



Mary Thiong'o

**Internationalizing E-commerce: Challenges and Opportunities for
SMEs in Kenya as a Developing Country**

School of Marketing and Communication
Master's Thesis in Economics
and Business Administration
International Business

Vaasa 2024

UNIVERSITY OF VAASA**School of Marketing and Communication****Author:** Mary Thiong'o**Title of the Thesis:** Internationalizing E-commerce: Challenges and Opportunities for SMEs in Kenya as a Developing Country**Degree:** Master of Science in Economics and Business Administration**Programme:** International Business**Supervisor:** Minnie Kontkanen**Year:** 2024 **Pages:**71

ABSTRACT:

This study explores the multidimensional impact of digital marketing and ecommerce on the internationalization of Small and Medium-sized Enterprises (SMEs) in Kenya's e-commerce sector. The research is done using a mixed-methods approach with both quantitative and qualitative data collected from 50 SME owners across all 47 counties in Kenya. The study aims to enhance understanding of how digital marketing can overcome challenges and capitalize on opportunities in the global market. Quantitative data (gathered through structured survey questionnaire) highlight the prevalence of digital marketing tools such as social media, SEO, email marketing, and content marketing among SMEs.

The findings reveal that while 90% of SMEs leverage social media to extend their reach, 70% use SEO to enhance visibility, and 60% employ email marketing to maintain customer engagement. Qualitative insights (obtained through interviews) show the critical challenges SMEs face, including cybersecurity threats, limited digital infrastructure, and regulatory compliance. These challenges are mitigated through strategic digital marketing practices, such as investing in cybersecurity measures and leveraging local influencers.

The study's findings show the significant impact of digital marketing on SME performance, with 80% of respondents reporting increased sales and enhanced brand visibility. The use of data analytics and adaptive SEO strategies further supports SMEs in navigating the dynamic digital marketing environment. Recommendations for SMEs include prioritizing cybersecurity, enhancing digital infrastructure, and leveraging data analytics to optimize marketing strategies. This comprehensive analysis provides valuable insights and practical recommendations, demonstrating how digital marketing can effectively support the internationalization of Kenyan SMEs, thereby contributing to their resilience and growth in the global digital marketplace.

Key Words: Digital Marketing, Internationalization, SMEs, E-commerce, Kenya, Global Market.

Contents

1. Introduction	6
1.1 Research gap and justification of study	8
1.2 Research objectives	9
1.3 Definition of Key words and concepts	10
1.4 Structure of the study	11
2: Literature review	13
2.1 Defining e-commerce and the types of e-commerce	13
2.2 Key components of E-commerce	14
2.3 Internationalization of E-commerce	19
2.3.1 Opportunities for SMEs in internationalizing e-commerce	21
2.3.2 Challenges faced by SMEs in internationalizing e-commerce	23
2.4 Digital marketing in E-commerce internationalization	25
2.4.1 Adapting to global markets through digital marketing	25
2.4.2 Cultural adaptation in digital campaigns	25
2.4.3 Leveraging social media for global reach	26
2.4.4 Enhancing visibility with SEO	26
2.5 Theoretical framework	28
3: Methodology	29
3.1 Study design	29
3.2 Study site and population	30
3.3 Sampling technique	31
3.4 Data collection tools and procedure	32
3.5 Ethical considerations	33
4. Results and Data Analysis	34
4.1 Quantitative Results	34
4.2 Qualitative Results	41

5. Discussion and Conclusions	46
5.1 The Role of Digital Marketing in Enhancing Global Reach	46
5.2 Overcoming Challenges through Digital Marketing	47
5.3 Leveraging Digital Marketing for Cost Efficiency	48
5.4 Enhancing Customer Engagement and Brand Visibility	48
5.5 Innovation and Adaptability in Digital Marketing	49
5.6 Strategic Recommendations for SMEs	50
5.7 Conclusion	51
References	51
Appendix 1: Survey Questionnaire	68
Appendix 2: Interview Guide	71

Figures

Figure 1. E-commerce industry distribution in Kenya	7
Figure 2. Global retail e-commerce sales in Billions	16
Figure 3. Business process model from consumer's perspective	18
Figure 4. The Search Engine Optimization (SEO) Process	26

Tables

Table 1. Demographics of Respondents	34
Table 2. Use of Digital Marketing Tools	36
Table 3. Challenges in Internationalizing E-commerce	37
Table 4. Opportunities in Internationalizing E-commerce	38
Table 5. Impact of Digital Marketing on Sales and Engagement	39
Table 6. Descriptive Statistics of Performance Metrics	40
Table 7. Themes from Qualitative Interviews	41
Table 8. Observations on Digital Marketing Practices	43
Table 9. Content Analysis of Digital Marketing Strategies	44

Abbreviations

SME(s)	Small and Medium sized Enterprises
EDI	Electronic Data Interchange
EFTs	Electronic Funds Transfers

1. Introduction

The internationalization of e-commerce has revolutionized business activities across the world. Technological advancements such as the internet, mobile devices and digital communication tools have created a dynamic global marketplace that empowers businesses to operate within both local and national boundaries (McKee et al., 2023). E-commerce platforms allow SMEs to showcase products and services to a diverse and international audience while overcoming traditional barriers of internationalization such as tariffs, currency differences and logistical challenges (Cordes & Marinova, 2023). The internationalization of e-commerce has significantly transformed the landscape of business and trade on a global scale. This entails the integration of technology, trade and communication across borders such that businesses can engage in online transactions and connect with consumers worldwide (Goyal et al., 2019). Technological aspects such as the internet, mobile devices and digital communication tools have created a good global marketplace. In addition, technological advancements have led to the creation of various e-commerce platforms, payment systems and logistics systems (Mohdhar & Shaalan, 2021).

Small and medium-sized enterprises (SMEs) can access a global customer base without the need for a physical presence in multiple countries (Laudon & Traver, 2020). This shows that e-commerce platforms allow businesses to showcase and sell their products or services to a diverse and international audience. Consumers can purchase products from international vendors easily and businesses can source materials or collaborate with partners from around the world (Lawrence & Tar, 2010).

The supply chain management has also been transformed as companies are adopting agile and flexible supply chain models to meet the demands of a globalized market (Ekren et al., 2023). Supply chain management technologies are a key part of E-commerce operations. For example, businesses use real-time tracking systems and inventory management software to streamline their processes, reduce inefficiencies and enhance overall operational efficiency (Kayikci, 2019). They also use artificial intelligence (AI) and machine learning algorithms to conduct predictive analytics for

demand forecasting allowing them to anticipate market trends and tailor their inventory to meet consumer needs.

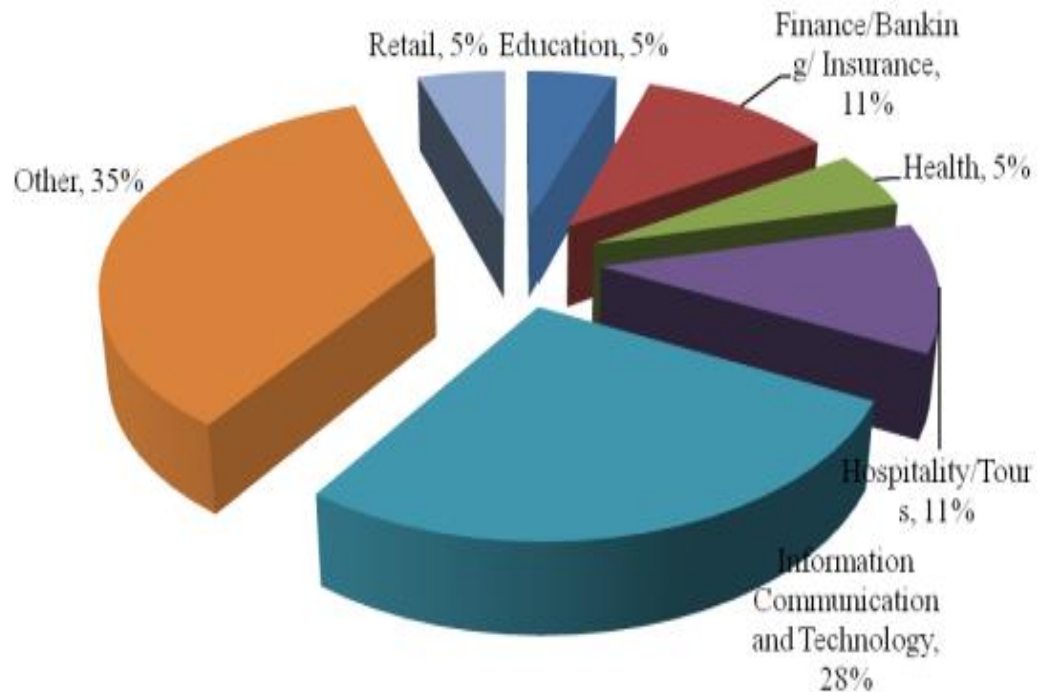


Figure 1 : E-commerce industry distribution in Kenya (James & David, 2014).

James and David (2014) argues that e-commerce in developing countries is greatly affected by factors such as globalization and technological advancements. In this emerging global economy, the use of information and communication technologies (ICT) in business has positively changed the relationships within and between organizations and individuals. Organizations use e-commerce to conduct their business operations both domestically and internationally; e-commerce depends on various aspects of technology for it to be successful (Mohdhar & Shaalan, 2021). For instance, organizations ensure they have quality websites with user-friendly interfaces to facilitate effective online business operations.

E-commerce websites and applications are designed to captivate and engage users through intuitive navigation, visually appealing displays and responsive features (Moriset, 2018). Big companies such as Amazon, Alibaba and eBay have platforms that

connect buyers and sellers worldwide. These platforms use advanced algorithms, artificial intelligence and big data analytics to improve user experience, recommend products and streamline transactions (Goyal et al., 2019). However, there are several opportunities and challenges faced by SMEs in developing countries as they globalize their e-commerce activities. SMEs should maximize on the opportunities presented by e-commerce to globalize their operations and come up with solutions for the challenges.

1.1 Research gap and justification of study

The existing literature has explained various opportunities and challenges in internationalizing e-commerce activities. For instance, Githinji (2014) has explained how technological advancement presents various opportunities for SMEs in Kenya such as international market, increased visibility on international platforms and participation in global production networks. Mutua et al., (2013) has discussed how businesses would face various challenges such as high entry costs, complex logistics and unfamiliar regulatory frameworks when trying to physically access international markets. However, there is a research gap in the existing literature about utilizing the opportunities presented by e-commerce and developing effective solutions for the challenges faced by Small and Medium-sized Enterprises (SMEs) in Kenya as they venture into the global e-commerce sector (Makokha et al., (2021). Specifically, there lacks information tailored to Kenyan SMEs about using digital marketing to conduct e-commerce activities and boost business performance.

Nair (2017) explains how e-commerce leads to efficiency and cost savings in business operations and hence improvement in business performance. It allows businesses to use supply chain automation and data analytics to increase the speed and accuracy of order processing, inventory management and customer service. (Kumar and Singh, 2019) also discuss how E-commerce facilitates direct communication between SMEs and their customers such that there is no need for intermediaries. This direct interaction strengthens customer relationships and reduces distribution costs associated with traditional retail models (Agwu & Murray, 2015). Savrul et al., (2014) explore the challenges faced by Small and Medium Enterprises (SMEs) in developing

countries using e-commerce considering the dynamic and competitive nature of the digital marketplace. There are cybersecurity threats such as data breaches and online fraud, which affect SMEs looking to expand their e-commerce operations globally (Lm, 2021). E-commerce platforms also face the challenge of malware attacks that are designed to compromise computer systems, steal sensitive data and disrupt operations.

Digital marketing seems as a potentially crucial factor for SMEs in the context of internationalizing e-commerce, but its full implications have not yet been fully investigated. Because of this, an exploratory study that looks into the role of digital marketing in general within this context is desperately needed. The goal is to gain a more comprehensive understanding of the many aspects of digital marketing and how it might affect SMEs' e-commerce operations in Kenya and other developing nations. In order to close knowledge gaps, this project conducted a comprehensive review of the body of literature, paying particular attention to how SMEs may use digital marketing to achieve resilience and growth in the global digital marketplace.

1.2 Research objectives

Main objective

To enhance the understanding of how digital marketing can facilitate the internationalization of SMEs in the Kenyan e-commerce sector.

