyan, 2024). While Ethiopia and Bangladesh boast booming telecommunication sectors, internet coverage and users still lag behind most African and Asian countries, as evidenced by data from the ITU (2022). Despite the undeniable potential of digital marketing to empower SMEs in developing nations to expand locally and reach international markets, owners and managers often find themselves needing support navigating the ever-evolving digital landscape.

In Ethiopia, the SME sector is the second-largest employer after agriculture, playing a critical role in poverty reduction and job creation, particularly for women. The government's commitment to fostering SME development is evident in various initiatives, including the establishment of the Federal MSEs Development Agency and the issuance of strategic development plans. Ethiopia's economy has witnessed remarkable growth in recent years, with the service sector contributing a significant portion of the GDP (Tekola & Gidey, 2019). Recognizing the crucial role of SMEs in achieving broader socio-economic development, the Ethiopian government continues to implement policies promoting their growth and development.

Despite these positive developments, constraints like limited entrepreneurial skills, lack of business development services, and inadequate marketing strategies hinder rapid SME growth and development in Ethiopia, thereby diminishing their potential contribution to the national economy (Tekola & Gidey, 2019). Similarly, SMEs in Bangladesh play a vital role in the nation's economy, fostering tax revenue generation, employment creation, wealth distribution, and poverty reduction. The government actively emphasizes the sector's growth, viewing it as a "driving force for development" (Abdullah, 2014). SMEs, due to their size, capital investment, and job-generating capacity, have exhibited the potential to significantly accelerate economic growth in developing nations (Tekola & Gidey, 2019).

Dynamic transformation and new client expectations define the modern business environment. When making purchases, consumers expect quick access to reliable information and effective online services. Small and Medium Enterprises (SMEs) in developing economies need to adjust to this digital world in order to meet these expectations and optimise their economic impact. This calls for faster digitization of business processes, or, to

put it another way, technological simplification of operations. These days, any modern marketing strategy requires digital marketing. Businesses across all sectors utilize this powerful tool to enhance brand awareness, expand their customer base, and ultimately increase revenue by implementing effective digital marketing campaigns (Arobo, 2022). While digital marketing offers substantial benefits for SME growth in developing countries like Bangladesh and Ethiopia, it also presents significant challenges. These include, Limited technical skills and knowledge, High startup costs, Resistance to adopting digital marketing, Security risks, Lack of trusted payment methods, Restricted internet access (Poorani & Vidhiya, 2021).

This research aims to assess the specific challenges faced by SMEs in Ethiopia and Bangladesh regarding digital marketing implementation. Understanding these challenges, it may help in developing strategies and solutions to empower SMEs in these developing economies to harness the full potential of digital marketing and contribute more effectively to their respective national economies.

1.2 Problem Discussion

The digital revolution has drastically changed the global business environment, giving Small and Medium Enterprises (SMEs) chances to boost their competitiveness and customer connections. However, SMEs in developing nations such as Ethiopia and Bangladesh face numerous obstacles when attempting to employ digital marketing strategies. For a number of reasons, including a lack of familiarity and understanding with emerging digital platforms and technologies, adopting digital marketing can be challenging. Many SMEs in these countries struggle to understand the complexities of digital marketing, which leads to inadequate adoption and implementation of digital channels. This barrier makes it more difficult to find qualified employees who are skilled at utilising the complexities of digital marketing platforms (Abdinasir & Mohamed, 2023).

One of the biggest obstacles facing SMEs in Bangladesh and Ethiopia is finance. Experience, and human resources are the main barriers SMEs and larger businesses face when implementing digital marketing in an industrial setting (Järvinen et al., 2012). Gilmore, Carson, and O'Donnell (2004) state that in order for SMEs to use digital marketing channels effectively, they need to have enough capital, human resources, and knowledge. The obstacles that SMEs confront are also exacerbated by outside variables including the nation's infrastructure, the competitive environment, and customer behaviour. While strong

competition and quickly shifting consumer preferences need SMEs to be agile and innovative, problems with digital infrastructure and connection might make it difficult to implement digital marketing strategies effectively (Järvinen et al., 2012).

Even though SMEs in emerging economies are receiving more attention from policymakers, many still lack confidence in their ability to successfully manage the digital landscape. Although the potential advantages of digital marketing are acknowledged, SMEs do not have specific directions on how to begin and continue their digitalization activities (Rrustemi et al., 2020). Furthermore, the combination of digital and conventional marketing channels presents supplementary complexities for small and medium-sized enterprises (SMEs), underscoring the necessity for all-encompassing approaches that align with their assets and goals (Mapunda, M. A. 2021).

To fully exploit the benefits of digital marketing, SMEs in developing countries need to recognise and solve these challenges. SMEs can increase their long-term sustainability, productivity, and competitiveness by recognising and fixing implementation obstacles. By highlighting the unique challenges that SMEs in Ethiopia and Bangladesh face, this study aims to provide important context for practitioners, decision-makers, and scholars who are interested in assisting SMEs to succeed in the digital era.

1.3 Purpose and Research Questions

The purpose of this study is to investigate the challenges encountered by small and medium-sized enterprises (SMEs) in underdeveloped nations when adopting and implementing digital marketing strategies. In the case of Ethiopia and Bangladesh.

- What are the specific obstacles and challenges faced by small and medium-sized enterprises (SMEs) in Ethiopia and Bangladesh when implementing digital marketing?

1.4 Disposition

The research paper is developed in six chapters. In Chapter 1, the research topic is introduced, the purpose and research question are outlined, and study limitations are stated. The theoretical foundation for the research is provided by Chapter 2, which explores the theoretical framework. The methodology is discussed in Chapter 3, where the selected study approach, design, data collection techniques, and quality control measures are described. The

main focus of Chapter 4 is the presentation of the empirical data obtained from semi-structured interviews. Following that, Chapter 5 examines and explains these results while tying them into the relevant theoretical framework. Chapter 6 concludes the research by addressing the research question, outlining the consequences of the findings, and making recommendations for more research in this area.

1.5 Delimitations

This study recognises its limitations in terms of resources, time, and the scope of digital marketing and SMEs. This study adopts a focused strategy, even if the larger subject offers many opportunities for investigation, such as investigating the benefits of digital marketing for developing countries, the use of particular channels, and various marketing tactics. The research purposefully restricts its scope to uncover the unique digital marketing issues faced by SMEs in developing nations by using case studies from Bangladesh and Ethiopia.

2. Literature review

2.1 Small and Medium Enterprises (SMEs)

It is difficult to come up with a single, widely recognised definition of a "SME". The definition of the phrase is very dependent on a number of variables, such as the industry classification, selected criteria, setting, and level of economic development in the region. The term used can even depend on the author's place of residence. Technical writers may go farther and take into account variables like net assets, revenue, number of employees, and yearly turnover. Nonetheless, widely accepted definitions frequently concentrate mainly on the number of employees, total assets, and sales volume (Umadia Sr & Kasztelnik, 2020). Many definitions and metrics exist among nations and reporting sources as a result of this lack of consistency. The most common criterion for classifying a SME is still its workforce, however there are wide variations in the upper and lower bounds. Remarkably, a sizable portion of sources establish the workforce threshold at 250 (Ayyagari et al., 2007).

Policy attention to SMEs has increased recently, especially in emerging countries. Around 40% of the GDP and seven out of ten employment are created by SMEs in emerging economies; nonetheless, one major barrier to their expansion is their lack of access to financing. This change is partially the result of growing discontent with development approaches that mostly rely on large-scale, capital-intensive enterprises. SMEs have a big impact on a lot of different areas of an economy. They make use of nearby resources, provide employment, promote entrepreneurship, mobilize nearby savings, and support rural development. Furthermore, they promote regional equilibrium by dispersing investments and offering chances for independent work and skill enhancement. In both established and emerging nations, the energy, resourcefulness, and risk-taking attitude of SMEs are essential for spurring and maintaining economic progress. Through fostering competition and entrepreneurship, encouraging government support, increasing productivity, and creating jobs, they play a crucial role in the overall growth of the economy (Taiwo et al., 2012).

2.1.1 Small and Medium Enterprises (SMEs) in Ethiopia

Africa's small and medium-sized enterprises (SMEs) constitute the backbone of the continent's economy and are essential to its sustainable growth. They employ almost 60% of the workforce and account for over 90% of all enterprises (Oshora et al., 2021). They have

made a substantial contribution to economic integration and prosperity, although they still face several obstacles, such as inadequate infrastructure.

Ethiopia is a prime example of the important impact SMEs have. Said to be the second-biggest employer after agriculture, the industry creates jobs, boosts GDP, and stimulates growth of the economy (Tekola & Gidey, 2019). Research shows how important Micro and Small Enterprises (MSEs) are to Ethiopia's economic growth. The sector's function as a growth engine that promotes innovation, competitiveness, and productivity is highlighted by Gemechu Abdissa (2016). In order to reduce poverty, it also has a significant impact on import substitution, income distribution equity, and unemployment reduction.

The growth of SMEs as an essential component for industrial development, employment creation, and poverty reduction are given top priority in the Ethiopian MSME growth Strategy (2018). The industry is critical to the nation's economic and social development since it creates more work opportunities, reduces poverty, opens up economic prospects between rural and urban areas, and encourages self-employment and entrepreneurship. But despite their potential to promote long-term job creation and revenue development, researchers note that obstacles still exist. These difficulties include a lack of innovation and technology, competitiveness, limited production capacity, difficult access to capital, and a shortage of competent labour (Gebeyehu, 2021). In order to achieve SMEs' full potential and guarantee their long-term contribution to development, it is imperative that these issues be resolved.

Table 1 : Ethiopian SMEs' Basis of Definition

	Included SMEs	Employees Number	Total Assets(ETB)
Small Enterprises	Service	6-30	50,001- 500,000
	Manufacturing	6-30	100,001 -1,500,000
Medium Enterprises	Service	31-100	500,001-7,500,000
	Manufacturing	31-100	1,500,001-20,000,000

Source :Regulation No. 373/2016 and Proclamation No. 954/2016

2.1.2 Small and Medium Enterprises (SMEs) in Bangladesh

Bangladesh's economy is largely dependent on small and medium-sized enterprises (SMEs), which serve as its backbone. SMEs contribute to 25% of Bangladesh's GDP and have been a major contributor to the country's economic growth rate during the past ten years, accounting for 6% to 8% of growth (Qamruzzaman & Jianguo, 2019; Rahman & Khondkar, 2020). Furthermore, they make up 80% of industrial positions, emphasising their contribution to the creation of jobs. SMEs make enormous contributions, but they often face obstacles that prevent them from reaching their full potential. Studies have shown that a significant barrier impeding their growth and development is their limited access to outside funding (Qamruzzaman & Jianguo, 2019).

The government of Bangladesh is implementing a number of programmes that support the growth of SMEs since it understands their vital role in the economy. These programmes seek to strengthen these companies' capacities, encourage entrepreneurship, and offer financial support. The 2010 Industrial Policy makes it simple to identify and support SMEs by clearly defining them according to their size and workforce (Thakur et al., 2022).

The Bangladeshi Industrial Policy defines small and medium enterprises (SMEs) based on two key criteria: size and workforce.

Small industries:

Fixed assets (excluding land and building): BDT 5 million to BDT 100 million (roughly USD \$62,500 to USD \$1.25 million)

Number of employees: 25 to 99

Medium industries:

Fixed assets (excluding land and building): BDT 100 million to BDT 300 million (roughly USD \$1.25 million to USD \$3.75 million)

Number of employees: 100 to 250

2.1.3 Challenges Faced by SMEs in Underdeveloped Nations

The perspective known as the Resource-Based View (RBV) provides a thorough framework for comprehending the difficulties faced by Small and Medium Enterprises (SMEs) in developing nations. Grant (1991) emphasises how important resources are in figuring out

how competitive an enterprise may be. SMEs are vital to every economy, but because they provide stability and growth, they are particularly significant for emerging nations. Their cooperation with governments, private company owners, and financial institutions is what makes them significant. Despite their significant contribution to the nation's economy, SMEs nevertheless suffer a number of difficulties, foremost among them being the barrier of securing outside capital. Unlike larger enterprises, they face finance constraints that impede their growth and competitiveness (Ardic, O. P., et al. 2011). According to Radda, A., et al. (2016), these challenges consist of several elements:

Limited Funds Available:

Difficulty in Accessing loans: Due to perceived risks, SMEs in developing nations find it difficult to access bank loans, which limits their capacity to invest in crucial initiatives like the adoption and expansion of technology.

Insufficient Infrastructure

Ineffective Utilities: Inadequate infrastructure, such as unstable power and transportation systems, pushes SMEs to use pricey private alternatives, which takes money away from their primary business operations and reduces their competitiveness.

Limitations on Human Capital:

Absence of managerial expertise: Many small and medium-sized business owners lack formal management training, which hinders their capacity to make the best decisions and develop strategic plans. This makes it harder for them to make good use of the resources at their disposal and take advantage of growth prospects.

Technological Restrictions:

Inaccessibility to Current Technology: SMEs' limited access to R&D programmes and contemporary technology stifles productivity growth and innovation, making it more difficult for them to compete internationally and satisfy changing customer demands.

Negative Market Perception:

Customer skepticism is a negative market perception that small and medium-sized enterprises (SMEs) frequently face while trying to win over customers who might think their goods and services aren't as good as those of bigger businesses. It will take large expenditures in

customer relationship management, quality control, and branding to overcome this skepticism.

2.2 Digital Marketing

Digital marketing is much more than just using websites to promote goods and services. These days, it's a comprehensive approach that makes use of digital technology to draw in clients, foster brand loyalty, increase sales, and eventually accomplish marketing objectives. According to Kannal's (2017) definition, it's a tech-driven, adaptable process where companies work with partners and customers to develop, communicate, and deliver value. Value creation in new online contexts is made feasible by this continuous process that is enabled by digital tools. Digital technologies also enable companies to develop core skills that benefit their clients as well as themselves. An alternative definition provided by Smith and Chaffey centres on the utilisation of digital technologies to accomplish marketing goals. This demonstrates how digital marketing boosts growth and visibility while establishing brands and promoting commercial development.

The digital marketing world is a vast ecosystem with various interconnected strategies aimed at reaching and engaging the target audience online. Here's a breakdown of some key areas to consider when building a digital marketing plan based on Chaffey, D., & Ellis-Chadwick, F. (2019).

A. Website Planning and Development

A well-thought-out website is essential to any effective marketing strategy in the digital age. It functions as a digital storefront showcasing your goods or services and is frequently the initial point of contact for prospective clients (Atar, R., Jadhav, B. T., & Wagh, J. A. 2021).

B. Search Engine Optimization (SEO)

Given that consumers begin their searches on search engines like Google, companies looking to stand out in the modern digital landscape must give priority to Search Engine Optimisation (SEO). Increasing your website's ranking in search results to make it more visible to potential clients is the art and science of SEO. By improving your website, you can significantly boost the number of visitors who discover it organically through search engines (Chaffey & Ellis-Chadwick, 2019). As a result, more individuals become aware of your offerings, providing you with a competitive edge in the internet market.

By optimising the content, coding, and user experience of your website, you may communicate to search engines that your website is valuable and pertinent for specific queries. On-site SEO is the term for this. But in order to boost your website's authority and reliability, off-site SEO requires you to acquire backlinks, or links pointing to it from other websites. (Wagh, J. A., Jadhav, B. T., & Atar, R. 2021). These backlinks are regarded as a significant and reliable signal by search engines.

C. Advertising displays

Marketing can take many various forms, and advertising is one of them. Examples are rich media and banner ads. Unlike script-based ads, display commercials rely on images, sound, and video to tell their story. Cookies are currently used by websites to track these users and identify unique anonymous purchasers. These cookies allow them to be released in the case that the user has just viewed it or has submitted a good or service. In order to target audiences with appropriate adverts, advertisers collect data on users' online actions and aggregate it to create an image of user interests (Atar, R., Jadhav, B. T., & Wagh, J. A. 2021).

D. Social Media Marketing

Social media marketing empowers companies to expand their customer base and ignite interest in their offerings. Popular platforms like Facebook, Instagram, and Twitter become tools to connect with potential customers. By attracting viewers through likes, follows, shares, and subscriptions, companies can achieve key objectives as outlined by Chaffey and Ellis-Chadwick (2019): acquiring new customers, solidifying an online presence, and boosting brand awareness.

E. E-mail Marketing

Email marketing, one of the first forms of online advertising, entails obtaining client email addresses in order to notify them of new goods, services, and specials. In order to increase sales and brand recognition, this can be accomplished through broadcast emails or personalised messages. Automated campaigns, triggered emails based on consumer behaviour, or event-based emails are frequently used (Atar et al., 2021; Chaffey & Ellis-Chadwick, 2019).

F. Mobile Marketing

Ads designed for smartphone users are delivered effortlessly wherever and whenever they browse thanks to mobile marketing. A robust mobile marketing strategy is essential in light of the ongoing mobile revolution. App marketing, in-game advertisements, QR codes, location-based marketing, and different mobile ad formats are a few examples of this. Clarity, local optimisation, audience comprehension, and experimenting with various approaches to gauge outcomes are key components of success (Atar et al., 2021; Chaffey & Ellis-Chadwick, 2019).

G. Content Marketing

Social media blogging is just one aspect of content marketing. It involves telling gripping tales that grab the reader and attract attention. By continuously offering high-quality, pertinent material that speaks to your target audience's needs, this long-term strategy builds relationships with them (Atar, R., Jadhav, B. T., & Wagh, J. A. 2021).

2.2.1 Digital marketing in Underdeveloped Nations

The emergence of social media and the internet has completely changed how marketing is done around the world. Digital marketing, which includes internet, web, and online marketing, makes use of digital technology to advertise goods and services (Desai & Vidyapeeth, 2019). Although this method became well-liked in developed nations, its application in developing countries was first limited, and study on it was still in its infancy (Tamirat & Zewdie, 2024).

Digital marketing techniques like social media, mobile marketing, and e-commerce platforms are becoming more and more popular in emerging and less developed nations, despite these early drawbacks. Nonetheless, studies indicate that the potential of digital marketing channels for integrated marketing communication should be overlooked in favour of concentrating on these particular tools (Tamirat & Zewdie, 2024).

Bangladesh is an example of this expansion. The introduction of 3G internet connectivity in 2014 and 2015 coincided with a rise in interest in digital marketing. Bangladesh had 66.94 million internet users by 2023, of which 44.7 million made use of social media sites like Facebook, Instagram, YouTube, Messenger, IMO (a messaging app), and other platforms (Tabassum, 2019). This change is indicative of consumers' increasing inclination towards

digital marketing tactics that save time as opposed to conventional approaches (Hasanat et al., 2020).

Ethiopia is witnessing a growth in digital marketing as well. From 2 million in 2010 to over 37 million in 2019, the number of internet users has surged, driving this rise. As such, businesses are using the internet more and more to promote their products and interact with customers. With internet advertising, small and startup companies can compete more successfully because it's a more affordable option than traditional media (Tadele, 2019).

In developing countries, digital marketing is quickly changing the marketing environment. The utilisation of different digital marketing tools and tactics will increase along with the growth of internet penetration and user bases. Businesses of all sizes have great opportunities to interact with clients and accomplish their marketing objectives as a result of this transformation (Tamirat & Zewdie, 2024).

2.2.2 Digital Marketing in SMEs

Small and medium-sized businesses (SMEs) all around the world are nowadays depending notably on digital marketing. By levelling the playing field, it provides an affordable means of competing with larger enterprises. Taiminen & Karjaluoto's (2015) research shows how SMEs may use digital marketing to communicate with clients on a variety of platforms, expand their audience, and improve brand awareness. According to Torsten Eriksson, L., Hultman, J., & Naldi (2008), small and medium-sized enterprises (SMEs) can obtain a competitive advantage by effectively employing digital marketing to both acquire and hold onto current clients. The internet also offers SMEs a lot of benefits, like lower marketing expenses and easier internal and external communication.

For SMEs, digital marketing has a lot to offer in comparison to traditional marketing strategies. Businesses can access a sizable pool of potential customers through well-known social media sites like Facebook, YouTube, and Instagram for a fraction of the price of traditional advertising (Patil, A. S., Navalgund, N. R., & Mahantshetti, S. 2022).

Bangladesh serves as a good instance of why SMEs must quickly adopt digitization in order to increase productivity and efficiency. A notable increase in SMEs has been fueled by the adoption of digital technology, which has resulted in the automation of processes and products. Furthermore, SMEs' difficulties in marketing their goods and services online have been mitigated by the broad use of e-commerce and digital payment methods, increasing the

size of their prospective clientele (Iqbal, A. 2023). For Bangladeshi SMEs, low-cost internet marketing techniques like Search Engine Optimisation (SEO), Social Media Marketing (SMM), Email Marketing (EMA), and Online Advertising have become well-liked substitutes for conventional approaches (Tabassum, A. 2019).

In a comparable manner, social media sites like Instagram, Twitter, Facebook, Telegram, TikTok, and Telegram are becoming increasingly popular in Ethiopia. This gives companies an effective tool for building stronger relationships, creating brand communities, and engaging customers directly (Wakjira, G. G. 2023). A number of other variables, such as growing internet access, a booming e-commerce scene, a youthful and tech-savvy population, and government backing for digital infrastructure, also contribute to Ethiopia's surge in digital marketing (Tamirat & Zewdie, 2024).

However, SMEs frequently face challenges with haphazard and unplanned marketing strategies, which impedes the development of brand recognition (Mochoge, O. C. 2014). Taking into account the technological and managerial ability of the younger generation, this underscores the potential advantages of fusing digital marketing with conventional techniques. By increasing a product's familiarity to consumers due to the internet's accessibility, digital marketing also promotes trust in goods (Mochoge, O. C. 2014). Digital marketing also makes it possible to measure campaign results in real-time using web analytics, which is not possible with traditional advertising tactics. SMEs benefit from this greater visibility into the efficacy of their marketing campaigns in comparison to more difficult to measure forms of advertising like radio, newspapers, or magazines (Järvinen et al. 2012).

A number of variables affect how well SMEs embrace and apply digital marketing techniques. A number of factors are important, including financial resources, industry characteristics, organisational preparedness, and knowledge and expertise in digital marketing. Research by Hollensen et al. (2017) shows that a SME's capacity to implement and reap the benefits of digital marketing strategies is positively correlated with its financial resources. Furthermore, the efficiency of these techniques can be greatly impacted by the degree of competition and client behaviour within a particular market (Chaffey & Ellis, 2019).

2.2.3 Challenges of Digital Marketing for SMEs in Underdeveloped Nations

Although the digital revolution has changed marketing, developed and developing countries still differ greatly from one another. Developed nations use Information Communication Technologies (ICT) and advanced digital marketing methods to succeed online. Developing countries are catching up, especially those in Southeast Asia, where incentives are being offered for online business initiatives and ICT integration into education. However, Abdinasir & Mohamed (2023) point out that there are still a number of major problems.

Digital marketing offers these regions' SMEs (small and medium enterprises) a competitive advantage. Nonetheless, the newness and misunderstanding of this technology frequently limit its efficient execution (Njau & Karugu, 2014). The adoption of digital marketing is further limited by limited resources, poor infrastructure, strong competition, security and privacy, e-payment accessibility, owner risk aversion, and relatively the newness of digital marketing itself further restrict its adoption (El-Gohary, 2012). SMEs in Africa are essential employers and cannot afford to overlook these modern marketing tools (Mapunda, 2021). Developing solutions to overcome these obstacles is necessary to fully embrace digital marketing, which will ultimately increase competitiveness and open up new business possibilities.

2.3 Theory underpinning the study

2.3.1 Diffusion of Innovation Theory

To understand how new ideas, methods, and technological advancements spread within a social structure, one useful tool is the concept of diffusion of innovation (DOI). According to Benbasat et al. (1992), this theory has been crucial in describing the processes underlying the acceptance of new ideas. The model describes the several phases that inventions go through in order to be approved or rejected. According to Rogers (2003), a number of critical characteristics, including relative advantage, compatibility, complexity, trialability, and observability, affect how quickly advances in technology are adopted. The benefits that people believe they receive from implementing new technology are referred to as relative advantages. Fundamentally, new technology can be considered beneficial if it provides a noticeable enhancement over current alternatives, whether financial, physical, social, or economic (Taylor & Todd, 1995).

The DOI model has proven useful in understanding the spread of new ideas and practices, including digital marketing. It serves as an example of the several stages that inventions go through before being accepted or rejected, and it is relevant to individuals as well as businesses. By understanding how individuals and organisations adopt new practices or technology, DOI provides insight into the effects of fast technological change. Conventional business models could encounter difficulties, but those who actively look for and adopt innovations can also take advantage of new opportunities (Rogers, E. M. 2003). The diffusion process is significantly influenced by time. According to Rogers (2003), an innovation's perceived novelty matters more to potential users than its true originality. An innovation might keep going for some time, but as long individuals think it's new, it will continue to spread. According to Rogers (2003), communication is the process of generating and spreading knowledge among group members in order to promote understanding. Through a variety of ways that make it easier for information to move from sender to recipient, this communication can take place between individuals or organizations. Since digital marketing is still a relatively new and developing field, DOI holds particular importance in the context of developing countries (Rogers, 2003).

2.4 Theoretical Framework

The Diffusion of Innovation (DOI) Theory developed by Rogers in 2003 provides a useful framework for understanding how new concepts—like digital marketing—are accepted by social systems. This approach is especially important for analysing how small and medium-sized businesses (SMEs) in developing countries like Bangladesh and Ethiopia are utilising digital marketing. Five essential characteristics that impact the adoption of innovations are at the core of DOI: trialability, observability, complexity, compatibility, and relative advantage. These have an influence on understanding how SMEs view and use digital marketing tools. For example, SMEs are more inclined to employ digital marketing if it provides definite benefits over conventional approaches and if the technologies are simple to use and comprehend (Rogers, 2003). The idea describes the several stages that innovations go through: decision-making, execution, validation, persuasion, and knowledge. DOI emphasises how important social networks and ways of communicating are to the spread process. Understanding social dynamics and the efficacy of different communication channels is essential for encouraging the adoption of digital marketing in the context of Ethiopian and Bangladeshi SMEs. Rogers (2003) also highlights the long-lasting impact of

perceived novelty on the adoption of innovations. Although digital marketing is widely used in developed countries, it is still relatively new in many developing nations. Developing tactics that work requires an understanding of how time affects how SMEs in these areas see and use digital marketing.

The theory highlights how companies can overcome the constraints of conventional models by quickly embracing innovations. Adopting digital marketing can be a game-changer for SMEs in developing countries, enabling them to more effectively reach bigger customers and overcome resource constraints. As DOI emphasises, effective communication is essential to the spread of innovation. This means that in order to promote understanding and adoption, it is critical to create and spread information within a social group. Given that digital marketing is still in its infancy in developing nations, DOI offers a useful framework for understanding how these technologies are seen and implemented in those environments. It provides an approach to examine the particular difficulties and opportunities that SMEs encounter when incorporating digital marketing into their operations.

Theoretical Framework	Connection and Usefulness
Diffusion of Innovation Theory	<ul style="list-style-type: none"> ● provides information about how SMEs are implementing advances in digital marketing. ● identifies the key characteristics that impact the adoption rate ● Helps understand how new practice and technologies spread within SMEs and their broader social system

3. Methodology

The research techniques employed to address the study's questions are covered in detail in this section. It provides an explanation of the general research strategy, the particular research design, and the steps followed to ensure the quality of the research. It also describes the data gathering procedures, including the particular methodologies used in the selected strategy.