Specific objectives

1. To identify the types and main components of E-commerce.
2. To define internationalization of E-commerce and depict the opportunities and challenges related to it.
3. Explore the main elements of digital marketing
4. To identify and evaluate the role of digital marketing in overcoming the challenges and capitalizing on the opportunities associated with the internationalization of e-commerce for Kenyan SMEs.

1.3 Definition of Key words and concepts

Digital marketing

Digital marketing is a strategy that involves using internet platforms to promote products, services or brands and engage with a target audience (Rofi'i, 2023). This study focuses on how SMEs in Kenya can use digital marketing to improve their business performance. Digital marketing is a key concept in this study because it shows how SMES can use the internet to connect with users, build brand awareness, drive website traffic and ultimately achieve business goals.

Internationalization

Internationalization refers to businesses and organizations expanding their operations and influence beyond national borders, driven by advancements in technology, trade liberalization and enhanced communication (Janssens et al., 2019). Internationalization is a key concept in this study because it explains how SMES can exchange of goods, services, ideas, and cultures on a global scale considering the opportunities and challenges for economies and societies around the world (Eriksen, 2020).

E-commerce

Electronic commerce is the process of conducting business transactions for buying and selling goods or services over the internet. This digital marketplace enables businesses and consumers to engage in transactions without the need for physical interaction (Wirtz & Wirtz, 2021). In e-commerce, transactions are facilitated electronically, allowing for efficient transfers of money and data between parties. E-commerce is a key concept in the research because the main objective involves using digital marketing among SMEs in Kenya, which means that the business activities will be conducted over the internet.

SMEs (Small and Medium-sized Enterprises)

These are businesses that maintain revenues, assets or a number of employees below certain thresholds. This is a key concept in the study because the main objective

focuses on how SMEs can use digital marketing as an opportunity to improve their business operations. Digital platforms offer SMEs the potential to expand their market reach beyond traditional boundaries and access a global customer base (Shaikh et al., 2021). E-commerce platforms provide a cost-effective way for SMEs to establish an online presence, market their products or services and engage with customers on a global scale. However, SMEs also need to navigate challenges such as competition from larger e-commerce players, logistics and supply chain complexities and the need for digital skills and capabilities.

1.4 Structure of the study

The thesis is organized in a logical progression with a clear flow from chapter 1 to 5. In Chapter 1, the introduction provides a background on the internationalization of e-commerce. The research identifies a gap in existing literature regarding tailored information for Kenyan SMEs on utilizing digital marketing for e-commerce activities. The study's structure includes research questions, keywords, and concepts, setting the stage for the subsequent chapters.

Chapter 2, the literature review, explores various aspects of e-commerce, including its types (Business-to-Consumer), key components (digital marketing, e-commerce platforms, EDI (Electronic Data Interchange), EFTs (Electronic Funds Transfer), and opportunities and challenges faced by SMEs in internationalizing e-commerce. The chapter highlights the significant role of digital marketing in optimizing online sales and discusses the diverse challenges such as cybersecurity threats and regulatory barriers.

Chapter 3 outlines the methodology; it is a mixed-methods research design to gather qualitative insights through interviews and quantitative data through questionnaires from SME owners engaged in e-commerce across all 47 counties in Kenya. The sampling technique involved purposive sampling, selecting 50 SME owners based on diverse criteria. The data collection tools ensured comprehensive coverage of digital

marketing practices, challenges and opportunities. Ethical considerations included informed consent and confidentiality of participant information.

Chapter 4 has the results and a comprehensive analysis of the data collected through survey questionnaires and interviews. The chapter has quantitative results, such as the prevalence of social media and SEO, and qualitative insights into the strategic approaches SMEs use to overcome obstacles. It also discusses the impact of digital marketing on sales, brand visibility, and customer engagement, supported by statistical analysis and thematic coding.

Chapter 5 interprets the findings from Chapter 4, linking them to the study's objectives and the existing literature on digital marketing and SME internationalization. It explores key themes such as the role of digital marketing in enhancing global reach, overcoming challenges, and achieving cost efficiency, providing practical recommendations for SMEs. The chapter concludes with strategic insights for leveraging digital marketing to support the internationalization efforts of Kenyan SMEs, emphasizing the importance of cybersecurity, digital infrastructure, and data analytics.

2: Literature review

This chapter explains how digital marketing and e-commerce have a multidimensional impact on global businesses. It examines the course of globalization of e-commerce and the deliberate integration of digital marketing, synthesizing insights from the body of knowledge already in existence. Talks center on the fundamentals and variations of e-commerce, stressing its opportunities as well as its obstacles as seen by academic research. A special emphasis is placed on business-to-consumer (B2C) e-commerce, explaining its importance in relation to e-commerce as a whole. For the purpose of providing a thorough perspective, the literature study includes mention alternative e-commerce techniques. The chapter outlines the research directions this discipline has taken while navigating this discourse by providing a thorough assessment of digital marketing as a crucial component in the e-commerce industry.

2.1 Defining e-commerce and the types of e-commerce

E-commerce (electronic commerce) entails the trading of goods and services through electronic means such as the internet, mobile platforms or any computer network. E-commerce helps consumers to interact with businesses through online marketplaces, virtual stores, or company websites (Jain et al., 2021). This model allows consumers to browse products, compare prices and make purchases from the comfort of their homes. This innovative form of commerce uses Information and Communication Technology (ICT) and Electronic Funds Transfer (EFT) to facilitate transactions between consumers and organizations, organizations and other organizations, and even direct consumer-to-consumer interactions (Taher, 2021).

ICT provides a wide range of technologies that facilitate the creation, storage, retrieval, and dissemination of information; there are user interfaces and backend databases that ensure the seamless flow of data in e-commerce transactions. EFT enables the electronic exchange of money between parties involved in a transaction (Cho, 2012). This technology eliminates the need for physical currency, checks and traditional banking instruments during business transactions. The electronic nature of

these transactions enhances efficiency, reduces transaction costs, and provides a platform for secure and convenient exchanges.

The Business-to-consumer (B2C) e-commerce is the most common form of e-commerce where there are online retail platforms for customers to browse, select and purchase items (Puspasari et al., 2019). In the B2C model, businesses sell products or services directly to individual consumers. The primary arena for B2C transactions is online retail platforms such as e-commerce websites, mobile apps and digital marketplaces (Shankar, 2022). Customers have the convenience of browsing through a diverse range of products, comparing options, and making informed purchase decisions within the virtual environment (Billewar & Babu, 2012). B2C provides a consumer-centric experience through user-friendly interfaces, secure payment gateways, and efficient logistics to ensure that the entire purchasing process is convenient and satisfactory for all consumers (Wang et al., 2020). It also focuses on customer engagement strategies through targeted marketing efforts, personalized recommendations, and the use of data analytics to understand consumer behavior.

The other types of e-commerce include Business-to-Business (B2B), Consumer-to-Consumer (C2C) and Consumer-to-Business (C2B). B2B e-commerce involves transactions between businesses; this type focuses on the exchange of goods and services among different companies for wholesale and bulk transactions (Çakmaklı, 2005). C2C e-commerce enables direct transactions between consumers. Online platforms act as intermediaries for individuals to buy and sell products or services to each other (Yuan et al., 2021). C2B flips the traditional model by allowing consumers to sell products or services to businesses. This can include freelance work, user-generated content, and other scenarios where individuals provide value to companies (Malik & Raheja, 2018).

2.2 Key components of E-commerce

There are several key components of e-commerce that play a key part in internationalizing businesses. They include digital marketing, electronic data

interchange (EDI), e-commerce platforms and electronic funds transfer (EFT) (Jain et al., 2021). There are many researchers who have studied the components and provided literature in form of books, case studies, research papers and journal articles. Fouskas et al., (2020) consider effective digital marketing as a crucial component for maximizing online sales and leveraging the distinct advantages it has over traditional retail. E-commerce platforms are always open unlike physical stores that are constrained by operating hours (Mikassi, 2022). This perpetual accessibility caters to the diverse lifestyles of consumers because they can browse, select and purchase products at their convenience.

Companies leverage the constant availability of online platforms by introducing exclusive "online-only" deals (Sikder & Rolfe, 2023). This marketing tactic aims to stimulate and sustain high online sales by offering special discounts, promotions or bundled offers that are accessible only through the digital interface. This strategy not only drives traffic but also creates a sense of urgency and exclusivity among online shoppers (Lv et al., 2020). Effective marketing in e-commerce also involves the deployment of engaging advertising campaigns. As stated by Mazzarol, 2015, this entails various strategies such as visually appealing content, compelling storytelling and the strategic use of social media platforms. Ad campaigns are crafted to resonate with the target audience in a way that improves brand awareness and influences purchasing decisions.

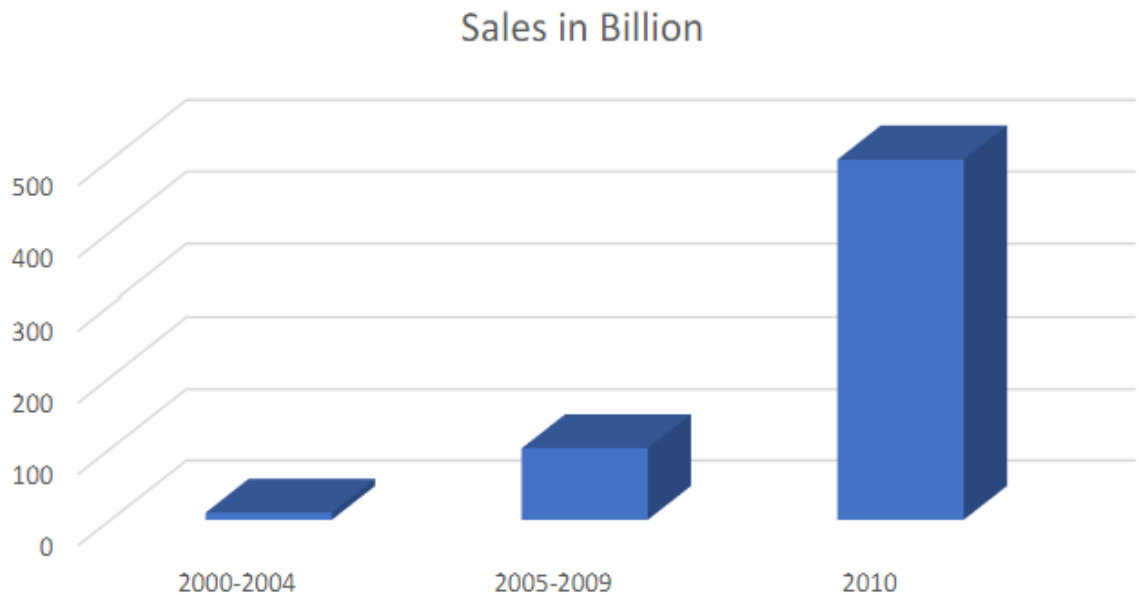


Figure 2: Global retail e-commerce sales in Billions (Sikder & Rolfe, 2023).

E-commerce platforms are the backbone of the digital marketplace as they provide businesses with the tools and functionalities needed to establish and manage their digital business operations. They are virtual marketplaces with centralized and user-friendly spaces where consumers can explore, compare, and purchase a wide range of products and services from various vendors (Balaraman & Chandrasekar, 2016). E-commerce platforms serve as comprehensive content management systems (CMS) for businesses to efficiently manage catalogued products; this entails organizing product information, images, and descriptions in a structured manner to ensure a visually appealing and informative online business. (Jain et al., 2021). These platforms are key in ensuring efficient online business operations as they streamline processes such as inventory management, order fulfillment, and customer support.

E-commerce platforms bridge the gap between businesses and consumers to provide universal accessibility to products and services. They create a digital marketplace that is accessible to a global audience without the geographical barriers (Costa & Castro, 2021). They cater to the unique needs of different business models such that there is flexibility and scalability to adapt to evolving market demands. An effective e-commerce platform integrates essential features like a robust search function for

product discovery, a user-friendly shopping cart for order management, and a secure payment gateway (Tahir et al., 2021). Businesses can choose from different deployment options for their e-commerce platforms. Software-as-a-Service (SaaS) platforms deliver solutions through the cloud (Talib & Alomary, 2016). Platform-as-a-Service (PaaS) platforms provide a more integrated solution when hardware elements are included, and on-premises platforms offer greater control and customization as they are hosted locally.

Electronic Data Interchange (EDI) is a key element of e-commerce as it has revolutionized the way business information is exchanged between entities. It fosters seamless and standardized data transmission, which significantly reduces manual intervention in transactions (Janssens, 2011). EDI enables the electronic interchange of business information such that there is more efficient and error-resistant communication between trading partners. It has a standardized format for the electronic exchange of business information to ensure uniformity in how data is represented and communicated between different systems; this eliminates the need for custom integration solutions for each pair of trading partners (Huemer et al., 2020).

EDI enables companies to send and receive business documents electronically. This digital transformation minimizes the time and resources spent on mail preparation and handling such that there is a more efficient and cost-effective business environment (Sridhar, 2017). It has features that allow trading partners to maintain their company and contact profiles autonomously in a way that partner information is continually updated. It helps the capture, sharing and collaboration on performance-related data (Jain et al., 2021). In addition, it facilitates the automation of processes related to shipping, pricing, and claims disputes; this can result in a more streamlined and cost-effective supply chain. The following figure shows the business process model for consumers engaging in e-commerce activities.

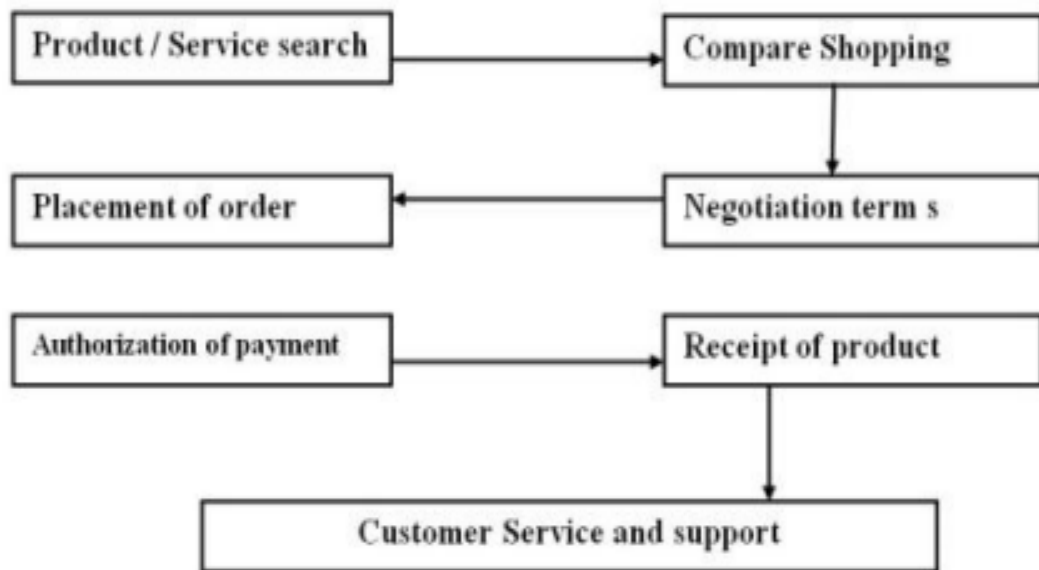


Figure 3: Business process model from consumer's perspective (Sridhar, 2017).

Electronic Funds Transfer (EFT) is the key financial aspect of electronic commerce as it provides a secure and efficient means of conducting transactions in the digital age (Cho, 2012). It removes the reliance on physical currency in a way that reduces the risks associated with handling tangible money and enhances the speed and efficiency of financial transactions. The electronic nature of funds transfer ensures quicker and more reliable transactions, minimizing the delays and potential errors associated with traditional check-based systems (Banerjee, 2020). EFT seamlessly integrates with various e-commerce platforms for online purchases, subscription services and other digital transactions where immediate and secure funds transfer is imperative (Sridhar, 2017). It has encryption protocols to safeguard sensitive financial information and ensure that transactions occur securely and with minimal risk of unauthorized access or fraudulent activities.

Mobile banking is an example of EFT that provides customers with unprecedented convenience and accessibility. Customers can access mobile banking through mobile applications and bank websites to perform various financial activities such as transferring funds and opening new accounts to reaching customer support (Jain et al., 2021). E-commerce platforms integrate mobile banking services for customers to make

purchase products conveniently. There are also mobile wallet services, such as Apple Pay, online Visa card and Google Wallet, for digital payments. These services enable users to make in-store purchases without the need for physical cards as they rely on the input of card information into their smartphones (Sridhar, 2017). Mobile wallet services implement robust authorization protocols at the time of purchase. They also use dynamic security codes to prevent unauthorized access or misuse of payment information for the overall safety of digital wallet transactions.

2.3 Internationalization of E-commerce

The rise of e-commerce has transformed the way businesses operate considering that the world is becoming increasingly interconnected; this means that the internationalization of e-commerce has become a strategic approach for many companies (Yan et al., 2023). The internationalization of e-commerce refers to the strategic process undertaken by businesses to expand their online operations across national borders and cater to a global market. This transformative approach involves using various aspects of e-commerce business models to effectively navigate the complexities of international markets (Fan et al., 2022). Internationalization of e-commerce requires a holistic integration of cultural, legal, logistical, technological and marketing dimensions to successfully conduct business operations on a global scale.

Internationalization of e-commerce requires a good understanding and incorporation of cultural differences into the e-commerce framework. This entails tailoring the user interface, content, imagery and product offerings to align with the cultural preferences, values and behaviors of diverse global audiences. Successful international e-commerce requires a sensitivity to local customs, languages and consumer expectations (Cumming et al., 2023). The international landscape has various legal and regulatory frameworks.

A comprehensive internationalization strategy involves complete compliance with various laws governing e-commerce, data protection, consumer rights and taxation in each target market. Businesses must navigate these complex regulations to ensure legal operations and build trust with global consumers (Hånell et al., 2020). Businesses

that want to internationalize their e-commerce activities must have a seamless facilitation of cross-border transactions. This involves addressing challenges related to currency conversion, diverse payment methods and ensuring secure and reliable payment processing (Tovstolyak, 2020). Businesses are required to adapt to the specific payment preferences of different regions so as to have a smooth and trustworthy purchasing experience.

The physical movement of goods across borders is a crucial aspect of international e-commerce. Businesses must develop standard logistics and supply chain management strategies to overcome challenges such as customs regulations, shipping costs and delivery timelines (Xiao, 2023). Efficient inventory management and collaboration with reliable global logistics partners are essential for meeting customer expectations. Internationalization requires a careful selection of market entry strategies. Businesses may use exporting, licensing, forming joint ventures or establishing local subsidiaries to enter various international markets (Qi et al., 2020). Each approach comes with its own set of advantages and challenges. This means that the choice depends on factors such as market potential, competition and regulatory considerations for different markets. Businesses should do proper research and lay out their market entry strategies so as to effectively engage in international e-commerce operations.

Technological infrastructure is the backbone of successful international e-commerce operations. This involves using e-commerce platforms, cloud computing and data analytics to support global e-commerce operations. This means that businesses need to invest in mobile optimization and the integration of emerging technologies to enhance the user experience for a diverse and international customer base (Gao, 2023). In addition, internationalization requires a good approach to customer service and communication. Businesses need to overcome language barriers, address time zone differences and adapt communication styles to provide efficient and culturally sensitive customer support (Han & Han, 2023). A positive customer experience on a global scale can be provided through multilingual customer service, the use of chat bots and other technological solutions.

There are various literature materials that have discussed the opportunities and challenges faced by businesses as they internationalize their businesses. Some of the opportunities for internationalizing businesses include the availability of digital marketing, digital transactions, supply chain automation and data analytics. The common challenges explored by previous literature include cybersecurity threats, limited digital infrastructure, regulatory barriers and compliance issues.

2.3.1 Opportunities for SMEs in internationalizing e-commerce

Technological advancement presents various opportunities for SMEs in Kenya to conduct e-commerce activities on a global scale. SMEs should adapt to the changing aspects of technology to ensure their e-commerce activities are in the global market place (Githinji, 2014). This is because globalizing e-commerce presents for SMEs in developing countries with the ability to access global markets. Initially, businesses would face various challenges such as high entry costs, complex logistics and unfamiliar regulatory frameworks when trying to physically access international markets (Mutua et al., 2013).

E-commerce provides digital platforms for conducting business and mitigates these challenges caused by physical geographical boundaries. SMEs can now showcase their products or services to a global audience through online marketplaces and reach customers in regions that were once inaccessible (Gupta et al., 2023). This expanded market access not only increases sales potential but also allows SMEs to diversify their customer base; therefore, they reduce their reliance on a single market become more resilient to economic fluctuations (Kumar & Singh, 2019). Globalizing e-commerce also lowers the traditional barriers to entry that SMEs normally encounter when entering new markets. One of the barriers entail the costs associated with establishing a physical presence in a foreign country (Savrul et al., 2014). Businesses that engage in e-commerce do not need to set up physical storefronts and distribution networks in every country they operate in.

Globalizing e-commerce leads to efficiency and cost savings in business operations, and hence improvement in business performance. There is the opportunity to use digital transactions, supply chain automation and data analytics to increase the speed

and accuracy of order processing, inventory management and customer service (Nair, 2017). This efficiency improves the customer experience and allows SMEs to be more competitive in the global marketplace. E-commerce also facilitates direct communication between SMEs and their customers such that there is no need for intermediaries. This direct interaction strengthens customer relationships and reduces distribution costs associated with traditional retail models.

E-commerce platforms foster innovations among SMEs in developing countries (Kumar & Singh, 2019). The digital nature of online business allows for rapid experimentation and adaptation to changing market trends (Agwu & Murray, 2015). SMEs can quickly test new products or services, gather customer feedback and make adjustments without the long timelines and high costs associated with traditional product development cycles. The access to global markets exposes SMEs to diverse consumer preferences and emerging trends (Mutua et al., 2013). This exposure encourages innovation as SMEs strive to meet the demands of a diverse and dynamic customer base. This innovation improves the competitiveness of SMEs and contributes to the overall economic development of the country.

E-commerce has created many opportunities to reshape of the dynamics of business and trade worldwide. This transformation is a result of the integration of technology, trade and communication across borders for businesses to engage in online transactions and connect with consumers globally (Goyal et al., 2019). The evolution of technology has led to the development of various e-commerce platforms, payment systems and logistics networks, which empower businesses to extend their reach beyond local and national boundaries. This means that small and medium-sized enterprises (SMEs) now can access a global customer base without the need for physical presence in multiple countries (Laudon & Traver, 2020). E-commerce has effectively dealt with traditional barriers such as tariffs, currency differences and logistical challenges for businesses to showcase and sell their products or services to a diverse and international audience. Consumers can easily purchase products from international vendors and businesses can seamlessly source materials or collaborate with partners worldwide.

In emerging global economies, e-commerce has redefined relationships within and between businesses and individuals. SMEs in developing countries invest in quality websites with user-friendly interfaces to facilitate effective online business operations (Rahman & Dekkati, 2022). E-commerce websites and applications are designed to captivate and engage users through intuitive navigation, visually appealing displays, and responsive features. Industry giants like Amazon, Alibaba, and eBay exemplify the global reach achievable through e-commerce; they use advanced algorithms, artificial intelligence, and big data analytics to enhance user experience, recommend products and streamline transactions (Goyal et al., 2019). E-commerce has become a crucial tool for businesses operating both domestically and internationally in the current globalized business environment. There are both opportunities and challenges for SMEs in developing countries as they embark on globalizing their e-commerce activities (Sikder & Rolfe, 2023). They should maximize the opportunities presented by e-commerce while simultaneously devising innovative solutions for the challenges it poses.

2.3.2 Challenges faced by SMEs in internationalizing e-commerce

Small and Medium Enterprises (SMEs) in developing countries using e-commerce face various challenges considering the dynamic and competitive nature of the digital marketplace. They face cybersecurity threats like data breaches, malware attacks and online fraud, which compromise computer systems, steal sensitive data and disrupt operations (Savrul et al., 2014). These are viruses that attach themselves to legitimate files and spread when those files are executed; they may also be trojans that trick users into installing them such that attackers can gain unauthorized access (Okadapau, 2016).

Businesses using e-commerce are at risk of phishing attacks, which entail fraudulent attempts to obtain sensitive information (such as usernames, passwords, and financial details) by posing as a trustworthy entity in electronic communication (Sumner & Yuan, 2019). There are also insider threats where individuals within an organization misuse their access and privileges to compromise security. Businesses should stay

informed and continually improve their cybersecurity measures to safeguard digital assets and maintain the integrity of data systems in their e-commerce platform.