3.1 Research strategy

Selecting the right research approach is essential for reliable and insightful findings. There are three primary methods available: Qualitative research employs non-numerical data, such as narratives and descriptions, to better comprehend experiences and views. It explores more in-depth behavioural facets as well as additional social and humanities-related topics. Quantitative Research: This strategy looks at quantifiable characteristics and connections among different events using scientific and methodical techniques. To analyse and explain them, mathematical models, theories, and hypotheses are frequently used. Mixed Methods: Using both qualitative and quantitative techniques, this strategy mixes data from narratives and numbers to provide a more thorough understanding (Bryman & Bell, 2019).

A qualitative research approach was chosen for this study. This decision is in line with the study's goal of getting participants to provide detailed answers. Bell et al. (2019) propose that qualitative methods work best when analysing words instead of numbers.

Advantages of the Qualitative Method: Examining Detailed Experiences: By analysing participant statements and experiences, it enables researchers to find patterns and insights that might not be immediately obvious from conventional data collection techniques. Flexibility: It encourages adaptability during interviews, enabling the researcher to modify questions for follow-up and explore new ideas and topics in greater detail (Bryman & Bell, 2019). This flexibility makes it possible to comprehend the research issue in more detail.

In order to facilitate a deeper exploration of the research topic based on the data gathered, this study has prioritized gathering rich and detailed information from participants by employing the qualitative research technique.

3.2 Research design

In order to guarantee that the study adequately addresses the research topic, the research design serves as a road map that directs the data collecting and analysis procedure (Wiid &

Diggines, 2009). Three primary categories are used by Saunders, Lewis, and Thornhill (2000) to classify study designs:

Exploratory research: The goal of this method is to learn more about a certain study problem and to obtain preliminary insights.

Descriptive research: This type of research focuses on describing a phenomenon or situation.

Explanatory research: This method looks into the causes and effects of variables on one another in an effort to understand causal linkages.

This study employed an exploratory research approach with the aim of exploring and assessing the digital marketing obstacles encountered by small and medium-sized enterprises (SMEs) in Ethiopia and Bangladesh. This methodology permits adaptability and the integration of new findings as research progresses, facilitating a more profound comprehension of the phenomenon (Saunders et al., 2000). Moreover This research used multiple cross-country case studies as opposed to depending on a single case study. This makes it possible to examine a variety of situations from other nations, leading to a more thorough understanding of the difficulties faced by SMEs (Tashakkori et al., 2007). This enhances the research findings by giving additional data points and facilitating comparison, which may support previous theories or conclusions.

3.3 Data collection

In research, collecting data is essential. There are two basic categories of data: primary and secondary, as Saunders et al. (2000) point out. The researcher gathers primary data on their own, especially for that specific study. This is crucial in cases where the research objectives cannot be met by the data that is currently available (secondary data, gathered by others for different reasons) (Hair et al., 2011).

The majority of the main data used in this study came from semi-structured interviews with SMEs in Bangladesh and Ethiopia. This strategy fits very well with the study's objective of examining participants' perceptions and meaning (Bell et al., 2019). Teams and WhatsApp were used for the online interviews, which made them more convenient and accessible. Although semi-structured interview guidelines were employed to maintain focus, more inquiries might be made in response to specific responses, promoting further in-depth investigation. It is noteworthy that additional qualitative research techniques, such as focus

groups and observations, may prove to be beneficial instruments depending upon the particular research goals.

3.4 Interview guide process

According to Bryman and Bell (2019), qualitative research aims to provide a more profound comprehension of viewpoints and experiences by presenting the world from the perspective of its subjects. Semi-structured interviews were used in this research to accomplish this purpose. Two main benefits come with this kind of interview:

Flexibility: It allows the researcher to adapt the conversation by following up on new insights, asking additional questions, and avoiding leading the respondent towards specific answers. This fosters a natural flow in the conversation.

Structure: It maintains enough organization to ensure the interview stays focused on the relevant research areas. This ensures comprehensive coverage of important topics.

Additionally, according to Gallio et al. (2016), semi-structured interviews encourage generosity between the interviewer and the participant. This implies that a conversation can take place between the two parties, giving the individual the chance to elaborate, provide clarification, and offer further ideas. Due to its popularity in qualitative research, this format is useful for conducting in-depth one-on-one or group interviews to delve deeply into personal and social concerns (Kallio et al., 2016). One participant from each firm participated in the study's interviews, which took place between 25 and 45 minutes and followed a pre-established interview guide (see Appendix 1).

3.5 Sampling

The two primary categories of sampling procedures are probability sampling and non-probability sampling. Because each member of the population has an equal and known chance of being chosen, probability sampling guarantees that the sample is representative of the entire population. **Non-Probability Sampling:** Selection is based on convenience or other considerations rather than being done at random. Although this approach might be effective, it might not be generally valid. An important part of conducting research is choosing participants wisely. This study used non-probability sampling, a method in which not each member of the population has an equal chance of being chosen. In particular, a kind of non-probability sampling called convenience sampling was used (Hair et al., 2011).

The chosen small and medium enterprises (SMEs) are locally based businesses without affiliations to multinational corporations. Participants in this study were selected according to their availability and willingness to take part (Bell et al., 2019), through direct interaction and communication with the researchers. A planned selection method was put in place to reduce the possibility of data interpretation errors caused by misinformed participants. Those who were targeted were those with the necessary expertise, including heads of marketing, business development personnel, or managers. By using this method, replies were guaranteed from those who were most qualified to offer precise and perceptive information about the research issue (digital marketing in SMEs).

The selected companies for this study

- **Bless Leather Goods Manufacturing Private Enterprise (R1), Ethiopia**
 - ❖ Respondent- Owner and General Manager
- **Pana Communication (R2), Ethiopia**
 - ❖ Respondent- Owner and Marketing Lead
- **Seregela Gebeya (R3), Ethiopia**
 - ❖ Respondent- business development manager
- **Leather Bangladesh (R4), Bangladesh**
 - ❖ Respondent- Digital marketing officer
- **Chalabon Best Furniture (R5), Bangladesh**
 - ❖ Respondent- Owner
- **Star World Fashion (R6), Bangladesh**
 - ❖ Respondent- General manager and Owner

3.6 Data analysis

Data from semi-structured interviews was analysed in this study. The method of thematic analysis, which aims to identify patterns and derive meaning from qualitative data, was used to sort through a large amount of data (Bell et al of 2019). Thematic analysis serves as a powerful tool for organizing, interpreting, and ultimately reporting the recurring themes that emerge within the data (Nowell et al., 2017). With so much information at hand, it could be challenging to examine it all. This technique assists in resolving this common issue in qualitative research. The primary objective of theme analysis is to find and analyse patterns within the data. According to Bryman and Bell (2019), these recurring patterns, sometimes

referred to as themes, serve as important and coherent links between various interview parts. They offer a deeper understanding of the underlying concepts and experiences.

Furthermore thematic analysis is defined as an independent qualitative descriptive research method by Vaismoradi, Turunen, and Bondas (2013). Its main goals are to identify, analyse, and report these patterns in order to provide a thorough knowledge of the data. The analysis procedure in this particular study gave priority to insights obtained from primary data (interviews) as well as secondary data (literature review). This combined approach enriches the analysis by drawing upon established knowledge while simultaneously allowing for deeper exploration through primary research.

3.7 Research Quality

3.7.1 Validity

Validity is the most crucial factor in research evaluation. It denotes the extent to which the instruments and procedures used in a study accurately measure the ideas that the investigation seeks to investigate (Bryman & Bell, 2019). In other words, the accuracy of a study's findings is predicted by the validity of its design. This can be evaluated by looking at the questions and techniques researchers employ to obtain data. Validity in qualitative research frequently extends beyond formal assessments; investigators want to guarantee that their investigation accurately portrays the targeted phenomena (Bryman & Bell, 2019).

Internal validity: This ensures that the study's conclusions are firmly supported by the data acquired and appropriately reflect the theoretical ideas the researchers set out to investigate. The degree to which the findings can be applied, allowing researchers to extrapolate information from the sample group to the broader population, is known as external validity (Bryman & Bell, 2019).

The aforementioned study carefully pursued strong validity using multiple approaches:

Transparency: Researchers told participants honestly about their goals and roles.

Direct Interaction: Even in internet interviews, in-person interactions helped to build rapport and enhance the quality of the data.

Participant Validation: Before transcripts were used in the study, interview subjects were given the chance to examine and provide their approval.

Informed Consent: Explicit agreements about the usage of participant data were made. These actions greatly increase the study's validity and reduce the possibility of the researchers' subjective judgements.

3.7.2 Reliability

In research, reliability is important since it indicates how consistently and reliably the findings may be applied. Simply said, credible research enables other researchers to carry out the same procedures and produce findings that are comparable using the same techniques (Bryman & Bell, 2019). High reliability and stability are synonymous, indicating that the study's procedures and findings are reliable and repeatable with little to no mistake. Yin (2009) defines two fundamental methods for evaluating the reliability of a study: internal and external.

Internal Reliability: This refers to the uniformity of the study group. Internal reliability was guaranteed in this study by having both researchers take part in all six digital interviews. Internal reliability is further strengthened by having other researchers examine the data gathering procedure and by recording certain interviews with consent. Examining whether other researchers could do the same investigation and come to similar conclusions is known as external reliability. This study increases external reliability by enabling other researchers to use a comparable methodology by giving a thorough explanation of the data gathering techniques and interview questions. Additionally, transparency encourages auditability by enabling readers to evaluate and comprehend the study methodologies and make sure that results haven't been tampered with (Yin , 2009).

3.8 Ethical Consideration

It is essential to think about the ethical implications of research projects. Using Bryman and Bell (2019) recommendations as a guide, this study followed a number of ethical guidelines. These guidelines cover violating participants' privacy, getting informed consent before conducting interviews, making sure that questions don't hurt participants or their organisations, and not lying to participants or their organisations at any point during the study process. In addition, ethical practice mandates asking respondents' permission before using recorded materials and giving them the choice to withhold information if it could violate their privacy or other interests.

4. Findings

The empirical findings from the interviews conducted with respondents from the chosen SMEs are presented in this chapter. First, the respondent and the company's background information is presented. Later, their perceived experiences and knowledge about digital marketing adoption in the firm and difficulties associated with adoption of digital marketing and social environment.

4.1 Description of Cases from Ethiopia

4.1.1 Case One: Bless Leather Goods Manufacturing (R1)

4.1.1.1 Company Overview

Senait Mekonnen (R1) is the founder and general manager of Bless Leather Goods Manufacturing Private Enterprise. This business was founded in June 2018 and is based in Addis Ababa, Ethiopia, a city well-known for its extensive cultural history. The name of the company, "Bless," was inspired by Senait's son, Bereket, which means "blessing" in English. This decision infuses the company's concept with a spirit of enthusiasm and aspiration and represents a deep sense of gratitude and hope.

Producing quality leather goods and accessories is the area of expertise for Bless Leather Goods Manufacturing Private Enterprise. The brand takes great satisfaction in its dedication to fine craftsmanship and careful consideration to detail, producing anything from durable wallets to elegant purses. Though it is a relatively new company, Bless Leather Goods Manufacturing Private Enterprise has made a name for itself in the market due to its high-quality products and customer-focused philosophy. The success of Bless Leather Goods Manufacturing Private Enterprise is largely attributable to its committed staff, which consists of 15 individuals.

4.1.1.2 Digital Marketing Adoption

The responder stated that a number of important factors emphasising the strategy's efficacy and appropriateness in the current digital environment motivated the choice to incorporate digital marketing into the firm plan. The answer said that social media and other online platforms are places where people spend a lot of time and money, and that's where digital marketing helps businesses to reach them. The company may showcase its products and engage directly with its target market by using these channels.

She emphasized that the democratization of the business landscape facilitated by digital marketing presents a compelling case for adoption, particularly for small enterprises like Bless.

“I incorporate digital marketing into my business strategy because, It reaches people where they spend their time and money, such as social media and online platforms. It levels the playing field for small businesses like mine and allows me to compete with bigger brands.”

As per the respondent, Advanced analytics and insights into the behaviour and preferences of customers are also made possible by digital marketing. By utilising a data-driven strategy, Bless may customize marketing plans depending on current statistics, enhancing campaign efficacy and optimising return on investment. The respondent stated that the business uses a variety of digital marketing channels to connect with and engage the target audience in terms of certain strategies and platforms. Facebook, Instagram, TikTok, and LinkedIn are a few of these. Every platform has a distinct function, such as professional networking on LinkedIn or visual storytelling on Instagram, which enables Bless to diversify our digital marketing efforts and reach a wider audience.

“ First start using Facebook and Instagram with the objective of creating awareness, which helps bring in more customers. I am still using Facebook and Instagram, but I have also started using LinkedIn and TikTok, which has resulted in better visibility among customers.”

According to what the respondent said Comparing digital marketing to traditional marketing strategies like print ads and television commercials, there are obvious benefits in terms of reaching and engaging the target audience. Increased adaptability to changing market trends, a wider audience reach, specific targeting options, interactive communication, and real-time campaign performance tracking are some of its benefits. As per her these characteristics make digital marketing a more effective and successful way to communicate with the target audience.

“Digital marketing is much better by offering a wide audience, accurate targeting, interactive interaction, real-time statistics, and adaptability than using offline techniques like print advertisements and television commercials.”

Moreover, she stated that the present level of digital marketing adoption within Ethiopian SMEs varies depending on a number of factors, including money and level of expertise about digital marketing. Nonetheless, there is an evident shift towards greater use, fuelled by the expansion of internet connectivity and the growing availability of reasonably priced

smartphones. SMEs are using digital marketing to take advantage of this changing industry and reach a wider audience as more people have access to digital technologies.

“Digital marketing adoption varies based on factors like, internet access, and economic development. However, there’s a noticeable trend towards increased demand driven by the growing availability of affordable smartphones and expanding internet access.”

4.1.1.3 Challenges related to Digital Marketing Adoption and the Social Environment

According to the respondent, putting digital marketing tactics into practice in developing nations presents a special set of difficulties that are mostly caused by a combination of cultural and technological variables. She said that one of Bless's main issues is a lack of expertise and experience with digital marketing strategies. She also mentioned that many small businesses find it challenging to comprehend every aspect of digital advertising, creation of content, and analytics, even though these areas are essential to campaign success.