Limited digital infrastructure also makes it hard for many SMEs in developing countries to effectively engage in e-commerce operations (Schniederjans et al., 2013). While many countries have experienced significant growth in terms of internet penetration and access to reliable electricity, the quality and reliability of internet services remain inconsistent in some areas. This digital divide hinders the ability of SMEs to effectively utilize e-commerce platforms. For example, Mwencha, (2016) explains how a small beauty product manufacturer based in a rural area struggles to maintain a reliable online presence due to slow internet speeds and frequent outages. Additionally, the lack of a reliable digital payment system to use for both local and international clients pose a challenge as consumers and businesses may face difficulties in conducting online transactions securely.

SMEs that use e-commerce for their operations also face various regulatory compliance challenges. They must comply with diverse regulatory frameworks such as data protection laws to taxation policies (Naradda et al., 2020). It can be challenging to adhere to some of the regulations considering non-compliance can lead to legal issues and fines. There are several business transactions that are carried out on an online basis. These online transactions are regulated and overseen by an E-Commerce law (Xiao et al., 2020). The law is meant to regulate e-commerce among various countries through achieving its three main objectives: Increasing trust in online transactions, boosting transparency, and enhancing consumer protection (Kumar & Singh, 2019).

Navigating the complex regulatory landscape is a challenge for SMEs in developing countries operating in the globalized e-commerce sector. Compliance with international standards, import or export regulations and digital trade policies requires significant resources and expertise that many SMEs lack (Ahmed et al., 2008). This challenge is particularly prominent for businesses that source raw materials internationally or export their products to global markets. The bureaucratic red tape

and compliance costs associated with meeting these standards often create a barrier to entry in a way that hinders the growth of small businesses (Tiren, 2022).

2.4 Digital marketing in E-commerce internationalization

Digital marketing emerges as a keystone in the edifice of e-commerce internationalization, with its success hinging on an adaptive approach that resonates across diverse global markets. Far from a monolithic strategy, it requires a nuanced understanding of regional consumer behaviors and cultural preferences, enabling SMEs to tailor their marketing efforts to various audiences effectively (Pereira et al., 2023).

2.4.1 Adapting to global markets through digital marketing

As SMEs navigate the complexities of the international market, digital marketing stands as a dynamic tool that surpasses the traditional one-size-fits-all approach. Instead, it demands strategies that are culturally aligned and region-specific, attuned to the intricate mosaic of global consumer behaviors. This multifaceted approach is not just about reaching a wide audience but resonating with them in a manner that reflects cultural sensitivity and a personalized marketing narrative (Pereira et al., 2023).

2.4.2 Cultural adaptation in digital campaigns

Cultural adaptation in digital campaigns mandates a deep dive into the cultural fabric of target markets. It is crucial for SMEs to craft marketing campaigns that are culturally competent, using language and visuals that honor regional nuances and values. This helps avoid potential cultural missteps and fosters an environment of respect and understanding, crucial for building brand credibility in the international e-commerce landscape (Cha et al, 2023).

2.4.3 Leveraging social media for global reach

Social media platforms provide a canvas for SMEs to project their brand to the world, offering a mechanism for direct engagement and content customization. These platforms, when used in concert with local influencers, can significantly extend a campaign's reach and enhance its relevance within specific markets, ultimately amplifying the brand's global presence (Cha et al, 2023).

2.4.4 Enhancing visibility with SEO

At the core of digital visibility lies SEO, a critical tool ensuring that SMEs' online content secures a prominent position in search engine results worldwide. By leveraging localized SEO strategies, businesses can increase the visibility of their e-commerce platforms in targeted markets, ensuring a robust and recognizable online presence (Mohan, 2020).



Figure 4: The Search Engine Optimization (SEO) Process (Mohan, 2020).

Furthermore, the role of Search Engine Optimization (SEO) is paramount in digital marketing for international e-commerce, as it ensures that online content is discoverable and ranks well in search engine results across different regions. Incorporating customer feedback is an integral part of refining digital marketing strategies. By understanding regional customer interactions and perceptions, SMEs can tailor their offerings to meet the specific needs and preferences of diverse market segments. This customer-centric approach not only fosters brand loyalty but also propels positive word-of-mouth marketing, further cementing the brand's reputation in the international arena (Cuellar-Fernández et al., 2021).

Overview: A Crucial Lever for SMEs in the E-commerce Internationalization process

The landscape of international e-commerce presents myriad opportunities for SMEs to expand their global footprint. Digital marketing techniques, including search engine optimization (SEO), social media marketing, and pay-per-click (PPC) advertising, stand out as critical enablers of this expansion. SEO serves as the backbone of digital visibility, ensuring that SMEs' online offerings are discoverable to potential customers through strategic keyword incorporation and website optimization. This involves enhancing elements such as page speed, mobile responsiveness, and user-friendly navigation, which not only favor search engine rankings but also improve the user experience, crucial for converting visitors into customers (Mikassi, 2022). Social media platforms are vital in forging direct connections with global audiences, building brand recognition, and fostering engagement. The targeted nature of social media advertising allows SMEs to tailor their messaging to resonate with specific demographics, driving traffic and facilitating conversions (Singh & Singh, 2018).

PPC campaigns offer a cost-effective strategy for SMEs to increase their market presence. Through strategic bidding on ad placements in search engine results or on other websites, SMEs can ensure that their marketing efforts yield a direct increase in website traffic and potential sales (Agarwal, 2021). The consolidation of these digital marketing strategies into a cohesive approach can substantially aid SMEs in

overcoming common e-commerce barriers such as cybersecurity threats, regulatory compliance issues, and the challenges of limited digital infrastructure.

2.5 Theoretical framework

This research is underpinned by the Diffusion of Innovations theory, proposed by Everett Rogers. The theory elucidates how, why, and at what rate new ideas and technology spread through cultures. In the context of SMEs in Kenya, this theory helps explain the adoption of digital marketing innovations in e-commerce. It suggests that SMEs progress through five stages: knowledge, persuasion, decision, implementation, and confirmation, as they integrate digital marketing into their operations. This progression hinges on perceived attributes of innovations such as relative advantage, compatibility, complexity, trial ability, and observability. By applying this theory, the research examined how these attributes influence SMEs' decisions to adopt digital marketing practices to enhance their international e-commerce presence and performance.

3: Methodology

This chapter covers the methodology of the study. The section further explains why certain research methods were selected and how this study was planned and conducted. Additionally, the chapter discusses the reliability and validity of the study.

3.1 Study design

The mixed-methods approach is used in this study as it allows for a comprehensive exploration of how Kenyan SMEs employ digital marketing in e-commerce. The mixed-methods research design incorporates both qualitative and quantitative approaches. This approach allows researchers to gather both numerical data (quantitative) and non-numerical data (qualitative) to address different aspects of a research question (Lund, 2012). By combining quantitative data on performance metrics with qualitative insights into strategic choices and challenges, this method aligns perfectly with the aim to enhance SMEs' digital marketing efficacy and addresses the research questions from both statistical and contextual standpoints.

Mixed-methods research designs can be either sequential or concurrent. In a sequential design, one phase of the study (either qualitative or quantitative) is conducted first, followed by the other phase. The results of one phase inform the design and data collection of the subsequent phase. In a concurrent design, both qualitative and quantitative data are collected simultaneously, and the integration of data occurs during the analysis and interpretation stages (Hesse-Biber, 2022). This study used a concurrent mixed-methods research design as the participants provided both qualitative and quantitative data. The study aimed to provide a better understanding of how digital marketing enhances SMEs' business performance.

Integrating qualitative insights into strategic decision-making and quantitative data on performance metrics allows for a holistic examination of the multifaceted impact of digital marketing initiatives. This combined approach ensured that the research captures both the contextual intricacies and statistical trends essential for informing effective digital marketing strategies tailored to SMEs' needs.

Qualitative methods used in this study included interviews, observations and content analysis (Leavy, 2022). These methods helped explore individuals' perceptions, attitudes and experiences in regards to the research questions. On the other hand, quantitative methods involved the collection of numerical data through surveys and questionnaires. This type of data was used to measure and quantify phenomena such that the researchers can establish patterns and relationships (Dawadi et al., 2021).

In this research study, the qualitative phase focused on exploring themes such as the strategies employed by SMEs in leveraging digital marketing, the challenges faced and the perceived impact on business performance. There were transcriptions of interviews and systematic coding using NVivo qualitative analysis software to facilitate the identification of patterns, themes, and insights emerging from the qualitative data. The quantitative research was done using structured questionnaires designed based on the research questions and objectives.

The survey questionnaire had closed-ended questions to collect data for quantitative analysis of digital marketing practices, challenges and perceived business performance (Leavy, 2022). The quantitative data was analyzed using descriptive statistical analysis such as frequencies and percentage distribution, mean and standard deviation. Both qualitative and quantitative analysis helped get information about opportunities in digital marketing and challenges in the e-commerce sector.

3.2 Study site and population

The research was conducted across all 47 counties in Kenya to ensure a comprehensive and diverse representation of Small and Medium-sized Enterprises (SMEs) engaged in e-commerce activities. Each county presented a unique economic, cultural and geographical context; this means that each experiences varying challenges and opportunities for SMEs in the e-commerce sector. The study site targeted SMEs from various sectors including but not limited to retail, manufacturing, services, beauty and agriculture industries. This approach ensured there was a comprehensive analysis of how digital marketing affects different industries within the e-commerce sector. Pilot site visits were conducted in a select number of counties

before the main data collection to assess the feasibility of the research design and make any necessary adjustments. The target population for this study comprised SME owners in Kenya who were actively involved in e-commerce which were from the targeted SMEs registered by the business licensing department in 2024. These included retail shops, wholesale shops, hotels, clothing stores, manufacturing businesses, butcheries, hardware stores, garages, petrol stations, and poultry. The participants were randomly selected based on their willingness to participate and their experience in utilizing digital marketing in their e-commerce activities. The study included SMEs located in both urban and rural settings to capture the differences in digital marketing practices, challenges and opportunities between these environments.

3.3 Sampling technique

Sampling techniques generally entail methods in which samples are selected. There exist various types of sampling techniques, including probability and non-probability sampling (Berndt, 2020). Probability sampling techniques are applied for quantitative studies, where subjects for the study are selected based on known probability (Andrade, 2021). They include simple random, stratified random, and cluster random sampling techniques. On the other hand, non-probability sampling techniques are used for qualitative studies to develop theories, where subjects of the sample are not based on random sampling methods. They include judgmental, convenience, quota, and snowball sampling techniques (Mweshi and Sakyi, 2020).

Purposive sampling involves the intentional selection of participants based on specific criteria that are relevant to the research question. The researcher uses their judgment to identify individuals who can provide unique insights or expertise (Campbell et al., 2020). This research study used a purposive sampling strategy used to identify SME owners from diverse sectors and regions within the 47 counties of Kenya. The selection; the survey method to collect data from respondents using questionnaire. Questionnaires are very suitable in survey research. It is an instrument of a total containing series of questions and other prompts for gathering information from respondents, considered factors such as the size of the business, years of engagement

in e-commerce and geographical location. A total of 50 SME owners were selected to ensure an adequate representation of different industries and experiences. There was one SME selected from each county, and Nairobi had 4 SMEs selected because it is the Capital City/County. The inclusion criteria considered active engagement in e-commerce and the use of digital marketing strategies.

3.4 Data collection tools and procedure

For our mixed-methods research design, we utilized qualitative interviews and surveys alongside quantitative surveys. Qualitative data collection through semi-structured interviews allowed for in-depth exploration of participants' experiences, perceptions, and opinions, offering rich insights into the research questions. The flexibility of this method enabled thorough exploration of topics relevant to our study (Thelwall and Nevill, 2021). Additionally, quantitative data were gathered through structured surveys administered to a large sample of participants. This method provided standardized responses suitable for statistical analysis, ensuring robust quantitative findings (Mohajan, 2020).

This research study used semi-structured interviews for qualitative data collection, which was conducted with SME owners to gather in-depth insights into their experiences with digital marketing in e-commerce. Structured questionnaires were designed to collect quantitative data on various aspects of digital marketing, e-commerce challenges and opportunities. The selected SME owners were approached through email or phone calls to request their participation. Consent were obtained and interviews were conducted through virtual platforms.

The questionnaires were distributed electronically through emails and follow-up reminders were sent to ensure a high response rate. The data collection period was specified to manage the time frame of their responses. The interview questions and questionnaire items were reviewed by experts in the field to ensure they capture relevant aspects of digital marketing in e-commerce for validity. The instruments were pre-tested on a small sample of SME owners to assess clarity and appropriateness.