“A significant obstacle is the lack of basic expertise needed for digital marketing, which includes things like strategy implementation, creating content, and other relevant abilities.”

According to the respondent, considerable challenges arise from the country's internet accessibility and technological infrastructure. She noted that aside from insufficient internet connectivity, deliberate government interference with internet services is also prevalent, adversely impacting a company's ability to conduct online business operations. Furthermore, she emphasized that disruptions in internet access directly affect revenue and customer satisfaction for businesses without physical stores, posing challenges in maintaining digital marketing campaigns.

“In addition to the slow speed internet, there are times when the internet is deliberately cut by the government. That makes it very difficult since I don’t have a store, if there is no internet working, selling in particular is not possible.”

According to her, the adoption and effectiveness of digital marketing strategies in Ethiopia are greatly influenced by cultural and socioeconomic factors. She highlighted the substantial challenge posed by linguistic diversity, emphasizing the need to tailor information to local languages and communication styles for effective audience engagement. Additionally, in cultures where interpersonal relationships play a pivotal role in business dealings, establishing trust and nurturing relationships through digital channels can be challenging. She further emphasized that crafting successful digital marketing campaigns necessitates an

understanding of and proficiency in navigating these cultural nuances, along with adherence to legal and ethical standards.

“Cultural and socioeconomic considerations have a major role in the success of digital marketing initiatives in developing nations. It's important to take into account factors like language, communication styles, relationship-building, and trust-building before putting digital marketing into practice.”

Additionally she noted that the reach and effectiveness of digital marketing campaigns are impacted by differences in literacy and technological availability between urban and rural communities. The audience reach is limited since rural areas lag behind urban centres in terms of internet infrastructure.

“Technology access disparities impact digital marketing reach, with urban areas often having better infrastructure than rural areas. Bridging this gap requires simplifying technology use and providing digital literacy education to underserved communities”

Addressing the Difficulties of Digital Marketing

The responder states that SMEs in developing countries face particular difficulties when attempting to use digital marketing, and that in order to successfully navigate these problems, they require specialised resources and assistance. Providing people with access to technology is essential. This includes reasonably priced PCs, smartphones, and dependable internet connectivity. SMEs find it difficult to interact with online customers and conduct digital marketing campaigns without these essential technologies. She says that training in digital skills, which can provide owners and employees with knowledge of SEO, social media marketing, email campaigns, and content creation, is another crucial resource for SMEs. SMEs' digital literacy and ability to navigate the complexity of digital marketing can be improved with specially designed training programmes.

She emphasised that small and medium-sized businesses (SMEs) might begin their digital marketing initiatives, such as online advertising or website development, with financial assistance like loans or subsidies. By reducing financial barriers, governments and organisations may encourage SMEs to embrace digital technologies. Furthermore, networking events encourage SMEs to share best practices and exchange expertise. To help SMEs execute and maximise their digital marketing plans, mentorship programmes and consulting services run by experienced digital marketers need to be encouraged.

Governments can also help enterprises expand their marketing capacities, negotiate trade agreements, and offer market intelligence services to enable market access. By streamlining the legal framework, encouraging technology use, and providing access to resources and networks, developing nations can enable SMEs to take advantage of digital marketing and promote economic progress.

4.1.2 Case Two: Pana Communications (R2)

4.1.2.1 Company Overview

Ethiopian-based Pana Communications is a full-service marketing firm. with fifteen workers. Pana employs a comprehensive strategy, employing a wide range of marketing tools to develop focused campaigns over multiple platforms. The company's objective is to become integral partners in each brand's narrative, thereby positively influencing clients and target audiences. Manufacturers and service providers of FMCG (fast-moving consumer goods) are among the many industries they serve as clients. Pana provides a full range of marketing services that include traditional and digital tactics. This includes custom campaign development, television advertising, and digital marketing tools that are all suited to each client's unique requirements and target market.

Tsedenya Mitiku (R2) is the founder and marketing director of Pana Communications. Developing marketing strategies, overseeing team dynamics, proposing creative concepts using mood boards, and assessing the effectiveness of marketing campaigns are all part of her job description. ever since it was founded, some three years ago. The participant has over six years of expertise developing digital marketing strategies for both national and international clients, prior to launching Pana Communications.

4.1.2.2 Digital Marketing Adoption

The respondent stated that Pana Communications was mainly driven to integrate digital marketing into their business strategy due to the substantial expansion and impact of the digital landscape. She noted that As a marketing agency, they understand the value of using digital platforms because audiences are growing across many online channels. Brands can successfully tell their narrative and interact with a large audience through the reach potential of digital platforms, which promotes brand awareness and growth. She stated that the company uses email marketing, social media marketing on sites like Facebook, Instagram, TikTok, and Twitter, and search engine optimisation (SEO) among other digital marketing

methods. The answer states that these tactics aid in the company's ability to effectively engage with target audiences, boost its online presence, and interact with them in order to enhance conversions.

“Audiences are growing on every platform. Buying behavior is highly influenced by the online community, and the liability there. Due to the growth of the audience, it is also easier to spread brand stories.”

The respondent emphasised that by taking advantage of the exponential growth of social media users, digital marketing outperforms traditional methods in terms of audience engagement and reach. Targeting certain audiences, meanwhile, might be difficult when there is an abundance of content. To get around this, the company carried out in-depth study to comprehend the characteristics and preferences of the target market, allowing for the creation of content that was specifically suited to them. Pana Communication evaluates its digital marketing activities according to important metrics including reach, engagement, click-through rates, conversion rates, and impressions; these data are then compared to campaign goals like lead generation, sales, or brand awareness. The company is able to optimise plans and provide clients with the desired outcomes due to this data-driven strategy.

“In terms of reach, it is growing at a fast pace. Because of the growth of social media users, reach can be acquired easily. And we evaluate it using the analytics and metrics. The main ones are reach, engagement, conversion, click-through, and impression.”

According to the respondent, the company has not only embraced digital marketing but also deeply incorporated it into its service offerings. The organisation fosters a culture of constant learning and adaptation to the changing digital world by offering training materials and encouraging staff members to actively participate on personal social media accounts in order to have tech-savvy staff members. This method guarantees that the group will continue to be skilled in applying digital marketing techniques and tools to produce significant outcomes for the customers.

“As a marketing agency, we haven't only adapted it but are very friendly with it, mentioning it is part of our service.”

4.1.2.3 Challenges related to Digital Marketing Adoption and the Social Environment

According to the respondent, Implementing digital marketing strategies in Ethiopia presents several challenges related to technological infrastructure, internet accessibility, and societal factors. As per the respondent One of the primary hurdles is the limited awareness of the advantages of digital marketing and the depth of its impact, particularly among businesses and consumers. This lack of awareness contributes to a lower level of tech literacy within the population, which further complicates the adoption of digital strategies. She also noted that technical problems, such as unreliable network connectivity, pose significant obstacles to executing digital marketing campaigns effectively. In Ethiopia, internet access can be inconsistent due to government restrictions that require the use of VPNs to bypass network blocks. This disruption affects content distribution, ad reach, and overall online engagement, impacting the success of digital marketing efforts.

“There is a poor understanding of the work involved, which contributes to the lack of knowledge of the advantages. Users' limited technological literacy and technical problems like network connectivity provide major obstacles.”

As per the respondent, Cultural and societal factors also influence the adoption and effectiveness of digital marketing in Ethiopia. Many individuals in the country are not technologically savvy, which hinders their ability to engage with digital platforms and content. Additionally, there is a cultural reluctance to quickly adapt to change, particularly in the fast-paced digital landscape where trends and technologies evolve rapidly. She noted that this cultural dynamic, coupled with a preference for entertainment-focused content on platforms like TikTok, creates challenges for delivering informative and engaging digital marketing content.

“Technical ignorance prevents many people from adapting to the quick changes that come with living in the digital age. Interaction with the ever-changing digital environment is made more difficult by cultural reluctance to rapid adaptation.”

Additionally she highlighted the challenges related to internet access and e-commerce infrastructure further complicate digital marketing efforts in Ethiopia. The ongoing renovation projects in Addis Ababa to improve streets and infrastructure, including light and WiFi installations, highlight the dependency of digital marketing on reliable internet connectivity. Limited access to high-speed internet and e-commerce platforms impacts the

reach and effectiveness of digital marketing initiatives, making it challenging to leverage online channels for business growth and engagement.

“As an example, we can mention the current renovation of Addis Ababa's streets. This project will enable us to have 5 light and wifi breaks per day, greatly impacting our performance.”

Addressing the Difficulties of Digital Marketing

According to the respondent, SMEs need complete assistance and tools that are customised to meet their unique needs in order to overcome the challenges associated with implementing digital marketing in developing countries like Ethiopia. First and foremost, company owners and staff must possess a thorough awareness of and proficiency with digital marketing. She noted that experts in the industry can offer focused training programmes and workshops to provide small and medium-sized enterprises (SMEs) with the essential knowledge and abilities to effectively utilise digital platforms.

“Giving our consistent awareness about digital marketing and its advantages and Coming up with a simpler strategy or more relatable approach for audiences to easily adapt new features.”

Additionally, the respondent states that infrastructure is essential to resolving issues with network connectivity and internet accessibility. To enable smooth digital marketing operations for SMEs, governments and stakeholders should give top priority to building and enhancing the essential digital infrastructure, such as reliable network connections and high-speed internet access. Moreover, she emphasized the importance of consistently raising awareness about the advantages of digital marketing. Encouraging SMEs in developing nations to embrace digital platforms involves simplifying their digital marketing strategy and employing more accessible tactics. Producing valuable and engaging content has the potential to alter audience behavior patterns, enhancing the effectiveness and engagement of digital marketing endeavors.

Government regulations, according to the responder, are also very important in determining how SMEs can embrace and apply digital marketing techniques. Encouraging policies for SMEs to prosper in the digital economy include those that give top priority to infrastructure development, provide high-speed internet access, and encourage the digital dissemination of important news and updates. As per the respondent the full potential of digital marketing to spur business growth and expansion can be realised by SMEs in developing countries by tackling these issues with focused strategies and government assistance.

“Governments also play a crucial role in shaping SMEs' ability to adopt and implement digital marketing strategies by creating an infrastructure for suitable network and connection and Giving out training.”

4.1.3 Case Three: Seregela Gebeya (R3)

4.1.3.1 Company Overview

Based in Addis Ababa, Ethiopia, Seregela PLC is a Private Limited Company. The company was founded by Ethiopian nationals and now has about one hundred employees. Under the name Seregela Ride Taxi Services, Seregela PLC initially started out in the e-transport industry by providing taxi services. The company expanded its product line over time and entered the FMCG goods distribution industry. Selling and distributing fast-moving consumer goods (FMCG), which are in great demand and regularly consumed by consumers, is the main goal of this firm.

4.1.3.2 Digital Marketing Adoption

The respondent stated that there were multiple convincing elements that led to the choice to include digital marketing in the company plan. First, the business acknowledged that customers were increasingly using online platforms for product search and interaction, and that in order to stay competitive, it was critical to build a strong online presence. Additionally the respondent stated that digital marketing has clear advantages over traditional approaches, including the capacity to target certain audiences precisely, scale, and be more affordable. Furthermore, digital marketing's real-time analytics enable the business to quickly analyse and improve the efforts. The respondent stated that the business has made use of numerous digital marketing tools and strategies. These include using social media marketing to interact with the public and run targeted advertisements on websites like Facebook, Instagram, Twitter, TikTok, and LinkedIn. further make use of content marketing by producing educational films, blogs, articles, and infographics. While online advertising like Google Ads, Facebook Ads, and Instagram Ads helps the business reach the audience with personalised messaging, email marketing is essential for nurturing leads and promoting products.

“we recognized the growing significance of the digital landscape and the shift in consumer behavior towards online channels for product research, shopping, and interaction with brands.”

According to the interviewee, Because of its real-time interaction features and precision targeting capabilities, they believe digital marketing is a much more successful way to reach the target demographic than traditional marketing tactics. As per the respondent they are able to establish a stronger connection with prospective clients by customising messaging according to the characteristics and actions of their audience. The adoption of digital marketing by Ethiopian SME is increasing over time. Through company websites, targeted email campaigns, and social media platforms, the firm has spent in increasing its online presence.

“When compared to traditional approaches, digital marketing is thought to be far more effective at reaching our target demographic because of its precision targeting and real-time engagement.”

4.1.3.3 Challenges related to Digital Marketing Adoption and the Social Environment

According to the respondent, resource limitations, technology limitations, and cultural variables can all have an impact on the problems associated with implementing digital marketing tactics. As per the respondent, resource limitations are a major issue the company faces; in order to run successful campaigns, it must strike a balance between staff, money, and time. Additionally, it can take a lot of resources to continuously study and adapt in order to keep up with the ever changing digital trends. Ensuring data privacy compliance and managing complicated requirements to use customer data responsibly while preserving openness provide another significant barrier. Effective digital marketing implementation is further hindered by technological limitations including irregular internet connectivity and low tech proficiency in some target customer segments.

“Limitations in resources, compliance with data protection laws, and low tech knowledge are some of the issues we face while implementing digital marketing.”

The respondent also mentioned that the company's digital marketing strategies are impacted by issues with internet accessibility and technological infrastructure. Their online activities are disrupted and campaign implementation is hampered by frequent outages, slow speeds, and unreliable internet connectivity. Online transactions and conversions have been impacted by low access to high-speed internet, outdated technology, and a limited e-commerce infrastructure; their reach is further limited by the digital divide between urban and rural areas. The respondent noted that some customers are discouraged from fully participating in a company's digital marketing efforts due to trust and security concerns around online

transactions. This underscores the necessity for creative solutions to close these gaps and guarantee a wider adoption of digital techniques.

According to the participant, in underdeveloped nations, cultural and societal variables also have a major impact on the use and effectiveness of digital marketing techniques. The respondent highlighted that due to linguistic diversity many languages are spoken in different parts of the world the business must localise and customise its digital ads to appeal to a wide range of audiences. Cultural sensitivity is also important because it's necessary to recognise and honour various customs and beliefs in order to prevent offending people and guarantee that the message is relevant. She noted that in Ethiopian society, establishing credibility and trust is crucial, since customers are more open to companies they believe to be genuine and reliable. Another problem is merging digital marketing with traditional approaches, since the latter are still relevant and can improve the overall success of campaigns when done well.

“Language diversity, cultural sensitivity, trust and credibility, and traditional marketing practices are a few cultural or social factors that affect adoption of digital marketing.”

Addressing the Difficulties of Digital Marketing

As per the respondent, SMEs need a variety of crucial resources and assistance to address the obstacles involved in executing digital marketing in developing countries such as Ethiopia. Firstly, the infrastructure needs to be improved. Reliable internet connectivity and availability of electricity are essential for the success of digital marketing. Developing digital skills is also essential; SME owners and staff members require specialised training programmes to improve their computer literacy, social media management, SEO, and online advertising abilities. When funds are tight, SMEs may find it advantageous to invest in training and digital marketing tools through grants or subsidies. For SMEs to succeed, they need government support in the form of laws and programmes that promote innovation and digital entrepreneurship as well as access to reasonably priced digital tools and platforms.

Also for SMEs with tight budgets, it is essential to guarantee that they have access to reasonably priced tools and reliable internet connectivity. Governments may be extremely important by offering grants, financial incentives, and legislation that support and encourage digital entrepreneurship. The success of SMEs depends on localized solutions that modify digital marketing tactics to fit their unique cultural contexts and needs. Furthermore, to assist SMEs in improving digitally and overcoming obstacles related to the adoption of digital

marketing, investments in technological infrastructure, such as internet connectivity and digital payment systems, are critical.

4.2 Description of Cases from Bangladesh

4.2.1 Case Four: Leather Bangladesh(R4)

4.2.1.1 Company Overview

Beginning operations in 2016, Leather Bangladesh is a manufacturer of high-quality leather items. The firm, which primarily specialises in jackets for men, women, and motorcyclists, became well-known for its dedication to style and workmanship. The production plant of the company employs twenty-five people. The company intends to open additional showrooms in Dhaka, Bangladesh, in addition to its current facility. Leading the company's online and advertising presence is one of the respondent's many jobs and responsibilities as a digital marketing officer. In addition, as the employee in charge of creating and carrying out digital marketing strategies, the respondent ensures that the company's product reaches the target audience using a variety of digital platforms, including social media, e-commerce websites, and the company website.

4.2.1.2 Digital Marketing Adoption

According to the respondent, government rules have a big impact on how easily small and medium-sized enterprises (SMEs) in Bangladesh can embrace and use digital marketing techniques. The interviewee highlighted the regulatory environment is made up of many different things, including internet rules, tax laws, and data privacy laws. All of these things have an immediate effect on digital marketing initiatives. Since 2010, the government has taken significant steps to boost e-commerce and create a favourable atmosphere for the expansion of digital marketing by improving internet connectivity throughout the country.

“ The regulatory environment can impact various aspects such as data privacy laws, taxation policies, and internet regulations, which directly influence how we conduct digital marketing activities.”

The respondent highlighted the initiative taken by the company to incorporate digital marketing into its overall business plan. The company had to build a strong online presence in order to remain competitive, as they observed that consumers were increasingly depending on online channels for product exploration and transactions. The respondent also emphasized

the variety of advantages this change offers. These benefits include the possibility to boost sales and penetrate new markets by reaching a larger audience outside of Bangladesh. Additionally, the organisation was exposed to cutting-edge technologies and strategies through the implementation of digital marketing, which allowed for improved customer relations, increased brand awareness, and heightened engagement. The company's broader goal of adjusting to changing consumer preferences in a constantly expanding digital environment is closely aligned with these activities.

“ The decision to incorporate digital marketing into our leather business strategy was prompted by several factors. Firstly, we recognized the growing trend of consumers turning to online channels to research and purchase products, including leather goods. ”

The participant mentioned that the business employed a variety of digital marketing tactics to engage the target audience and promote interaction. These strategies include email marketing, content marketing, e-commerce marketing on websites like Amazon, and social media marketing on sites like Facebook, Instagram, and Twitter.

“ We have utilized a variety of digital marketing tactics and platforms to reach our target audience, such as social media, email marketing , and content marketing.”

4.2.1.3 Challenges related to Digital Marketing Adoption and the Social Environment

The respondent says that difficulties with e-commerce infrastructure and internet connectivity have a big influence on digital marketing initiatives in the leather sector, especially in Bangladesh and other similar nations. A major problem is having limited internet access, particularly in rural locations where there is a lack of high-speed, reliable internet connectivity. Furthermore, the process of selling leather products directly to customers online is made more difficult by inadequate e-commerce infrastructure, which is characterised by a lack of payment gateways and logistical limitations.

“ One of the primary challenges is the relatively low internet penetration rate in Bangladesh, especially in rural areas. Also Infrastructure limitations, such as unreliable internet connectivity and slow loading speeds.”

Furthermore, according to the respondent, another challenge facing Bangladeshi leather companies is the population's comparatively low level of internet literacy, especially in rural regions. As per the respondent, It can be difficult to increase sales through digital marketing initiatives alone because many potential buyers might not be familiar with online buying

procedures or might not have faith in e-commerce platforms. The complexity of the situation is increased when one has to contend with conventional channels such as wholesale markets and brick-and-mortar stores, which continue to dominate Bangladesh's leather industry. Further impediments to the efficient execution and administration of digital marketing initiatives are technical constraints, such as regular power outages and poor technology infrastructure.

“ Many consumers in Bangladesh, particularly in older demographics, may lack digital literacy skills, making it difficult for them to engage with digital marketing channels effectively. ”

The interviewee emphasized the significant influence of cultural and societal factors on the effectiveness of digital marketing in Bangladesh. Customizing content to match linguistic preferences, emphasizing trust through user-generated content and client endorsements, and respecting cultural and religious norms are vital strategies. Recognizing the collective nature of family decision-making underscores the importance of aligning marketing initiatives with family values. Effective tactics should also consider the diversity of purchasing power and lifestyle preferences across different economic strata.

“Cultural and societal factors challenge digital marketing adaptation like, Language and Communication Preferences, Trust and Reliability, Religious and Cultural Sensitivities and so on.”

Addressing the Difficulties of Digital Marketing implementation

According to the respondent, creating strong e-commerce platforms that are suited to the demands of the regional market, investing in bettering digital literacy, and upgrading internet infrastructure are all necessary steps in addressing the problems associated with implementing digital marketing for SMEs. Programmes for SME managers and owners that focus on digital literacy can also impart important information and skills. It's critical to have inexpensive access to internet connectivity and smartphone infrastructure. Local audiences will be more engaged when content is produced that is both linguistically and culturally appropriate. Financial restrictions can be lessened with government assistance in the form of tax breaks or subsidies. SMEs, NGOs, and government organisations can pool resources and expertise through collaborative partnerships.

4.2.2 Case Five: Chalabon Best Furniture (R5)

4.2.2.1 Company Overview

Chalabon Best Furniture is a furniture manufacturing firm that offers excellent interior design services in addition to a wide variety of furniture products, such as bedroom sets and doors. Having employed about twenty-five people, the business has been an essential player in the furniture sector for about eight years.

The respondent has been the general manager and owner of Chalabon Best Furniture for almost eight years. Among his many responsibilities are overseeing daily operations, managing production, ensuring quality control, answering client questions, managing finances, and creating business growth strategies.

4.2.2.2 Digital Marketing Adoption

According to the responses given, the company's choice to include digital marketing in its business plan was mostly motivated by the way that consumer behaviour is changing and how much more people are using online platforms. This change gave them the opportunity to interact with their audience where they spend the majority of their time, utilising the power of targeted advertising to reach particular demographics at a reasonable cost. Furthermore, the comprehensive analytics supplied by digital marketing allowed them to get practical insights that let them consistently adjust and improve their plans. This allowed them to engage directly with customers, which improved relationships and loyalty. Integrating digital marketing has become essential in today's competitive digital world to stay up-to-date and establish meaningful connections with their audience.

The respondent highlighted particular strategies and platforms while highlighting the variety of digital marketing techniques the company uses to refine its approach. These include pay-per-click (PPC) advertising for targeted promotions, social media marketing (SMM) for audience engagement, email marketing for personalised communication, search engine optimisation (SEO) for improved online visibility, and content marketing (DMW) for value delivery and brand awareness. The organisation uses analytics tools like Google Analytics and social media insights to carefully track performance and modify plans across several platforms in order to maximise reach and improve audience participation.

“We’ve employed various digital marketing tactics and platforms to optimize our strategy. These include search engine optimization (SEO), pay-per-click (PPC), social media

marketing (SMM), email marketing, and content marketing to provide valuable information and drive brand awareness.”

The respondent also mentioned the company's experience utilising digital marketing tools, which has helped them expand their reach and enter new areas. Increasing sales and drawing in new customers have been made possible by social media sites like Facebook, YouTube, blogging, and online advertising. Online boosting has expanded the business's exposure, and Facebook marketing catered to specific demographics has been effective in reaching them. YouTube videos can be used to highlight products, while blogging can help drive more visitors and offer useful content.

4.2.2.3 Challenges related to Digital Marketing Adoption and the Social Environment

Digital marketing implementation presents a number of challenges, according to the respondent. An obstacle that exists is the imbalanced environment brought about by irregular internet access and disparities in the population's level of digital literacy. In addition, Bangladesh's linguistic diversity calls for regionally specific content. Another challenge is navigating the cultural sensitivities present, where missteps can damage brand image. The intense competition in the digital space further demands innovative approaches to stand out.

The respondent also stated Another major obstacle is the limitations of technological infrastructure. Even while internet connectivity has improved, certain places continue to face bandwidth restrictions, power outages, and inconsistent connectivity. As per the respondent the effectiveness of online campaigns and real-time participation may be affected by these disturbances. The respondent also highlighted that digital marketing tactics in Bangladesh are also influenced by cultural and socioeconomic aspects. Respect for those in positions with authority is important, and recommendations from well-known people have a big impact. Social proof and word-of-mouth marketing are essential for success because of strong ties to the neighbourhood and family. The respondent noted that Campaigns centred around cultural holidays and occasions can be successful, yet conservative beliefs demand sensitivity when creating content so as to steer clear of taboo subjects. It is imperative to comprehend and include these cultural subtleties while developing digital marketing strategies that have an impact in Bangladesh.

“Implementing digital marketing strategies in Bangladesh has posed challenges like intermittent internet connectivity, linguistic diversity, limited digital literacy and Cultural

sensitivities. Also the intense competition in the digital space demands innovative approaches to stand out.”

Addressing the Difficulties of Digital Marketing implementation

The respondent indicates that SMEs in underdeveloped nations require a thorough plan to get over the challenges of using digital marketing. Access to an affordable and reliable internet infrastructure is essential for the success of any digital marketing strategy. Digital skills training programmes are essential to empower employees and entrepreneurs with greater digital literacy and to make better use of digital resources. Government subsidies, funding options, and incentives can motivate SMEs to invest in digital marketing strategies and use digital technologies, thereby improving their capacity to expand and compete in the global market.

Additionally as per the respondent, Government rules also have a significant impact on how SMEs can embrace and use digital marketing techniques. Innovation and growth are dependent on favourable policies that support the development of digital infrastructure, safeguard consumer data, and establish a competitive online economy. To ensure fair competition, promote economic inclusion and empowerment in developing countries, and help SMEs thrive in the digital economy, governments must adopt clear and encouraging regulations.

4.2.3 Case Six: Star World Fashion(R6)

4.2.3.1 Company Overview

The respondent, a small company entrepreneur in the fashion and lifestyle products industry, is the owner of Star World Fashion. Founded in 2021, Star World Fashion specialises on producing a variety of clothing goods, such as shirts, trousers, T-shirts, and Panjabi outfit for men. The company has a seasonal production strategy, launching new products during different events and producing winter and summer collections. There are about thirty people working at the production facility, which is located in Gazipur, Bangladesh, which is close to Dhaka. The respondent is in charge of managing every facet of the company, including marketing, customer relations, and production and quality control.

4.2.3.2 Digital Marketing Adoption

The choice to include digital marketing in Star World Fashion's business plan, as stated by the respondent, was motivated by the realisation that it was more successful than conventional offline approaches. The response acknowledges that direct product delivery and a more effective means of reaching prospective consumers are provided by internet promotion. Through the use of digital marketing, it may quickly present products to a large audience and streamline online ordering and delivery procedures, improving clients' overall accessibility and convenience.

The respondent stated that Star World Fashion uses a variety of digital marketing tools and channels, such as Google Ads, Facebook, and Instagram. The young generation, mainly those between the ages of 22 and 40, is the target audience for these channels, which are purposefully picked with an emphasis on metropolitan areas. According to the respondent, digital marketing is a much more successful way to reach the target demographic than traditional marketing techniques. The company's concentration on gentlemen's products for the younger generation is nicely matched with the ability to precisely target a given group through advertising on platforms like Facebook and Google Ads. This focused strategy improves the effectiveness and impact of marketing initiatives, leading to increased engagement and maybe improved conversion rates.

“ Our young target audience drives our digital marketing strategy, with a focus on platforms like Facebook, Instagram, and Google Ads to reach them where they are.”

4.2.3.3 Challenges related to Digital Marketing Adoption and the Social Environment

As the respondent pointed out, there are a number of difficulties in putting digital marketing techniques into practice for Star World Fashion. Even when the right demographic is targeted, sales remain unpredictable, which is one of the ongoing problems. The effectiveness of promotional content might be impacted by the difficulty of determining which kinds of images or videos will most effectively connect with the target audience. Furthermore, the respondent noted that SMEs such as Star World Fashion find it extremely difficult to arrange foreign money, especially dollars, for digital marketing expenses. This makes it difficult for them to make large investments in digital campaigns.