3.5 Ethical considerations

Participants were provided with clear information about the study's purpose and their rights. They received a comprehensive document outlining the study's purpose, procedures, potential risks, benefits and the voluntary nature of participation; this document was written in a clear and understandable language tailored to the target audience. Informed consent was obtained before data collection through a written consent form and participants were encouraged to take a copy for their records (O'Sullivan et al., 2021). Participants had the opportunity to ask questions and seek clarification about any aspect of the study before providing consent. Participant information was treated with utmost confidentiality with data anonymization to protect the identity of SME owners. This means that only authorized members of the research team have access to the data, and personal identifiers (such as names and contact information) were replaced with unique codes (Husband, 2020). The key linking participants to their data were securely stored separately and accessible only to designated individuals.

Participation in the study was entirely voluntary and participants could withdraw at any stage without consequences. If participants chose to withdraw, their collected data up to that point were excluded from the study and their decision was respected without any impact on their rights (Mumford et al., 2021). Participants were continuously informed of any significant developments and changes in the study that may impact their decision to participate throughout the research process.

The research team provided clear contact information so participants could reach out for additional information or clarification at any time. The results of the study were disseminated in a way that respects the dignity and privacy of the participants (Wester et al., 2023). Any information shared in publications or presentations were presented in aggregate form such that individual participants cannot be identified. The research protocol (including the informed consent process and data handling procedures) underwent thorough review and approval by an Institutional Review Board or ethics committee to ensure compliance with ethical standards.

4. Results and Data Analysis

The demographic data below offers a thorough overview of SME owners engaged in online business in Kenya, presenting a varied and equitable representation. This basis is crucial for placing the digital marketing strategies and issues this study examines in context. We can have a better understanding of the diverse effects of e-commerce methods on various company situations by looking at the demographics. The purpose of this data is to help draw attention to the critical elements affecting these SMEs' performance in the digital economy as well as the challenges they confront.

4.1 Quantitative Results

The tables below displays the response received from different SMEs in Kenya. The data is categorized based on demographics, use of digital marketing tools, ecommerce internationalization challenges, opportunities and the performance metrics followed with a detailed analysis of each one of them.

Table 1. Demographics of Respondents

Category	Subcategory	Frequency (n)	Percentage (%)
Gender	Male	30	60%
Gender	Female	20	40%
Age	20-30	10	20%
Age	31-40	25	50%

Category	Subcategory	Frequency (n)	Percentage (%)
Age	41-50	10	20%
Age	51 and above	5	10%
Industry	Retail	15	30%
Industry	Manufacturing	10	20%
Industry	Services	10	20%
Industry	Agriculture	5	10%
Industry	Technology	5	10%
Industry	Others	5	10%

The demographics data from Table 1 indicates a diverse representation of SME owners involved in e-commerce across Kenya. A total of 50 participants were surveyed to represent the Kenyan e-commerce sector after purposive sampling; there was a gender distribution of 60% male and 40% female. This suggests a balanced yet slightly male-dominated engagement in e-commerce activities among SMEs. The age distribution shows that a majority (50%) of the respondents are between 31-40 years old, indicating that middle-aged entrepreneurs are the most active in utilizing e-commerce. This could be attributed to their combined experience and willingness to adopt new technologies compared to younger or older age groups.

The industry distribution reveals that retail (30%) and services (20%) are the most represented sectors, followed by manufacturing (20%) and agriculture (10%). The presence of participants from technology (10%) and other sectors (10%) underscores the broad application of e-commerce across various industries. This diversity is crucial

in understanding the varied impacts and strategies of digital marketing across different business contexts. The demographic data provides a foundational understanding of the participants to help contextualize subsequent findings on digital marketing practices and challenges.

Table 2. Use of Digital Marketing Tools

Digital Marketing Tool	Frequency (n)	Percentage (%)
Social Media	45	90%
SEO	35	70%
Email Marketing	30	60%
Content Marketing	25	50%
Pay-Per-Click (PPC)	20	40%
Influencer Marketing	15	30%

Table 2 highlights the prevalence of various digital marketing tools among Kenyan SMEs. Social media is the most widely used tool, with 90% of respondents indicating its use, followed by SEO (70%), email marketing (60%), content marketing (50%), PPC (40%), and influencer marketing (30%). The high usage of social media suggests its effectiveness and accessibility as a marketing channel, offering SMEs a cost-effective way to reach and engage with a broad audience. The significant use of SEO (70%) shows that SMEs are aware of the importance of search engine visibility for attracting online traffic.

Email marketing (60%) and content marketing (50%) are also popular, reflecting strategies aimed at maintaining customer relationships and providing valuable content to consumers. The lower adoption rates of PPC (40%) and influencer

marketing (30%) may be due to the higher costs and complexities associated with these methods. This data shows the important role of digital marketing tools in improving the online presence and performance of SMEs, aligning with the study's objective of overcoming challenges and seizing opportunities in international e-commerce.

Table 3. Challenges in Internationalizing E-commerce

Challenge	Frequency (n)	Percentage (%)
Cybersecurity Threats	40	80%
Limited Digital Infrastructure	35	70%
Regulatory Compliance	30	60%
High Costs	25	50%
Logistical Challenges	20	40%

Table 3 presents the main challenges faced by SMEs in internationalizing their e-commerce activities. Cybersecurity threats are the most significant challenge, affecting 80% of respondents. This high percentage highlights the vulnerability of SMEs to cyberattacks and the critical need for robust security measures. Limited digital infrastructure is also a major concern, impacting 70% of SMEs, particularly those in rural areas where reliable internet access and digital services may be lacking. Regulatory compliance challenges, faced by 60% of respondents, indicate the complexity and burden of navigating different international regulations.

High costs and logistical challenges, affecting 50% and 40% of SMEs respectively, further illustrate the financial and operational barriers to international expansion. These challenges emphasize the need for effective digital marketing strategies to

mitigate these issues, thereby supporting the empirical objective of evaluating the role of digital marketing in overcoming such obstacles.

Table 4. Opportunities in Internationalizing E-commerce

Opportunity	Frequency (n)	Percentage (%)
Access to Global Markets	45	90%
Cost Efficiency	40	80%
Innovation	35	70%
Direct Customer Interaction	30	60%
Diversification	25	50%

Table 4 outlines the key opportunities identified by SMEs in internationalizing their e-commerce activities. Access to global markets is the most recognized opportunity, with 90% of respondents highlighting its importance. This indicates that SMEs see significant potential in expanding their customer base beyond local borders. Cost efficiency, noted by 80% of respondents, suggests that e-commerce can reduce operational costs compared to traditional brick-and-mortar setups. Innovation (70%) and direct customer interaction (60%) are also seen as major benefits, indicating that e-commerce allows SMEs to be more creative and engage directly with customers, enhancing the customer experience. Diversification (50%) shows that SMEs value the ability to spread risk by entering multiple markets. These opportunities align with the empirical objective by showing how digital marketing can capitalize on these advantages to facilitate international growth.

Table 5. Impact of Digital Marketing on Sales and Engagement

Opportunity	Frequency (n)	Percentage (%)
Access to Global Markets	45	90%
Cost Efficiency	40	80%
Innovation	35	70%
Direct Customer Interaction	30	60%
Diversification	25	50%

Table 5 shows the positive impact of digital marketing on SME performance, with 80% of respondents reporting increased sales. This substantial figure shows the effectiveness of digital marketing in driving revenue growth. Enhanced brand visibility, experienced by 70% of SMEs, highlights the role of digital marketing in boosting recognition and reputation on a global scale. Improved customer engagement (60%) and cost savings (50%) further illustrate the benefits of digital marketing. These impacts suggest that digital marketing not only helps SMEs attract and retain customers but also operates more efficiently. This data reinforces the empirical objective by demonstrating the tangible benefits of digital marketing in overcoming operational challenges and leveraging growth opportunities in international e-commerce.

Table 6: Descriptive Statistics of Performance Metrics

Performance Metric	Mean	Standard Deviation	Minimum	Maximum
Increase in Sales (%)	35.4	12.6	10.0	60.0
Brand Visibility Improvement (%)	28.7	10.2	5.0	50.0
Customer Engagement Increase (%)	32.5	11.4	8.0	55.0
Cost Savings (%)	22.3	8.7	5.0	40.0

Table 6 provides detailed descriptive statistics on key performance metrics related to digital marketing. The average increase in sales is 35.4%, with a standard deviation of 12.6%, indicating a significant but variable impact across different SMEs. The improvement in brand visibility averages 28.7%, suggesting that digital marketing efforts are generally effective in enhancing public awareness. The increase in customer engagement, averaging 32.5%, shows that digital marketing strategies are successful in fostering deeper customer connections. Cost savings, averaging 22.3%, highlight the financial benefits of digital marketing in reducing advertising and operational costs. These statistics show the role of digital marketing in enhancing SME performance, supporting the empirical objective by providing quantitative evidence of its effectiveness.

4.2 Qualitative Results

The tables below outline the feedback received from different SMEs in Kenya. The data is categorized based on themes from qualitative interviews, observations on digital marketing practices and Content Analysis of Digital Marketing Strategies accompanied by an in depth analysis.

Table 7: Themes from Qualitative Interviews

Theme	Example Quotes
Importance of Digital Marketing	"Digital marketing has allowed us to reach customers we couldn't have imagined before."
Importance of Digital Marketing	"Using SEO, our visibility has increased dramatically."
Importance of Digital Marketing	"Social media campaigns have significantly boosted our brand recognition."
Importance of Digital Marketing	"Email marketing has helped us maintain customer relationships."
Challenges in Implementation	"The biggest hurdle is understanding and keeping up with constantly changing regulations."
Challenges in Implementation	"Cybersecurity is a major concern that we've had to address."
Challenges in Implementation	"Limited infrastructure makes it hard to maintain a stable online presence."

Theme	Example Quotes
Challenges in Implementation	"Regulatory compliance is complex and time-consuming."
Benefits Realized	"Our sales have significantly increased since we started using social media marketing."
Benefits Realized	"Brand visibility has improved, attracting international customers."
Benefits Realized	"Customer engagement has increased due to targeted digital marketing."
Benefits Realized	"We've seen higher traffic and conversions on our e-commerce site."
Strategies for Overcoming Challenges	"Investing in cybersecurity has been crucial for us to protect our business online."
Strategies for Overcoming Challenges	"We've developed training programs to stay updated with digital marketing trends."
Strategies for Overcoming Challenges	"Partnering with local influencers has helped us overcome market entry barriers."
Strategies for Overcoming Challenges	"Implementing cost-effective digital marketing strategies has reduced our expenses."

Table 7 summarizes the key themes from qualitative interviews, offering deeper insights into SME experiences with digital marketing. The importance of digital marketing is highlighted through quotes about its role in reaching new customers, enhancing visibility, and maintaining relationships. These insights demonstrate how digital marketing strategies are integral to SME success in international markets. Challenges in implementation, such as cybersecurity concerns and regulatory compliance, underscore the obstacles SMEs face. However, the benefits realized, including increased sales and improved engagement, highlight the positive outcomes of digital marketing efforts. Strategies for overcoming challenges, such as investing in cybersecurity and leveraging local influencers, provide practical examples of how SMEs can navigate the complexities of international e-commerce. These qualitative insights complement the quantitative data to illustrate the key role of digital marketing.

Table 8: Observations on Digital Marketing Practices

Observation	Details
Use of Social Media	High engagement rates on platforms like Facebook and Instagram
SEO Techniques	Implementation of keywords and metadata for better search rankings
Content Marketing	Blogs and video content have enhanced customer interest
Email Marketing	Regular newsletters have improved customer retention
Pay-Per-Click (PPC) Campaigns	Effective for targeted advertising and immediate traffic increase
Influencer Collaborations	Local influencers boost credibility and reach

Table 8 details specific digital marketing practices observed among SMEs. The use of social media for high engagement rates and the implementation of SEO techniques for better search rankings are prominent strategies. These practices highlight the tactical approaches SMEs use to enhance their online presence and reach. Content marketing through blogs and videos, along with regular email newsletters, shows how SMEs maintain customer interest and retention. The use of PPC campaigns for targeted advertising and influencer collaborations for credibility and reach further illustrate diverse marketing strategies. These observations align with the empirical objective by showcasing the practical applications of digital marketing in overcoming market entry barriers and capitalizing on international opportunities.

Table 9: Content Analysis of Digital Marketing Strategies

Strategy	Description
Social Media Campaigns	"We create engaging content to keep our audience informed and interested."
SEO Optimization	"Optimizing our website content has greatly increased our search engine visibility."
Email Campaigns	"Sending personalized emails has helped us maintain strong customer relationships."
PPC Advertising	"Pay-per-click ads have driven significant traffic to our site."
Content Creation	"Quality content has been key in attracting and retaining customers."