“ Crafting engaging content is tough , finding the right images and videos for maximum reach remains a hurdle. “

The respondent mentions internet connectivity as one of the main challenges with regard to technological infrastructure and internet accessibility. The respondent's digital marketing activities are limited by the unreliability of internet connectivity in rural areas, which forces them to concentrate their advertising efforts exclusively on metropolitan areas with stable internet access. The business may be less able to acquire customers and penetrate new markets as a result of this geographic targeting restriction. Moreover the respondent stated that in Bangladesh, societal and cultural variables also have an impact on the adoption and efficacy of digital marketing techniques. A complex approach to internet product marketing is required due to the diverse religious and cultural backdrop, taking into account the unique demands and preferences of various demographic segments. To effectively reach and interact with a varied audience, one must have a solid understanding of the numerous platforms that make up the internet.

The respondent highlights notable differences between Bangladesh and advanced nations in terms of internet availability and e-commerce infrastructure. The respondent's commercial operations are mainly restricted to metro cities due to limited internet services, which hinder the wider adoption of e-commerce. Expanding e-commerce prospects and bridging the divide between urban and rural markets should be possible with the expansion of digital payment facilities. Notwithstanding these difficulties, the respondent stresses how critical it is to get past financial limitations and maximise digital marketing initiatives in order to deliver significant outcomes in the changing digital landscape of small and medium-sized enterprises.

“Limited internet access across the country restricts our online sales potential. Additionally, catering to a diverse audience with varying religious beliefs requires a nuanced approach to platform selection and content creation.”

Addressing the Difficulties of Digital Marketing implementation

Comprehensive support and resources are crucial, according to the respondent, to help SMEs like Star World Fashion in developing countries like Bangladesh overcome the obstacles they confront. The requirement for appropriate policies and training in digital marketing is one important factor. It is difficult for many SMEs to maximise marketing efforts and increase sales since they do not have organised guidance on successful digital marketing techniques. SMEs would be more able to manage the digital landscape if they had access to workshops and educational programmes centred on digital marketing.

Enhancing digital payment methods and internet infrastructure are critical components of any specific plans or approaches to overcome challenges in developing countries such as Bangladesh. Scalability issues with digital marketing include low internet connectivity and a lack of widely used online payment systems such as PayPal. For platforms like Facebook and Google Ads, SMEs sometimes face difficulties obtaining foreign currency, which results in a large increase in prices. To encourage SMEs to adopt digital marketing and make better use of digital channels, it would be helpful to improve internet access and improve online payment procedures.

5. Discussion

In this chapter, the authors address the relation between the empirical findings and the theoretical framework. The primary aim of this chapter is to improve the thesis by addressing the key concepts in order to address the research question.

5.1 Digital Marketing Adoption

The adoption of digital marketing among enterprises, particularly SMEs, can be understood through the lens of the Diffusion of Innovation Theory. This theory suggests that the spread of new ideas or practices and technologies follows a predictable pattern, with different groups adopting at different rates (Rogers, 2003). Even though Taiminen & Karjaluoto's (2015) research shows that digital marketing can help SMEs communicate more effectively and reach a wider audience while also raising brand awareness, not all SMEs are fully utilising these tools. According to Gilmore et al. (2004), one of the main obstacles to adoption is a lack of resources. Hollensen and colleagues (2017) underscore the impact of many factors, including financial resources, industry features, organisational readiness, and proficiency in digital marketing, on the kind and volume of digital marketing tools employed.

This study provides insight on how digital marketing is spreading among SMEs in Bangladesh and Ethiopia. The results show how different methods are embraced at varying rates, such as SEO, social media marketing, email marketing, and content marketing. For instance, all respondents use social media (Facebook, Instagram, Twitter, LinkedIn), and Ethiopian businesses even use TikTok. However, SEO adoption seems to be less common; only Pana Communication uses it. This suggests that social media marketing has spread among small and medium-sized enterprises (SMEs), indicating its increased acceptability and incorporation into business plans. In the meantime, SEO seems to be in its early stages of adoption and may perhaps be mostly used by SME early adopters. This aligns with Tamirat & Zewdie's results from 2024, which state that social media, mobile marketing, and the use of online e-commerce platforms are the primary digital marketing techniques used and prioritised in emerging and less developed nations. However, other digital technologies like Pay-Per-Click (PPC), Search Engine Optimisation (SEO), and Search Engine Marketing (SEM) received little attention.

According to the respondents' use of Facebook, Instagram, Twitter, LinkedIn, and TikTok, social media marketing is a commonly used digital marketing strategy among SMEs. This is in line with the theory of the diffusion of innovations, which suggests the involvement of social networks in the spread of new ideas. Additionally, Bless Leather is an example of how SMEs adapt digital marketing strategies to meet their specific needs. The company uses Facebook and Instagram as a virtual "showroom" in place of a real showroom. Similarly, a subset of respondents (R3, R4, and R5) in this study use content marketing, which is acknowledged as a technique to attract readers and capture their interest through storytelling (Atar et al., 2021). This finding aligns with the concept of "compatibility" integrating content marketing with existing marketing strategies can ease adoption.

Email marketing is the practice of sending adverts to large groups of people via email. Email may improve a company's contact with its customers, leading to more repeated business and customer loyalty. It also aids businesses in gaining new clients. Customers can communicate with you in both directions as a result of this (Atar et al., 2021). All research participants aside from Star Word Fashion confirmed that they employ email marketing. This shows that the research's SMEs are aware of the benefits of email marketing and actively use it to connect with their target market and raise customer engagement. In conclusion, the participant response shows that SMEs use social media and other digital channels as marketing platforms, regardless of their size or type of products, all with the same goal of boosting sales.

Case Companies	Digital Marketing Tool Used
Bless Leather	Facebook, Instagram, Twitter, LinkedIn, TikTok
Pana Communication	Facebook, Instagram, Twitter, LinkedIn, TikTok, SEO, Email marketing
Seregela Gebeya	Facebook, Instagram, Twitter, LinkedIn, TikTok, Content marketing, Email marketing
Leather Bangladesh	Facebook, Instagram, Twitter, Content Marketing, Email marketing
Chalabon Best Furniture	Facebook, Instagram, Twitter, TikTok, Email Marketing, SEO, Content marketing
Star World Fashion	Facebook, Instagram, Google Ads

Table 5.1 Summary of Digital Marketing Tools Used.

5.2 Challenges related to Digital Marketing Adoption and the Social Environment

While SMEs can benefit greatly from digital marketing, there are drawbacks as well. Commonly mentioned obstacles for SMEs include limited resources, insufficient knowledge of digital marketing, social and cultural factors, privacy and security issues, and keeping up with fast changing digital trends. For small and medium-sized enterprises (SMEs), a major obstacle is the insufficiency of resources and knowledge needed for the successful implementation of digital marketing. This difficulty is most clearly shown by the interviews with Pana Communications and Bless Leather Goods Manufacturing. Due to a lack of internal experience, Bless finds it difficult to handle the complexity of digital advertising, content creation, and analytics. Similarly, Pana underscores the limited awareness of digital marketing benefits among businesses and consumers in Ethiopia, contributing to low levels of digital literacy. This is inline with the findings of Abdinasir & Mohamed (2023), who found that Ethiopian SMEs' adoption rates are greatly impacted by their understanding of and

expertise in digital marketing. The interviews with Chalabon Best Furniture and Leather Bangladesh also shed light on issues around digital literacy in the general population, which may reduce the number of qualified candidates for jobs involving digital marketing. Pana's experience reflects how low awareness often leads companies to outsource digital marketing activities.

Resource limitations present additional difficulty in addition to skill. According to the interview with Bless Leather and Star Word Fashion , in order to successfully execute these methods, owners might have to make an investment in learning digital marketing techniques. Parvin (2012) adds to this idea by emphasising how many people in underdeveloped nations such as Bangladesh lack fundamental digital literacy abilities, which makes digital marketing strategies ineffective. In both urban and rural areas, consumer education and improved digital literacy are essential according to all of the respondents. In order to close this gap, both public and private initiatives might be extremely important. As was mentioned in the interview with Star World Fashion, the expense of digital marketing can be a significant barrier for SMEs. Investment in extensive campaigns may be further restricted by securing foreign exchange for digital marketing costs. According to these data, the cost of digital marketing might differ based on a company's structure, ability to obtain funding, and level of experience with the field.

According to the interviews with Leather Bangladesh and Seregela Gebeya, several developing nations prefer conventional marketing strategies. This is consistent with Cant & Wiid's (2016) finding that despite the growth of digital marketing, many SMEs still depend on conventional marketing strategies. This preference can be explained by a number of variables, including the kind of service or product provided, customer buying patterns, and current marketing tactics. Cant & Wiid (2016) stress how crucial it is to combine traditional and digital marketing strategies. Companies who started off using only digital marketing tactics could need to add traditional techniques, and companies that rely mostly on traditional marketing might think about adding digital tools (Cant & Wiid, 2016). The interviews with Leather Bangladesh and Seregela Gebeya provide excellent examples of the difficulties in combining traditional and digital marketing, including content creation, employee training, marketing coordination, and financial concerns. Seregela Gebeya experience highlights the potential resistance some existing clients may have towards adopting digital marketing channels.

The major issues raised by inconsistent internet connectivity, slow speeds, restricted access to high-speed internet, frequent power outages, and the digital divide between urban and rural areas were all mentioned by all the respondents. The efficiency of digital marketing strategies for SMEs in developing nations is hindered by these restrictions, which severely limit online activity and campaign implementation. Significant obstacles still exist, especially in rural regions, despite encouraging signals of infrastructure development in Ethiopian and Bangladeshi urban centres. The critical need for quicker internet connection and greater smartphone penetration in these regions was underlined by interviewees from both countries. This highlights the importance of addressing the digital divide, which refers to the gap between those who have access to information and communication technologies (ICTs) and those who do not. This focus on infrastructure is consistent with El-Gohary's (2012) research, which discovered that SME adoption of digital marketing is positively impacted by resource availability (El-Gohary, 2012). El-Gohary (2012) defines critical resources as a fully functional IT infrastructure comprising servers, software, hardware, and strong network connectivity. These components serve as the cornerstone of dependable and effective digital marketing initiatives. Frequent power outages can also cause ongoing campaigns to be disrupted and operations to need to be restarted, resulting in time and resources being squandered. Rural communities, where internet connectivity is sometimes scarce or nonexistent in some parts of Ethiopia, are disproportionately impacted by the digital divide. This keeps rural consumers from benefiting from the potential advantages of e-commerce and online purchasing, in addition to making it more difficult for SMEs in these areas to reach a larger audience.

In both countries, competitiveness is another issue brought up by the SMES respondents. Established firms possessing a strong market presence and constantly rising new players pose a formidable rivalry for these companies. In a crowded market, this situation emphasises how crucial it is to stand out by differentiating and creating a special value offer. A prime example of how new approaches can overcome obstacles in the competitive arena is Seregela Gebeya. They have established a separate market position for themselves with their distinctive online FMCG (fast-moving consumer goods) product shopping strategy that includes home delivery. The significance of recognising unfulfilled customer demands and creating inventive solutions to fulfil them is emphasised by this success story. Offering a quick and easy purchasing experience has helped Seregela Gebeya stand out from rivals and obtain a competitive edge. Despite its approach, Seregela Gebeya also faces challenges related to

customer perceptions and behaviors. These challenges include concerns about online product quality, trust in digital payments, and the continued preference for face-to-face interaction.

The findings of the interview also provide a clear picture of the difficulties in modifying digital marketing tactics due to social and cultural issues. The most notable obstacle is linguistic variety. Bless Leather in Ethiopia, for instance, highlighted the need for linguistic sensitivity to tailor content for local audiences. SMEs from Bangladesh also stress the significance of Bengali language content, demonstrating how this resonates across national boundaries. Understanding the variations of regional languages and accents is essential for crafting persuasive marketing materials that effectively communicate with the intended audience. Cultural preferences for content present another difficulty, in addition to language. The challenge of providing educational marketing content on platforms like TikTok, which are primarily used for entertainment-focused content, is another point made by Pana Communication. This emphasises the necessity for a deliberate strategy whereby marketers provide interesting, amusing, and instructive content in order to draw viewers in to a congested online landscape.

According to the Pana Communication interview, Ethiopian culture appears to be reluctant to embrace rapid change, which could impede the uptake of new digital marketing strategies. This calls for an advanced strategy that values innovation while upholding cultural customs. One of the biggest issues facing Ethiopian SMEs has been establishing trust in internet transactions. For instance, Seregela Gebeya emphasised the necessity for creative ways to close the trust gaps that arise with online buying. Similar to this, a Leather Bangladesh respondent notes that customer testimonials and user-generated material are essential for increasing a brand's credibility in Bangladeshi society, which values dependability and trust. The family decision-making dynamics in developing nations like Bangladesh pose a particular challenge for digital marketing tactics, according to SMEs from Bangladesh included in this study. Campaigns that promote traditional family values have a higher chance of connecting with customers. Comprehending these dynamics enables marketers to create campaigns that aim to influence not only individual but also entire family decisions.

Case Companies	Challenges
Pana Communication	Limited awareness of digital marketing benefits, low levels of digital literacy, cultural resistance, trust issues in internet transactions and unreliable network connectivity.
Bless Leather Goods	Insufficiency of resources and knowledge for digital advertising, content creation, and analytics, linguistic sensitivity in content creation, cultural preferences for content, and poor technological infrastructure.
Star Word Fashion	Investment in learning digital marketing techniques, resource limitations, internet connectivity issues
Chalabon Best Furniture	Issues around digital literacy in the general population, challenges in modifying digital marketing tactics due to social and cultural issues, and inconsistent internet connectivity
Leather Bangladesh	Preference for conventional marketing strategies, linguistic sensitivity in content creation, Lack of Digital Literacy, trust issues in internet transactions, Limited Internet Penetration and, competition from established firms
Seregela Gebeya	Resource limitations, competition from established firms, linguistic sensitivity in content creation, trust issues in internet transactions, family decision-making dynamics

Table. 5.2. Summary of Challenges in Implementing Digital Marketing

5.3 Comparing Digital Marketing Practices in SMEs between Bangladesh and Ethiopia

The findings from interviews conducted with SMEs in Ethiopia and Bangladesh reveal both common challenges and differences in digital marketing practices between the two countries. Both Ethiopia and Bangladesh witness a growing acceptance of digital marketing strategies. Social media platforms like Facebook, Instagram, Twitter, and LinkedIn have become vital tools for SMEs to showcase their products and services. This dominance of social media is particularly strong in urban areas of both countries. However, a crucial difference emerges when considering rural regions. Ethiopia, in particular, requires significant investments in infrastructure development, especially in remote areas. Tazebew's (2017) research highlights the low internet penetration rate in Ethiopia (11.1% in 2017) compared to the total population, contrasting with the high average growth rate (115%) observed since 2000. Exciting opportunities for digital marketing-driven SMEs are presented by this rapid increase, which shows a potential move away from the typically "technophobic" mindset noted by a respondent from Pana Communication. In contrast, Bangladesh has a far greater mobile penetration rate than Ethiopia (60.4% in January 2023; Kemp, 2023) with 104.6% in January 2023. This means that more potential clients are available to reach using mobile marketing techniques. Additionally, Bangladesh boasts a higher internet penetration rate of 38.9% in January 2023, compared to Ethiopia's 16.7%. This is noteworthy considering Bangladesh's larger population of 172 million, compared to Ethiopia's 122 million (Kemp, 2023). These factors have impacted on the low levels of digital literacy and awareness raised in the interviews, highlighting the need for continued investment in technological infrastructure and digital education in both countries.

The population distribution data presents a concerning image of the potential clientele that SMEs are missing out on because of infrastructure constraints. According to Kemp (2023), 60% of people live in rural Bangladesh, compared to 77.1% of people in Ethiopia. All research participants expressed the difficulty of poor infrastructure, which keeps this enormous rural audience mainly unreachable. Remarkably, Ethiopia has a median mobile internet connection speed of 19.10 mbps, while Bangladesh's is only 13.95 mbps (Kemp, 2023). Although this may appear advantageous, Ethiopia's generally poor internet coverage outweighs this gain. Traditional marketing channels continue to play a significant role in the marketing plans of SMEs in both countries, even in light of the growing significance of digital marketing. Newspapers, TV commercials, brochures, and in-person conversations are still used. This could be explained by consumers' limited embrace of digital channels. All

respondents agree that digital marketing channels represent the future of marketing and present SMEs with enormous opportunities for effective competition, therefore there is a general air of optimism. Although Ethiopia and Bangladesh's digital marketing environments are comparable in several ways, they are in different phases of development. Bangladesh offers a better developed environment for the adoption of digital marketing due to its greater rates of internet and mobile penetration. Ethiopia is lagging behind, but its internet user base is growing at a rapid rate, which indicates considerable growth potential. The two nations need to work actively to close the gap between urban and rural areas and promote digital literacy in order to fully realize the potential of digital marketing and enable SMEs to expand their customer base.

Aspect	Ethiopia	Bangladesh
Social Media Dominance	Facebook, Instagram, Twitter, LinkedIn, TikTok	Facebook, Instagram, Twitter, LinkedIn
Urban Areas	Strong presence of social media in urban areas	Strong presence of social media in urban areas
Rural Areas	Significant need for infrastructure development	Infrastructure constraints hinder reaching rural audience
Internet Penetration Rate	Low (16.7% in 2023) with potential growth	Higher (38.9% in 2023) with more potential clients
Mobile Penetration Rate	Lower compared to Bangladesh (60.4%)	Higher compared to Ethiopia (104.6%)
Traditional Marketing Channels	Still significant alongside digital marketing	Still significant alongside digital marketing
Growth Potential	Growing internet user base with potential for expansion	Better developed environment for digital marketing
Challenges	Limited infrastructure, low digital literacy	Infrastructure constraints, limited digital literacy
Opportunities	Rapid increase in internet users, potential market expansion	Established digital environment, wider reach potential

Table 5.3: Comparative Overview of Bangladesh and Ethiopia

6. Conclusion

The final chapter will present the most important findings of this thesis. First, the authors aim to answer the research questions. Then, implication and Limitation Lastly, the authors will present their recommendations for future research.

6.1 Answering the research question

The main question of the study was "What are the specific obstacles and challenges faced by small and medium-sized enterprises (SMEs) in Ethiopia and Bangladesh when implementing digital marketing?" is examined through a comparison of digital marketing techniques across the two nations and an examination of the method by which these practices develop. The study throws light on the difficulties in adopting and putting into practice digital marketing strategies in emerging economies by highlighting the many difficulties and barriers faced by SMEs in Bangladesh and Ethiopia. The study emphasises the increasing adoption of digital marketing tactics by SMEs in both nations when viewed through the lens of the Diffusion of Innovation Theory. Even with this acceptance, obstacles like insufficient funding, insufficient knowledge of digital marketing, cultural differences, and infrastructure limitations make implementation difficult. The study emphasises how crucial it is to understand how organisational preparation, industry features, and financial resources shape the extent to which SMEs adopt and use digital marketing technologies.

Social media marketing is becoming a popular digital marketing technique among SMEs in Bangladesh and Ethiopia, indicating a wider adoption and incorporation of this strategy into business plans. Digital literacy issues, budget limitations, and cultural considerations, however, continue to be obstacles that affect the adoption and efficacy of digital marketing strategies. The study highlights the necessity of ongoing investments in digital education, technology infrastructure, and consumer awareness in order to address these issues and enable SMEs to effectively adopt digital marketing strategies.

Ethiopia and Bangladesh have different digital marketing strategies, but they also face similar difficulties. While social media is heavily prevalent in both nations' urban areas, there are notable differences in rural areas that need the establishment of digital literacy initiatives and infrastructure, especially in Ethiopia. Compared to Ethiopia, Bangladesh offers a better developed environment for the adoption of digital marketing due to its greater rates of internet and mobile penetration. However, in order to fully realise the potential of digital

marketing and enable SMEs to reach a larger audience, both nations must overcome the huge obstacle of bridging the urban-rural gap by improving digital literacy. Furthermore The study determined the social and cultural determinants of digital marketing adoption. A varied approach that integrates digital and traditional strategies while respecting cultural norms is required due to a number of factors, including the preference for traditional marketing methods in some sectors, concerns about online product quality and trust in digital transactions, and the ongoing importance of face-to-face interaction. Furthermore, the need for localised content development to connect with local audiences stems from linguistic variety.

6.2 Implication

The research's implications can offer important direction to stakeholders, policymakers, and small and medium-sized enterprises in Ethiopia, Bangladesh, and other developing nations. The following are some important implications:

Opportunities for Growth:

- **Growing Internet Penetration:** Both countries are experiencing a rapid increase in internet users, creating a growing audience for digital marketing campaigns.
- **Potential for Mobile Marketing:** High mobile penetration rates in Bangladesh and a growing mobile internet user base in Ethiopia present a significant opportunity for mobile marketing strategies.
- **Adoption of Digital Tools:** The widespread adoption of social media platforms by SMEs opens doors for online brand building, customer engagement, and targeted advertising.

Challenges to Address:

- **Reducing the Digital Divide:** Inequitable access to internet infrastructure limits the effectiveness of digital marketing initiatives, especially in rural areas.
- **Developing Digital Literacy:** Education and capacity building programmes are required due to low levels of digital literacy among consumers and enterprises.
- **Limitations on Resources:** For SMEs, effective implementation is hindered by a lack of internal digital marketing skills and limited financial resources.

- **Cultural Considerations:** Success depends on marketing messages being customised to local languages, tastes, and sensitivities.
- **Competition:** In order for SMEs to stand out in a crowded market with established players, they must innovate and differentiate themselves.

Recommendations for addressing the challenges:

- Cooperation between governmental and commercial sectors to fund infrastructure growth and narrow the digital divide in rural communities.
- Programmes for digital literacy are needed to enable informed involvement in the digital economy for both SMEs and the general public.
- Assistance for small and medium-sized enterprises (SMEs) via educational initiatives, seminars, and availability of reasonably priced digital marketing technologies and tools.
- Promotion of innovation to create digital marketing plans that are suited to the unique requirements of each nation and are culturally relevant.

Ethiopia and Bangladesh can enable their small and medium-sized enterprises (SMEs) to effectively utilise digital marketing for successful growth and worldwide market participation by addressing these obstacles and leveraging on existing opportunities.

6.3 Limitation

It is important to recognise a number of limitations even though this research offers insightful information about the opportunities and difficulties experienced by small and medium-sized firms (SMEs) in Bangladesh and Ethiopia when implementing digital marketing strategies. First off, the sample size of the study can limit how far the results can be applied. A comparatively limited number of SME representatives from each nation were interviewed for the study, which may have left out important opinions and experiences from the SME sector. Second, the majority of the qualitative data included in the study came from semi-structured interviews, which might have limited the scope and depth of the conclusions. While qualitative methods offer useful insights into the lived experiences and views of SMEs about digital marketing adoption, they may lack the statistical accuracy and generalizability of quantitative approaches.

6.4 Future research

This study offers insightful information about the state of digital marketing for SMEs in Bangladesh and Ethiopia. There are still chances to learn more about this growing profession, however. Further research could employ quantitative techniques to assess how digital marketing usage affects the key performance indicators (KPIs) of small and medium-sized enterprises (SMEs) in Bangladesh and Ethiopia. To evaluate the effect on variables like sales growth, brand awareness, customer engagement, and profitability, surveys and data analysis may be used. Gaining an understanding of the concrete advantages of digital marketing can encourage SMEs to embrace it more widely. additionally The success of various digital marketing tactics in the context of these developing economies could be better understood by longitudinal research that tracks SMEs over an extended period of time.

Reference

- Abdullah, A. M. (2014). Brain drain: Economic and social sufferings for Bangladesh. *Asian Journal of Humanity, Art and Literature*, 1(1), 9-17).
- Atar, R., Jadhav, B. T., & Wagh, J. A. (2021). An Overview of Digital Marketing. Available at SSRN 3980984.
- Ardic, O. P., Mylenko, N., & Saltane, V. (2011). Small and medium enterprises: A cross-country analysis with a new data set. *World Bank Policy Research Working Paper*, (5538).
- Abdissa, G., & Fitwi, T. (2016). Factors affecting performance of micro and small enterprises in South West Ethiopia: The case of Bench Maji, Sheka, and Kefa zones. *Global Journal of Management and Business Research*, 16(10), 47-64.
- Anderson, W. (2011). Internationalization opportunities and challenges for small and medium-sized enterprises from developing countries. *Journal of African Business*, 12(2), 198-217.
- Ayyagari, M., Beck, T., & Demirguc-Kunt, A. (2007). Small and medium enterprises across the globe. *Small business economics*, 29, 415-434.
- Arobo, A. T. (2022). The Effect of Digital Marketing on SMEs: A case study of Swedish And Nigerian companies.
- Ahmed S. (2023) Ethio-Telecom ,telecommunication penetration 2011-2022
- Abdinasir, A. M., & Mohamed, Z. A. (2023). Assessing the Challenges & Opportunities of Digital Marketing in Ethiopia: The case of Somali Regional State. *East African Journal of Business and Economics*, 6(2), 151-163.
- Bell, E., Harley, B., & Bryman, A. (2019). *Business Research Methods*. Oxford University Press.
- Bovina, L. (2020). Digital Marketing and Internationalization Speed of Start-ups: Cases from Finnish energy sector.
- Benbasat, I., & Moore, G. C. (1992, January). Development of measures for studying emerging technologies. In *Proceedings of the Twenty-Fifth Hawaii International Conference on System Sciences* (Vol. 4, pp. 315-324). IEEE.

- Chaffey, D., & Smith, P. R. (2022). *Digital marketing excellence: planning, optimizing and integrating online marketing*. Routledge.
- Chao, C. A., & Chandra, A. (2012). Impact of owner's knowledge of information technology (IT) on strategic alignment and IT adoption in US small firms. *Journal of Small Business and Enterprise Development*, 19(1), 114-131.
- Chaffey, D., & Ellis-Chadwick, F. (2019). *Digital marketing*. Pearson uk.
- Cant, M. C., & Wiid, J. A. (2016). The use of traditional marketing tools by SMEs in an emerging economy: a South African perspective. *Problems and perspectives in management*, (14, Iss. 1), 64-70.
- DiMaggio, P. J., & Powell, W. W. (1983). The iron cage revisited: Institutional isomorphism and collective rationality in organizational fields. *American sociological review*, 48(2), 147-160.
- Diez-Martin, F., Blanco-Gonzalez, A., & Prado-Roman, C. (2019). Research challenges in digital marketing: sustainability. *Sustainability*, 11(10), 2839.
- Desai, V., & Vidyapeeth, B. (2019). Digital marketing: A review. *International Journal of Trend in Scientific Research and Development*, 5(5), 196-200.
- El-Gohary, H. (2012). Factors affecting E-Marketing adoption and implementation in tourism firms: An empirical investigation of Egyptian small tourism organisations. *Tourism management*, 33(5), 1256-1269.
- Gilmore, A., Carson, D., & O'Donnell, A. (2004). Small business owner-managers and their attitude to risk. *Marketing Intelligence & Planning*, 22(3), 349-360.
- Grant, R. M. (1991). The resource-based theory of competitive advantage: implications for strategy formulation. *California management review*, 33(3), 114-135.
- Gebeyehu, B. (2021). Review on Determinants of Small and Medium Enterprise Growth in Ethiopia.
- Hasanat, M. W., Hoque, A., Anwar, M., Akter, S., & Hamid, A. B. A. (2020). A critical review of digital marketing in Bangladesh. *International Journal of Research in Social Sciences*, 10(2), 35-42.

Hollensen, S., Kotler, P., & Opresnik, M. O. (2017). Social media marketing: a practitioner guide. Opresnik Management Consulting.