This study's results in Table 9 entail a content analysis of various digital marketing strategies employed by SMEs. Social media campaigns and SEO optimization are

highlighted as key strategies for increasing visibility and engagement. Email campaigns and PPC advertising are noted for their effectiveness in maintaining customer relationships and driving traffic. Content creation is emphasized as a critical component in attracting and retaining customers. These strategies demonstrate how SMEs leverage digital marketing to enhance their competitive edge in the international market. The detailed analysis of these strategies supports the empirical objective by providing concrete examples of how digital marketing can help SMEs overcome challenges and seize opportunities in the global e-commerce landscape.

5. Discussion and Conclusions

This chapter is based on the comprehensive literature review and empirical research conducted with 50 participants, which aimed to enhance the understanding of how digital marketing can facilitate the internationalization of SMEs in the Kenyan e-commerce sector.

5.1 The Role of Digital Marketing in Enhancing Global Reach

Digital marketing plays a crucial role in extending the global reach of SMEs by leveraging online platforms to connect with international customers. The empirical data reveals that 90% of the respondents use social media as a primary marketing tool, indicating its significance in reaching a broad audience. Social media platforms like Facebook, Instagram, and Twitter offer SMEs cost-effective and efficient channels to showcase their products and services to a global market (Odoom, Anning-Dorson & Acheampong, 2017). Digital marketing can break geographical barriers to allow businesses to engage with customers worldwide without the need for a physical presence.

SEO (Search Engine Optimization) is another critical tool used by 70% of the respondents, underscoring its importance in enhancing online visibility. Effective SEO strategies ensure that SME websites rank higher in search engine results, making it easier for international customers to discover their offerings (Alfiana et al., 2023). This is supported by the literature review, which emphasizes the role of SEO in driving organic traffic and establishing a strong online presence (Mohan, 2020). The combination of social media and SEO creates a robust digital marketing framework that significantly enhances the global reach of Kenyan SMEs, facilitating their internationalization.

Email marketing and content marketing, used by 60% and 50% of respondents respectively, further reinforce the global reach of SMEs. Regular newsletters and high-quality content such as blogs and videos help maintain customer engagement and build brand loyalty. These tools allow SMEs to communicate directly with their

customers, providing updates and valuable information that keeps the audience interested and informed. Consistent and relevant communication is key to sustaining customer relationships and encouraging repeat business (Singh & Singh, 2018). Digital marketing tools collectively contribute to extending the global reach of SMEs such that international markets are more accessible.

5.2 Overcoming Challenges through Digital Marketing

The study identifies several challenges faced by SMEs in internationalizing their e-commerce activities, including cybersecurity threats, limited digital infrastructure, and regulatory compliance. Digital marketing offers strategies to mitigate these challenges. Cybersecurity threats, highlighted by 80% of respondents, are a significant concern. SMEs can invest in various cybersecurity measures, such as secure payment gateways and data encryption, to protect their digital assets and build customer trust (Amrin, 2014); maintaining a secure online environment is crucial for protecting sensitive information and ensuring safe transactions.

Limited digital infrastructure, affecting 70% of SMEs, particularly in rural areas, poses a barrier to effective e-commerce operations. Digital marketing strategies can help overcome this by utilizing cloud-based services and mobile-friendly platforms, which require less infrastructure and offer greater accessibility. The literature supports this approach, suggesting that mobile optimization and cloud computing can bridge the digital divide, enabling SMEs to reach a wider audience despite infrastructural limitations (Coleman et al., 2016).

Additionally, SMEs can leverage partnerships with local internet service providers to enhance connectivity and improve their online presence. Regulatory compliance, a challenge for 60% of respondents, involves navigating complex international regulations. Technology can assist SMEs in understanding and adhering to these regulations through the use of compliance management tools and resources (Syed Abdullah, Sadiq & Indulska, 2010). SMEs should ensure they meet all necessary requirements by staying informed about global standards and adapting their strategies accordingly.

5.3 Leveraging Digital Marketing for Cost Efficiency

Digital marketing significantly contributes to cost efficiency, which is vital for SMEs operating on limited budgets. The empirical data shows that 80% of respondents recognize cost efficiency as a major opportunity provided by digital marketing. Online marketing tools such as social media, email campaigns, and content marketing are relatively inexpensive compared to traditional marketing methods (Bala & Verma, 2018). This allows SMEs to allocate their resources more effectively, focusing on strategies that deliver the highest return on investment. The study results show that digital marketing can reduce marketing costs while maximizing reach and engagement. For instance, Pay-per-click (PPC) advertising (although used by only 40% of respondents) offers a highly targeted and cost-effective marketing option. PPC campaigns allow SMEs to set budgets and only pay when users click on their ads, ensuring that marketing spend is directed towards interested audiences (Quinton & Khan, 2009). This targeted approach minimizes waste and maximizes the impact of marketing budgets.

Cost savings are also realized through improved customer engagement and retention, achieved through personalized and direct communication channels like email marketing. SMEs can encourage repeat business and reduce the costs associated with acquiring new customers by maintaining strong relationships with their customers (Fourie, 2015). This study has showed the importance of customer retention in achieving long-term business success, suggesting that personalized digital marketing strategies can significantly enhance customer loyalty.

5.4 Enhancing Customer Engagement and Brand Visibility

Customer engagement and brand visibility are critical components of successful internationalization for SMEs. The empirical data shows that digital marketing has significantly improved customer engagement for 60% of respondents and enhanced brand visibility for 70%. Social media platforms, used by 90% of respondents, provide interactive channels for SMEs to engage with their audience. Through likes, comments, shares, and direct messages, SMEs can foster a sense of community and

build stronger relationships with their customers. SEO and content marketing also play crucial roles in enhancing brand visibility (Odden, 2012). SMEs can attract more visitors and establish themselves as authorities in their respective fields by optimizing their websites and creating valuable content. The literature review emphasizes the importance of high-quality content in building brand awareness and credibility. Regularly updated blogs, videos, and infographics not only attract search engine traffic but also provide useful information to customers, helping SMEs stand out in the competitive online marketplace (Rautela, 2018). Influencer marketing, although used by only 30% of respondents, is another effective strategy for enhancing brand visibility and customer engagement. Collaborating with influencers who have large followings can help SMEs reach new audiences and build trust through third-party endorsements. This study highlights the growing influence of social media personalities in shaping consumer opinions and driving purchasing decisions.

5.5 Innovation and Adaptability in Digital Marketing

Innovation and adaptability are key advantages of digital marketing, allowing SMEs to quickly respond to market changes and customer needs. The empirical data shows that 70% of respondents view innovation as a significant opportunity provided by digital marketing. The digital landscape offers various tools and platforms that enable SMEs to experiment with different marketing strategies and measure their effectiveness in real-time (Klein & Todesco, 2021); the flexibility of digital marketing allows businesses to innovate continuously and stay ahead of competitors.

Content creation is a prime example of innovation in digital marketing. SMEs can produce diverse types of content, such as blogs, videos, podcasts and webinars, to engage their audience and provide value. The empirical data indicates that 50% of respondents use content marketing to enhance customer interest. Innovative content can differentiate SMEs from their competitors, establish thought leadership, and foster customer loyalty. Adaptability is also crucial in navigating the dynamic digital marketing environment (Chan et al, 2019). The use of analytics tools enables SMEs to track the performance of their marketing campaigns and make data-driven decisions. The empirical data shows that 70% of respondents utilize SEO to enhance their online

visibility. Adaptive SEO strategies (such as updating keywords and optimizing website content) are essential for maintaining high search engine rankings (Jusuf, 2023). SMEs can optimize their digital marketing efforts and achieve better results in their internationalization efforts through staying adaptable and responsive to market trends.

5.6 Strategic Recommendations for SMEs

Based on the findings of this study, several strategic recommendations can be made for SMEs seeking to leverage digital marketing for internationalization. For example, SMEs should prioritize cybersecurity measures to protect their digital assets and build customer trust. This includes investing in secure payment gateways, data encryption, and regular security audits (Pawar & Palivela, 2023). The empirical data shows that cybersecurity threats are a significant concern for 80% of respondents, highlighting the importance of this recommendation. SMEs should also focus on enhancing their digital infrastructure, particularly in rural areas. This can be achieved through partnerships with local internet service providers and investment in mobile-friendly platforms (Raji et al., 2024). The empirical data indicates that limited digital infrastructure is a challenge for 70% of respondents, underscoring the need for improved connectivity. SMEs can ensure a stable online presence and reach a wider audience by addressing this issue.

In addition, SMEs should leverage data analytics to optimize their digital marketing strategies. SMEs can improve the effectiveness of their marketing efforts through tracking key performance metrics and making data-driven decisions. The literature review suggests that data analytics can provide valuable insights into customer behavior and campaign performance, enabling SMEs to adapt their strategies for better results (Coleman et al., 2016). This approach aligns with the empirical finding that innovation and adaptability are significant opportunities provided by digital marketing. The comprehensive analysis of both quantitative and qualitative data in this study provides valuable insights and practical recommendations for SMEs seeking to leverage digital marketing for their internationalization efforts.

5.7 Conclusion

This research aimed to show that digital marketing is a key aspect for the internationalization of SMEs in Kenya's e-commerce sector. The empirical evidence from this study demonstrates that digital marketing tools such as social media, SEO, email marketing, and content marketing significantly enhance the global reach, customer engagement and brand visibility of SMEs. The study highlights that 90% of SMEs use social media to reach international customers, while 70% employ SEO to improve online visibility, illustrating the key role of these strategies in expanding their market presence. The study also identifies significant challenges that SMEs must address to fully leverage digital marketing for internationalization. Cybersecurity threats, limited digital infrastructure, and complex regulatory compliance are major challenges that require strategic solutions. The study findings suggest that SMEs can mitigate these challenges by investing in proper cybersecurity measures, adopting mobile-friendly and cloud-based services, and utilizing compliance management tools. This research contributes to the existing literature by offering a comprehensive analysis of the role of digital marketing in the internationalization of SMEs, providing practical insights and strategic recommendations for leveraging digital marketing to achieve global business success.

References

- Agarwal, M. (2021). A study on Pay-Per-Click advertising. *Asian Journal of Multidimensional Research*, 10(11), 618-624.
<https://doi.org/10.5958/2278-4853.2021.01042.9>
- Agwu, E. M., & Murray, P. J. (2015). Empirical study of barriers to electronic commerce uptake by SMEs in developing economies. *International Journal of Innovation in the Digital Economy (IJIDE)*, 6(2), 1-19.
<https://doi.org/10.4018/ijide.2015040101>

Ahmed, Z. U., Julian, C. C., & Jumaat Mahajar, A. (2008). Export barriers and firm internationalisation from an emerging market perspective. *Journal of Asia Business Studies*, 3(1), 33-41. <https://doi.org/10.1108/15587890880000489>

Alfiana, F., Khofifah, N., Ramadhan, T., Septiani, N., Wahyuningsih, W., Azizah, N. N., & Ramadhona, N. (2023). Apply the search engine optimization (SEO) method to determine website ranking on search engines. *International Journal of Cyber and IT Service Management*, 3(1), 65-73. <https://doi.org/10.34306/ijcitsm.v3i1.126>

Amrin, N. (2014). The impact of cyber security on SMEs (Master's thesis, University of Twente).

Andrade, C. (2021). The inconvenient truth about convenience and purposive samples. *Indian Journal of Psychological Medicine*, 43(1), 86-88. <https://doi.org/10.1177/0253717620977000>

Bala, M., & Verma, D. (2018). A critical review of digital marketing. M. Bala, D. Verma (2018). A Critical Review of Digital Marketing. *International Journal of Management, IT & Engineering*, 8(10), 321-339. <https://ssrn.com/abstract=3545505>

Balaraman, P., & Chandrasekar, S. (2016). E-commerce trends and future analytics tools. *Indian Journal of Science and Technology*, 9(32), 1-9. <https://dx.doi.org/10.17485/ijst/2016/v9i32/98653>

Banerjee, R. (2020). Confidentiality and data protection in the electronic fund transfer. *International Journal of Law*, 6(3), 203-206.