Hair, J. F., Ringle, C. M., & Sarstedt, M. (2011). PLS-SEM: Indeed a silver bullet. *Journal of Marketing theory and Practice*, 19(2), 139-152.

Hailemariam, S. (2020). The effect of marketing strategy on micro and small enterprises sales performance: Evidence from service sector in Addis Ababa, in the case of Kirkos subcity (Doctoral dissertation, ST. MARY'S UNIVERSITY).

Iqbal, A. (2023). Digital Marketing: Prospects and Challenges in Bangladesh for Small and Medium-sized Enterprises (SME's).

ITU data hub data 2022, <https://datahub.itu.int/data/?e=ETH&i=178>

Järvinen, J., Tollinen, A., Karjaluo, H., & Jayawardhena, C. (2012). Digital and social media marketing usage in B2B industrial section. *Marketing Management Journal*, 22(2).

Kannan, P. K. (2017). Digital marketing: A framework, review and research agenda. *International journal of research in marketing*, 34(1), 22-45.

Kemp S (2023) Feb, 15. Digital 2023 Bangladesh

<https://datareportal.com/reports/digital-2023-bangladesh>

Kemp S (2023) Feb, 15. Digital 2023 Ethiopia

<https://datareportal.com/reports/digital-2023-ethiopia>

Kallio, H., Pietilä, A. M., Johnson, M., & Kangasniemi, M. (2016). Systematic methodological review: developing a framework for a qualitative semi-structured interview guide. *Journal of advanced nursing*, 72(12), 2954-2965.

Karjaluo, H., & Huhtamäki, M. (2010). The role of electronic channels in micro-sized brick-and-mortar firms. *Journal of Small Business & Entrepreneurship*, 23(1), 17-38.

Lawrence, T. B., & Shadnam, M. (2008). Institutional theory. *The international encyclopedia of communication*.

Muriithi, S. (2017). African small and medium enterprises (SMEs) contributions, challenges and solutions.

Mochoge, O. C. (2014). SMES'Adoption of Web-based Marketing: Empirical Evidence from Kenya.

Moran, L. (2014). Adoption of Social Media Marketing Among Professionals.

Mapunda, M. A. (2021). Determinants of e-marketing adoption by small and medium enterprises in African Countries. *African Journal of Applied Research*, 7(2), 71-87.

Nowell, L. S., Norris, J. M., White, D. E., & Moules, N. J. (2017). Thematic analysis: Striving to meet the trustworthiness criteria. *International journal of qualitative methods*, 16(1), 1609406917733847.

Nichter, S., & Goldmark, L. (2009). Small firm growth in developing countries. *World development*, 37(9), 1453-1464.

Njau, J. N., & Karugu, W. (2014). Influence of e-marketing on the performance of small and medium enterprises in Kenya: Survey of small and medium enterprises in the manufacturing industry in Kenya. *International Journal of Business & Law Research*, 2(1), 62-70.

Oliveira, T., & Martins, M. F. (2010). Understanding e-business adoption across industries in European countries. *Industrial management & data systems*, 110(9), 1337-1354.

Oshora, B., Desalegn, G., Gorgenyi-Hegyey, E., Fekete-Farkas, M., & Zeman, Z. (2021). Determinants of financial inclusion in small and medium enterprises: Evidence from Ethiopia. *Journal of Risk and Financial Management*, 14(7), 286.

Ogilvie, J., Agnihotri, R., Rapp, A., & Trainor, K. (2018). Social media technology use and salesperson performance: A two study examination of the role of salesperson behaviors, characteristics, and training. *Industrial Marketing Management*, 75, 55-65.

Patil, A. S., Navalgund, N. R., & Mahantshetti, S. (2022). Digital marketing adoption by start-ups and SMEs. *SDMIMD Journal of Management*, 47-61.

Penrose, E. T. (2009). *The Theory of the Growth of the Firm*. Oxford university press.

Petrosyan, A. (2024). Worldwide digital population 2024.

Poorani, D., & Vidhiya, J. (2021). A study on opportunities and challenges of digital marketing. *Shanlax International Journal of Management*, 8(3), 46-53.

Parvin, M. S., & Ferdous, M. F. (2012). *The Concept of Smart City: Digital Bangladesh Perspective*.

- Qamruzzaman, M., & Jianguo, W. (2019). SME financing innovation and SME development in Bangladesh: An application of ARDL. *Journal of Small Business & Entrepreneurship*, 31(6), 521-545.
- Radda, A., Samuel, N., Abba, S., & Mangai, A. (2016). Exploring the Challenges of SMEs in Emerging Economies: A case study of Nigeria. *Journal of Economics, Business and Management*.
- Rogers, E. M. (2003). Diffusion of Innovations: modifications of a model for telecommunications. *Die diffusion von innovationen in der telekommunikation*, 25-38.
- Rahman, N. A., Yaacob, Z., & Radzi, R. M. (2016). An overview of technological innovation on SME survival: a conceptual paper. *Procedia-Social and Behavioral Sciences*, 224, 508-515.
- Rrustemi, V., Podvorica, G., & Jusufi, G. (2020). Digital Marketing Communication in Developing Countries. *LeXonomica*, 12(2), 243-260.
- Saunders, M. N., Lewis, P., & Thornhill, A. (2000). *Research Methods for Business Students: Lecturers' Guide*.
- Shpak, N., Kuzmin, O., Dvulit, Z., Onysenko, T., & Sroka, W. (2020). Digitalization of the marketing activities of enterprises: Case study. *Information*, 11(2), 109.
- Tabassum, A. (2019). *Digital Marketing Practices in Bangladesh*.
- Taiminen, H. M., & Karjaluo, H. (2015). The usage of digital marketing channels in SMEs. *Journal of small business and enterprise development*, 22(4), 633-651.
- Torsten Eriksson, L., Hultman, J., & Naldi, L. (2008). Small business e-commerce development in Sweden—an empirical survey. *Journal of Small Business and Enterprise Development*, 15(3), 555-570.
- Tadele, H. (2019). *Effect Of Digital Marketing On Consumer Buying Behavior In Case Of Coca-Cola Ethiopia (Doctoral dissertation, St. Mary's University)*.
- Thakur, O. A., Alam, M. K., & Masum, M. H. (2022). The Problems and Challenges of Small and Medium Enterprises in Bangladesh. *Journal of Business and Development Studies (JBDS)*, 1(1), 53-71.

- Taiwo, M. A., Ayodeji, A. M., & Yusuf, B. A. (2012). Impact of small and medium enterprises on economic growth and development. *American journal of business and management*, 1(1), 18-22.
- Tashakkori, A., & Creswell, J. W. (2007). Exploring the nature of research questions in mixed methods research. *Journal of mixed methods research*, 1(3), 207-211.
- Tekola, H., & Gidey, Y. (2019). Contributions of micro, small and medium enterprises (MSMEs) to income generation, employment and GDP: Case study Ethiopia. *Journal of Sustainable Development*, 12(3), 46-81.
- Tamirat, S., & Zewdie, S. (2024). Digital Marketing in Developing and Emerging Economies: A Systematic Review of Introductory Phase Features. *International Journal of Marketing, Communication and New Media*, 11(21).
- Taylor, S., & Todd, P. A. (1995). Understanding information technology usage: A test of competing models. *Information systems research*, 6(2), 144-176.
- Tazebew, T. (2017). The internet and democratization in Ethiopia: Challenges and prospects. *Cultures of Democracy in Ethiopia*, 134.
- Ullah, I., Khan, M., Rakhmonov, D. A., Bakhritdinovich, K. M., Jacquemod, J., & Bae, J. (2023). Factors affecting digital marketing adoption in Pakistani small and medium enterprises. *Logistics*, 7(3), 41.
- Umadia Sr, K., & Kasztelnik, K. (2020). The financial innovative business strategies of small to medium scale enterprises in developing country and influence for the global economy performance.
- Vaismoradi, M., Turunen, H., & Bondas, T. (2013). Content analysis and thematic analysis: Implications for conducting a qualitative descriptive study. *Nursing & health sciences*, 15(3), 398-405.
- Wakjira, G. G. (2023). Assessments of CFA Measurement Model of Digital Marketing Success With Business Performance: The Mediating Role of Customer Loyalty: The Case of Commercial Banks of Ethiopia (CBE), Ethiopia. *Partners Universal International Innovation Journal*, 1(4), 205-218.
- Wiid, J., & Diggines, C. (2009). *Marketing research*. Juta and Company ltd.

Yusoff, Y., Alias, Z., Abdullah, M., & Mansor, Z. (2019). Agile marketing conceptual framework for private higher education institutions. *International Journal of Academic Research in Business and Social Sciences*, 9(1).

Yin, R. K. (2009). *Case study research: Design and methods* (Vol. 5). Sage.

Appendix I

Interview Guideline

General Questions

- 1. Could you please provide some background information about your company and outline your responsibilities? Additionally, how long have you been working with the company?*
- 2. Can you describe your experience with implementing digital marketing strategies in your company?*
- 3. What types of products does your company currently manufacture?*
- 4. Could you please specify where your SME operates a factory, and provide an approximate count of your current workforce?*

Digital marketing questions

- 1. What prompted your decision to incorporate digital marketing into your business strategy?*
- 2. What specific digital marketing tactics or platforms have you utilized in your business operations?*
- 3. What challenges have you encountered while implementing digital marketing strategies?*
- 4. How do you perceive the effectiveness of digital marketing compared to traditional marketing methods in reaching your target audience?*
- 5. Have you faced any difficulties related to the technological infrastructure or internet accessibility in your region while implementing digital marketing?*
- 6. How do you measure the success or effectiveness of your digital marketing campaigns?*
- 7. What resources or support do you believe SMEs in underdeveloped nations need to overcome the challenges of implementing digital marketing?*

- 8. Can you discuss any cultural or societal factors that influence the adoption and effectiveness of digital marketing strategies in your country?*
- 9. In your opinion, what strategies or solutions can be implemented to address the specific obstacles faced by SMEs in underdeveloped nations like Ethiopia and Bangladesh when implementing digital marketing?*
- 10. Can you describe the current state of digital marketing adoption within your SME in Ethiopia/Bangladesh?*
- 11. What role do you think government regulations play in shaping your SME's ability to adopt and implement digital marketing strategies?*
- 12. How do you assess the level of digital literacy among your employees, and what steps have you taken to address any gaps in knowledge or skills?*
- 13. Can you elaborate on the challenges you've faced regarding internet access and e-commerce infrastructure in your country, and how they've impacted your digital marketing efforts?*

Appendix II

Thematic Analysis

Main Theme	Subtheme	Example
Resource and Knowledge Constraints	Insufficient Resources for Digital Marketing	Bless Leather Goods Manufacturing struggles due to limited internal experience and resources, hindering effective digital advertising and analytics.
	Investment in Digital Marketing Skills	SMEs like Star Word Fashion emphasize the need for owners to invest in learning digital marketing techniques for successful execution.
Preference for Traditional Marketing	Reliance on Conventional Marketing Strategies	Interviews with Leather Bangladesh and Seregela Gebeya reveal a preference for traditional marketing tactics despite the growth of digital marketing.
	Challenges of Combining Traditional and Digital Marketing	Seregela Gebeya's experience highlights difficulties in coordinating marketing efforts and addressing financial concerns when integrating traditional and digital strategies.

Technological Infrastructure Challenges	Internet Connectivity Issues	Respondents from both countries highlight challenges such as slow speeds, power outages, and rural-urban digital divide, hindering the effectiveness of digital marketing initiatives.
	Impact on Competitiveness	SMEs face competition from established firms and new players, emphasizing the importance of differentiation and innovation to gain a competitive edge.
Social and Cultural Factors	Linguistic and Cultural Sensitivity	Bless Leather emphasizes the need for linguistic sensitivity in content creation, while SMEs from Bangladesh stress the significance of Bengali language content.
	Family Decision-Making Dynamics	Family decision-making dynamics pose challenges for digital marketing tactics in Bangladesh, requiring campaigns that align with traditional family values.
Trust and Adoption Challenges	Resistance to Rapid Change	Ethiopian culture's reluctance to embrace rapid change may impede the uptake of new digital marketing strategies.
	Building Trust in Internet Transactions	SMEs emphasize the importance of building trust in online transactions through creative strategies and user-generated content.

Content Customization and Audience Engagement	Tailoring Content for Audience Preferences	Pana Communication stresses the need for providing educational content on platforms like TikTok to engage with viewers effectively.
	Addressing Cultural Preferences	Understanding variations in regional languages and cultural preferences is essential for effective engagement.
Regulatory Environment and Policy Support	Impact of Regulatory Policies	Government initiatives to improve internet connectivity and support e-commerce have positively influenced digital marketing adoption among SMEs.
	Financial Support and Incentives	Financial support in the form of loans or subsidies and initiatives aimed at networking and collaboration can encourage SMEs to utilize digital technology for marketing.
Skill Development and Training	Importance of Digital Skills Training	SMEs can enhance their digital literacy and skillfulness in digital marketing through tailored training programs and mentorship initiatives.
	Addressing Digital Divide Through Education	Public and private initiatives are essential for closing the digital literacy gap and providing education on digital marketing techniques in both urban and rural areas.

Data-Driven Marketing and Performance Evaluation	Metrics for Evaluating Digital Marketing Initiatives	SMEs like Pana Communication emphasize the importance of evaluating digital marketing initiatives based on metrics such as reach, engagement, conversion rates, and impressions.
	Optimization Through Data Analysis	Data-driven approaches allow firms to optimize their digital marketing strategies and achieve desired outcomes by leveraging analytics tools like Google Analytics and social media insights.
Overcoming Financial Barriers	Financial Challenges for SMEs	The cost of digital marketing can be a significant barrier for SMEs, limiting their ability to invest in extensive campaigns and secure foreign exchange for digital marketing costs.
	Government Support in Reducing Financial Barriers	Governments and organizations can encourage SMEs to adopt digital marketing by reducing financial barriers and providing financial incentives for digital initiatives.