- Berndt, A. E. (2020). Sampling methods. *Journal of Human Lactation*, 36(2), 224-226.
<https://doi.org/10.1177/0890334420906850>
- Billewar, S. R., & Babu, D. H. (2012). Approach to Improve Quality of E-commerce. *Population*, 31(81.64), 387-97.
DOI 10.17148/IARJSET.2016.31236
- Çakmaklı, İ. (2005). *B2b e-Business Models and e-Marketplaces: an Exploration for Smes* (Doctoral dissertation, Marmara Universitesi (Turkey)).
- Campbell, S., Greenwood, M., Prior, S., Shearer, T., Walkem, K., Young, S., ... & Walker, K. (2020). Purposive sampling: complex or simple? Research case examples. *Journal of research in Nursing*, 25(8), 652-661.
<https://doi.org/10.1177/1744987120927206>
- Cha, H., Kotabe, M., & Wu, J. (2023). Reshaping Internationalization Strategy and Control for Global E-Commerce and Digital Transactions: A *Hayekian Perspective*. *Management International Review*, 63(1), 161-192.
<https://doi.org/10.1007/s11575-022-00494-x>
- Chan, C. M., Teoh, S. Y., Yeow, A., & Pan, G. (2019). Agility in responding to disruptive digital innovation: Case study of an SME. *Information Systems Journal*, 29(2), 436-455. <https://doi.org/10.1111/isj.12215>
- Cho, G. (2012). Electronic funds transfer: new legal issues? *International Journal of Technology Policy and Law*, 1(2), 168-182.
<https://doi.org/10.1504/IJTPL.2012.050215>

- Coleman, S., Göb, R., Manco, G., Pievatolo, A., Tort-Martorell, X., & Reis, M. S. (2016). How can SMEs benefit from big data? Challenges and a path forward. *Quality and Reliability Engineering International*, 32(6), 2151-2164.
<https://doi.org/10.1002/qre.2008>
- Cordes, D. L., & Marinova, D. (2023). Systematic literature review of the role of e-commerce in providing pathways to sustainability for poverty alleviation in Sub-Saharan Africa. *Discover Sustainability*, 4(1), 7.
<http://dx.doi.org/10.1007/s43621-022-00109-3>
- Costa, J., & Castro, R. (2021). SMEs must go online—E-commerce as an escape hatch for resilience and survivability. *Journal of Theoretical and Applied Electronic Commerce Research*, 16(7), 3043-3062.
<https://www.mdpi.com/0718-1876/16/7/166#>
- Cuellar-Fernández, B., Fuertes-Callén, Y., & Serrano-Cinca, C. (2021). Survival of e-commerce entrepreneurs: The importance of brick-and-click and internationalization strategies. *Electronic Commerce Research and Applications*, 46, 101035.
<https://doi.org/10.1016/j.elerap.2021.101035>
- Cumming, D., Johan, S., Khan, Z., & Meyer, M. (2023). E-Commerce policy and international business. *Management International Review*, 63(1), 3-25.
<https://doi.org/10.1007/s11575-022-00489-8>
- Dawadi, S., Shrestha, S., & Giri, R. A. (2021). Mixed-methods research: A discussion on its types, challenges, and criticisms. *Journal of Practical Studies in Education*, 2(2), 25-36. <https://doi.org/10.46809/jpse.v2i2.20>

- Ekren, B. Y., Stylos, N., Zwiendelaar, J., Turhanlar, E. E., & Kumar, V. (2023). Additive manufacturing integration in E-commerce supply chain network to improve resilience and competitiveness. *Simulation Modelling Practice and Theory*, 122, 102676. <https://doi.org/10.1016/j.simpat.2022.102676>
- Eriksen, T. H. (2020). *Globalization: The key concepts*, (2nd Ed.)(pp.47-63. Routledge
- Fan, M., Tang, Z., Qalati, S. A., Tajeddini, K., Mao, Q., & Bux, A. (2022). Cross-Border E-Commerce Brand Internationalization: *An Online Review Evaluation Based on Kano Model*. *Sustainability*, 14(20), 13127. <https://www.mdpi.com/2071-1050/14/20/13127#>
- Fourie, L. (2015). Customer satisfaction: a key to survival for SMEs?. *Problems and Perspectives in Management*, 13(3-1), 181-188
- Fouskas, K., Pachni-Tsitiridou, O., & Chatziharistou, C. (2020). A systematic literature review on e-commerce success factors. *Strategic Innovative Marketing and Tourism: 8th ICSIMAT, Northern Aegean, Greece, 2019*, 687-694. http://dx.doi.org/10.1007/978-3-030-36126-6_76
- Gao, Q. (2023). The Application of Big Data Technology in the Efficient Development of Cross-Border E-Commerce Industry. *Applied Mathematics and Nonlinear Sciences*. <https://doi.org/10.2478/amns.2023.2.00286>
- Githinji, S. W. (2014). *Empowerment of small and medium enterprises through e-commerce and mobile technology in developing countries: a case study of Kenya* (Doctoral dissertation, University of Nairobi).

<http://hdl.handle.net/11295/75287>

Goyal, S., Sergi, B. S., & Esposito, M. (2019). Literature review of emerging trends and future directions of e-commerce in global business landscape. *World Review of Entrepreneurship, Management and Sustainable Development*, 15(1-2), 226-255. <https://doi.org/10.1504/WREMSD.2019.098454>

Gupta, S., Kushwaha, P. S., Badhera, U., Chatterjee, P., & Gonzalez, E. D. S. (2023). Identification of Benefits, Challenges, and Pathways in E-commerce Industries: *An integrated two-phase decision-making model. Sustainable Operations and Computers*. <https://doi.org/10.1016/j.susoc.2023.08.005>

Han, L., & Han, X. (2023). Improving the service quality of cross-border e-commerce: How to understand online consumer reviews from a cultural differences perspective. *Frontiers in Psychology*, 14. <https://doi.org/10.3389/fpsyg.2023.1137318>

Hånell, S. M., Rovira Nordman, E., Tolstoy, D., & Özbek, N. (2020). "It's a new game out there": e-commerce in internationalising retail SMEs. *International Marketing Review*, 37(3), 515-531. <https://doi.org/10.1108/IMR-03-2018-0107>

Hasanat, M. W., Hoque, A., & Hamid, A. B. A. (2020). E-commerce optimization with the implementation of social media and seo techniques to boost sales in retail business. *Journal of Marketing and Information Systems*, 3(1), 1-5. <http://dx.doi.org/10.31580/jmis.v1i1.1193>

- Hesse-Biber, S. (2022). Mixed methods research designs in qualitatively driven research. In *The SAGE Handbook of Qualitative Research Design* (Vol. 2, pp. 618-635). SAGE Publications Ltd. <https://doi.org/10.4135/9781529770278>
- Huemer, C., Liegl, P., & Zapletal, M. (2020). Electronic data interchange and standardization. *Handbook of e-Tourism*, 1-29. https://doi.org/10.1007/978-3-030-05324-6_21-1
- Husband, G. (2020). Ethical data collection and recognizing the impact of semi-structured interviews on research respondents. *Education Sciences*, 10(8), 206. <https://doi.org/10.3390/educsci10080206>
- Jain, V. I. P. I. N., Malviya, B. I. N. D. O. O., & Arya, S. A. T. Y. E. N. D. R. A. (2021). An overview of electronic commerce (e-Commerce). *Journal of Contemporary Issues in Business and Government*, 27(3), 665-670.
- James, N. K., & David, M. A. (2014). The magnitude of barriers facing e-commerce businesses in Kenya. *Journal of Internet and Information Systems*, 4(1), 12-27. <https://doi.org/10.5897/JIIS2013.0074>
- Janssens, G. (2011). Electronic data interchange: from its birth to its new role in logistics information systems. *International Journal of Information Technology and Systems*, 3, 45-56.
- Janssens, M., Maddux, W. W., & Nguyen, T. (2019). Globalization: Current issues and future research directions. *Negotiation and Conflict Management Research*, 12(2), 174-185. <https://psycnet.apa.org/doi/10.1111/ncmr.12149>

Jusuf, D. I. (2023). Optimizing SEO (Search Engine Optimizing) Strategy to Increase Visibility and Achievement of Marketing Goals. *Lead Journal of Economy and Administration*, 2(2), 98-103. <https://doi.org/10.56403/lejea.v2i2.150>

Kayikci, Y. (2019). E-Commerce in logistics and supply chain management. In *Advanced Methodologies and Technologies in Business Operations and Management* (pp. 1015-1026). IGI Global. <http://dx.doi.org/10.4018/978-1-5225-7362-3.ch076>

Klein, V. B., & Todesco, J. L. (2021). COVID-19 crisis and SMEs responses: *The role of digital transformation*. *Knowledge and process management*, 28(2), 117-133. <https://doi.org/10.1002/kpm.1660>

Kleinheksel, A. J., Rockich-Winston, N., Tawfik, H., & Wyatt, T. R. (2020). Demystifying content analysis. *American journal of pharmaceutical education*, 84(1), 7113. <https://doi.org/10.5688/ajpe7113>

Kumar, V., & Singh, R. (2019). A STUDY ON UNDERSTANDING AND IDENTIFYING THE CHALLENGES FACED BY INDIAN E-COMMERCE INDUSTRY. *Advance and Innovative Research*, 76. <https://doi.org/10.1016/j.susoc.2023.08.005>

Laudon, K. C., & Traver, C. G. (2020). *E-commerce 2019: Business, technology, society*. Pearson.

Lawrence, J. E., & Tar, U. A. (2010). Barriers to e-commerce in developing countries. *Information, society and justice journal*, 3(1), 23-35. <https://repository.londonmet.ac.uk/id/eprint/88>

Leavy, P. (2022). Research design: Quantitative, qualitative, mixed methods, arts-based, and community-based participatory research approaches. Guilford Publications. <https://doi.org/10.1111/fcsr.12276>

Lm, K. (2021). Analysis of e-commerce risk typologies. *In Colloquium-journal* (No. 10 (97), pp. 23-29).

Lund, T. (2012). Combining qualitative and quantitative approaches: Some arguments for mixed methods research. *Scandinavian journal of educational research*, 56(2), 155-165. <https://doi.org/10.1080/00313831.2011.568674>

Lv, J., Wang, Z., Huang, Y., Wang, T., & Wang, Y. (2020). How can e-commerce businesses implement discount strategies through social media?. *Sustainability*, 12(18), 7459. <https://doi.org/10.3390/su12187459>

Makokha, T., Asenahabi, B., & Makokha, A. (2021). Electronic Commerce: The Evolution and State in Kenya.

Makrydakis, N. S., & Skopeteas, L. (2022). Analyzing E-shop onsite optimization factors in the context of E-commerce search engine optimization. *Int J Res Marketing Manage Sales*, 4(2), 40-47. <https://doi.org/10.33545/26633329.2022.v4.i2a.111>

Malik, S., & Raheja, K. (2018). E-Commerce: Emerging Internet Technologies And Technological Innovation In The Business World. *New Trends in Business Management*, 88.

Mazzarol, T. (2015). SMEs engagement with e-commerce, e-business and e-marketing. *Small enterprise research*, 22(1), 79-90.
<https://doi.org/10.1080/13215906.2015.1018400>

McKee, S., Sands, S., Pallant, J. I., & Cohen, J. (2023). The evolving direct-to-consumer retail model: A review and research agenda. *International Journal of Consumer Studies*, 47(6), 2816-2842. <https://doi.org/10.1111/ijcs.12972>

Mikassi, L. (2022). Effect of Digital Marketing Strategies on Business Growth in the Manufacturing Sector in Kenya: A Case of Selected Fast-Moving Consumer Goods Companies in Nairobi County (Doctoral dissertation, Daystar University School of Business and Economics).

Mohajan, H. K. (2020). Quantitative research: A successful investigation in natural and social sciences. *Journal of Economic Development, Environment and People*, 9(4), 50-79. <https://doi.org/10.26458/jedep.v9i4.679>

Mohan, L. M. (2020). A Detailed Study on impact of SEO on business performance of e-commerce websites. *PalArch's Journal of Archaeology of Egypt/Egyptology*, 17(9), 5753-5759.

Mohdhar, A., & Shaalan, K. (2021). The future of e-commerce systems: 2030 and beyond. *Recent Advances in Technology Acceptance Models and Theories*, 311-330. https://doi.org/10.1007/978-3-030-64987-6_18

Moriset, B. (2018). e-Business and e-Commerce.

Mumford, M. D., Higgs, C., & Gujar, Y. (2021). Ethics in coercive environments: Ensuring voluntary participation in research. <https://psycnet.apa.org/doi/10.1037/0000258-008>

Mutua, J., Oteyo, I. N., & Njeru, A. W. (2013). The extent of e-commerce adoption among small and medium enterprises in Nairobi, Kenya. *International Journal of Business and Social Science*, 4(9).

Mwencha, P. M. 2016 *E-Commerce Sub-Sector Assessment Report for Kenya*. Nairobi: Working Paper 08. <https://dx.doi.org/10.13140/RG.2.2.15321.83049>

Mweshi, G. K., & Sakyi, K. (2020). Application of sampling methods for the research design. *Archives of Business Review*–Vol, 8(11). <https://doi.org/10.14738/abr.811.9042>

Nair, K. S. (2017). Impact of e-commerce on global business and opportunities-A Conceptual Study. *International Journal of Advanced Engineering and Management Research*, 2(2), 324-336.

Naradda Gamage, S. K., Ekanayake, E. M. S., Abeyrathne, G. A. K. N. J., Prasanna, R. P. I. R., Jayasundara, J. M. S. B., & Rajapakshe, P. S. K. (2020). A review of global

challenges and survival strategies of small and medium enterprises (SMEs). *Economies*, 8(4), 79. <https://doi.org/10.3390/economies8040079>

O'Sullivan, L., Feeney, L., Crowley, R. K., Sukumar, P., McAuliffe, E., & Doran, P. (2021). An evaluation of the process of informed consent: views from research participants and staff. *Trials*, 22, 1-15. <https://doi.org/10.1186/s13063-021-05493-1>

Odden, L. (2012). *Optimize: How to attract and engage more customers by integrating SEO, social media, and content marketing*. John Wiley & Sons.

Odoom, R., Anning-Dorson, T., & Acheampong, G. (2017). Antecedents of social media usage and performance benefits in small-and medium-sized enterprises (SMEs). *Journal of enterprise information management*, 30(3), 383-399.

Okadapau, M. O. (2016). *Analysis of State of Electronic Commerce. Adoption and Influencing Factors among Small and Medium Enterprises in Kenya* (Doctoral dissertation, University of Nairobi).

Pawar, S. A., & Palivela, H. (2023). Importance of least cybersecurity controls for Small and Medium Enterprises (SMEs) for better global Digitalised economy. In *Smart Analytics, Artificial Intelligence and Sustainable Performance Management in a Global Digitalised Economy* (pp. 21-53). Emerald Publishing Limited.

- Pereira, L., Tovstolyak, Y., Costa, R. L. D., Dias, Á., & Gonçalves, R. (2023). Internationalisation business strategy via e-commerce. *International Journal of Business and Systems Research*, 17(2), 225-250. <https://doi.org/10.1504/IJBSR.2023.129201>
- Priansa, D. J., & Suryawardani, B. (2020). Effects of E-marketing and digital marketing on E-commerce shopping decisions. *Journal Management Indonesia*, 20(1), 76-82. <https://doi.org/10.25124/jmi.v20i1.2800>
- Puspasari, M. A., Sari, T., Pratama, F. S., & Fadillah, M. F. (2019). User Experience Evaluation on Use of Cosmetic Business To Consumer (B2C) E-Commerce Sites. *Journal of Engineering and Management in Industrial System*, 7(2), 69-76. <https://doi.org/10.21776/ub.jemis.2019.007.02.2>
- Qi, X., Chan, J. H., Hu, J., & Li, Y. (2020). Motivations for selecting cross-border e-commerce as a foreign market entry mode. *Industrial Marketing Management*, 89, 50-60. <https://doi.org/10.1016/j.indmarman.2020.01.009>
- Quinton, S., & Khan, M. A. (2009). Generating web site traffic: a new model for SMEs. *Direct Marketing: An International Journal*, 3(2), 109-123.
- Rahman, S. S., & Dekkati, S. (2022). Revolutionizing Commerce: The Dynamics and Future of E-Commerce Web Applications. *Asian Journal of Applied Science and Engineering*, 11(1), 65-73. <https://doi.org/10.18034/ajase.v11i1.58>
- Raji, M. A., Olodo, H. B., Oke, T. T., Addy, W. A., Ofodile, O. C., & Oyewole, A. T. (2024). The digital transformation of SMES: a comparative review between the USA and

Africa. *International Journal of Management & Entrepreneurship Research*, 6(3), 737-751. <https://doi.org/10.51594/ijmer.v6i3.884>

Rautela, D. (2018). Characteristics of successful online marketing strategies in small and medium sized enterprises: A multiple case study (Master's thesis).

Rofi'i, Y. U. (2023). Analysis of E-Commerce Purchase Patterns Using Big Data: An Integrative Approach to Understanding Consumer Behavior. *International Journal Software Engineering and Computer Science (IJSECS)*, 3(3), 352-364. <https://doi.org/10.35870/ijsecs.v3i3.1840>

Savrul, M., Incekara, A., & Sener, S. (2014). The potential of e-commerce for SMEs in a globalizing business environment. *Procedia-Social and Behavioral Sciences*, 150, 35-45. <https://doi.org/10.1016/j.sbspro.2014.09.005>

Schniederjans, M. J., Cao, Q., & Triche, J. H. (2013). *E-commerce operations management*. World Scientific Publishing Company. <https://doi.org/10.1142/8850>

Shaikh, A. A., Patel, A. N., Shaikh, M. Z., & Chavan, C. R. (2021). SLRA: Challenges faced by SMEs in the adoption of E-commerce and sustainability in Industry 4.0. *Acta Universitatis Bohemiae Meridionales*, 24(3). <https://dx.doi.org/10.32725/acta.2021.010>

Shankar, V. (2022). Business-to-business (B2B) e-commerce. In *Handbook of Business-To-Business Marketing* (pp. 562-578). Edward Elgar Publishing. <https://doi.org/10.4337/9781800376878.00041>

Shi, S. W., & Chen, M. (2015). Would you snap up the deal?: a study of consumer behaviour under flash sales. *International Journal of Market Research*, 57(6), 931-957. <https://doi.org/10.2501/IJMR-2015-072>

Sikder, A. S., & Rolfe, S. (2023). The Power of E-Commerce in the Global Trade Industry: A Realistic Approach to Expedite Virtual Market Place and Online Shopping from anywhere in the World.: E-Commerce in the Global Trade Industry. *International Journal of Imminent Science & Technology*, 1(1), 79-100.

Singh, M., & Singh, G. (2018). Impact of social media on e-commerce. *International Journal of Engineering & Technology*, 7(2.30), 21-26. <https://doi.org/10.14419/ijet.v7i2.30.13457>

Sridhar, S. (2017). E-commerce technology made easy. *International Journal of Innovative Technology and Research*, 5(3), 6183-6198.

Sumner, A., & Yuan, X. (2019, April). Mitigating phishing attacks: an overview. In *Proceedings of the 2019 ACM Southeast Conference* (pp. 72-77). <https://doi.org/10.1145/3299815.3314437>

Syed Abdullah, N., Sadiq, S., & Indulska, M. (2010). Emerging challenges in information systems research for regulatory compliance management. In *Advanced Information Systems Engineering: 22nd International Conference, CAiSE 2010, Hammamet, Tunisia, June 7-9, 2010. Proceedings 22* (pp. 251-265). Springer Berlin Heidelberg. https://dx.doi.org/10.1007/978-3-642-13094-6_21

- Taher, G. (2021). E-commerce: advantages and limitations. *International Journal of Academic Research in Accounting Finance and Management Sciences*, 11(1), 153-165. <http://dx.doi.org/10.6007/IJARAFMS/v11-i1/8987>
- Tahir, M., Enam, R. N., & Mustafa, S. M. N. (2021, November). E-commerce platform based on Machine Learning Recommendation System. In 2021 6th International Multi-Topic ICT Conference (IMTIC) (pp. 1-4). IEEE. <https://doi.org/10.1109/IMTIC53841.2021.9719822>
- Talib, A. M., & Alomary, F. O. (2016, March). Cloud computing based E-Commerce as a service model: impacts and recommendations. In *Proceedings of the International Conference on Internet of things and Cloud Computing* (pp. 1-7). <https://doi.org/10.1145/2896387.2896412>
- Thelwall, M., & Nevill, T. (2021). Is research with qualitative data more prevalent and impactful now? Interviews, case studies, focus groups and ethnographies. *Library & Information Science Research*, 43(2), 101094. <https://doi.org/10.1016/j.lisr.2021.101094>
- Tiren, E. C. (2022). SMALL, MEDIUM AND MICRO ENTERPRISES'GROWTH UNDER THE DEVOLVED SYSTEM OF GOVERNMENT IN KENYA (Doctoral dissertation, University of the Witwatersrand).
- Tovstolyak, Y. (2020). Internationalization strategies of the companies via e-commerce (Master's thesis). <https://doi.org/10.1504/IJBSR.2023.129201>

Wang, O., Somogyi, S., & Charlebois, S. (2020). Food choice in the e-commerce era: a comparison between business-to-consumer (B2C), online-to-offline (O2O) and new retail. *British Food Journal*, 122(4), 1215-1237. <https://doi.org/10.1108/BFJ-09-2019-0682>

Wester, K. L., Deaton, J. D., & Jayamohan, H. (2023). Ethics in Research. Reimagining Research: Engaging Data, Research, and Program Evaluation in Social Justice Counseling, 45.

Wirtz, B. W., & Wirtz. (2021). Digital business and electronic commerce. Cham: Springer International Publishing.

Xiao, D., Kuang, X., & Chen, K. (2020). E-commerce supply chain decisions under platform digital empowerment-induced demand. *Computers & Industrial Engineering*, 150, 106876. <https://doi.org/10.1016/j.cie.2020.106876>

Xiao, L. (2023). Research on Supply Chain Management Models from the Perspective of Cross Border E-commerce. *Industrial Engineering and Innovation Management*, 6(6), 54-59. <https://dx.doi.org/10.23977/ieim.2023.060608>

Yan, Z., Lu, X., Chen, Y., & Wang, K. (2023). Institutional distance, internationalization speed and cross-border e-commerce platform utilization. *Management Decision*, 61(1), 176-200. <https://doi.org/10.1108/MD-09-2021-1172>

Yuan, C. H., Wu, C. H., Wang, D., Yao, S., & Feng, Y. (2021). Review of consumer-to-consumer E-commerce research collaboration. *Journal of Organizational and End User Computing (JOEUC)*, 33(4), 167-184. <http://dx.doi.org/10.4018/JOEUC.20210701.oa8>

Appendices

Appendix 1: Survey Questionnaire

Instructions: Please answer the following questions to the best of your ability. Your responses will be kept confidential and used solely for research purposes.

Section A: Demographic Information

Gender:

Male

Female

Age:

20-30

31-40

41-50

51 and above

Industry:

Retail

Manufacturing

Services

Agriculture

Technology

Others (please specify): _____

Section B: Use of Digital Marketing Tools

Which of the following digital marketing tools do you use? (Select all that apply)

Social Media

SEO (Search Engine Optimization)

Email Marketing

Content Marketing

Pay-Per-Click (PPC)

Influencer Marketing

Section C: Challenges in Internationalizing E-commerce

What challenges have you faced in internationalizing your e-commerce activities?
(Select all that apply)

Cybersecurity Threats

Limited Digital Infrastructure

Regulatory Compliance

High Costs

Logistical Challenges

Section D: Opportunities in Internationalizing E-commerce

What opportunities have you identified in internationalizing your e-commerce activities? (Select all that apply)

Access to Global Markets

Cost Efficiency

Innovation

Direct Customer Interaction

Diversification

Section E: Impact of Digital Marketing

How has digital marketing impacted your business? (Select all that apply)

Increased Sales

Enhanced Brand Visibility

Improved Customer Engagement

Cost Savings

Section F: Performance Metrics

Please indicate the percentage increase in the following areas since implementing digital marketing strategies:

Increase in Sales: ____%

Improvement in Brand Visibility: ____%

Increase in Customer Engagement: ____%

Cost Savings: ____%

Appendix 2: Interview Guide

Thank you for agreeing to participate in this interview. The purpose of this interview is to gain deeper understanding into your experiences with digital marketing and its role in the internationalization of your e-commerce activities. Your responses will remain confidential and will be used for research purposes only.

Interview Questions

1. Can you describe how you use digital marketing in your business?
2. What specific digital marketing tools do you find most effective, and why?
3. What challenges have you encountered in using digital marketing to reach international markets?
4. How have you addressed these challenges?
5. Can you share any success stories or positive outcomes from your digital marketing efforts?
6. How has digital marketing impacted your sales, brand visibility, and customer engagement?
7. What advice would you give to other SMEs looking to use digital marketing for internationalization?