

**Effect of digital marketing on the
business performance of MSMEs
during the COVID-19 pandemic:
the mediating role of customer
relationship management**

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Title of the article

- Effect of digital marketing on the business performance of MSMEs(Micro, Small & Medium Enterprises) during the COVID-19 pandemic: the mediating role of customer relationship management

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Keywords

- Marketing, Customer relationship management, Business Performance.

The present research aimed

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graph TD; A[The present research aimed] --> B[To answer the question that what has been the effect of digital marketing on the business performance of MSMEs in Tehran (Iran) during the Covid-19]; B --> C[Determine the effectiveness of using CRM];
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To answer the question that what has been the effect of digital marketing on the business performance of MSMEs in Tehran (Iran) during the Covid-19

Determine the effectiveness of using CRM

The article consists of several parts

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graph TD; A[The article consists of several parts] --> B[Abstract]; A --> C[Introduction]; A --> D[Theoretical foundations]; A --> E[Analysis of results]; A --> F[Discussion and conclusion];
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Abstract

Introduction

Theoretical
foundations

Analysis of
results

Discussion
and
conclusion

The introduction raises the topic of the impact of covid-19 on the global economy. Going through such a crisis, companies need to adopt new approaches, methods and practical solutions to cope with uncertainties, stay one step ahead of the crisis and remain prepared for the challenges ahead. Digital marketing can be one of these methods. Today, most companies recognize the benefits of implementing technologically advanced digital solutions to support those operations that require up-to-date and timely information. Indeed, digital technologies have changed the way people live and the operational activities of enterprises, especially in the field of communication and information exchange; a transformation that has also led to increased competition. Online technologies and digital applications are now widely regarded as the most effective means of establishing closer relationships with customers.

Theoretical foundations

Digital marketing

Customer relationship management

Business performance of MSMEs

The relationship between digital marketing and business performance of MSMEs

The mediating role of CRM

The theoretical part talks about the types of digital marketing

1) Website marketing: websites can be used to showcase the professionalism of the business, help consumers to know the business, save on advertising costs, and offer a medium for easy commercial interactions.

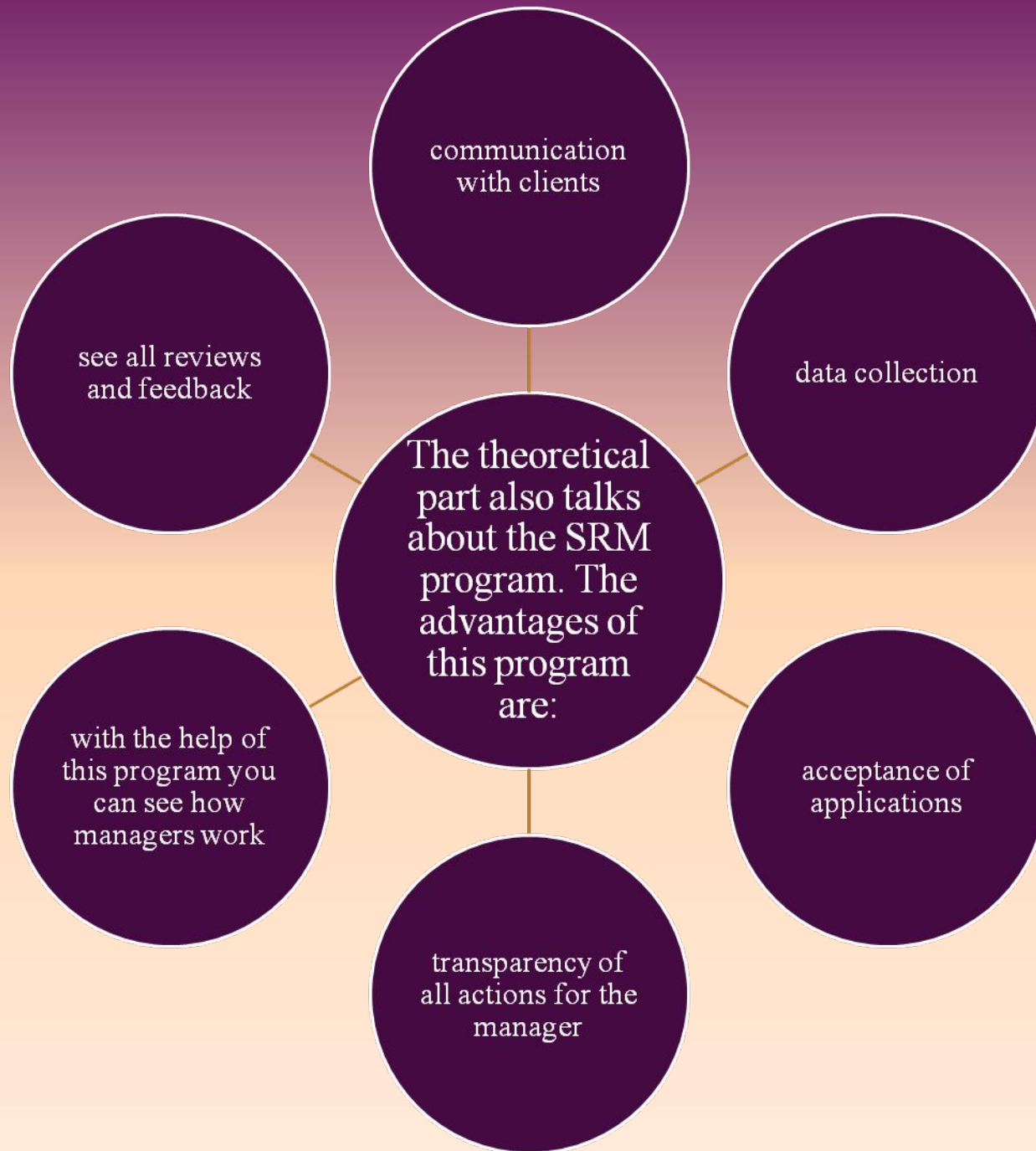
2) Search engine marketing: this refers to the measures a business takes to make itself easier to find in search engines. Search engine marketing is closely associated with another concept called Search Engine Optimization (SEO).

3) Social Media Marketing: social media platforms like Instagram, Facebook, and Twitter can be used as a cheap or even free medium for marketing and improving the image of the company.

4) Online advertising: this refers to paid advertising on the Internet for faster and better consumer acquisition, but could be somewhat more expensive than the previous types (Pagani et al., 2019).

5) E-mail marketing: in this method, a business informs potential customers about its latest products, services, or sales schemes via e-mail.

6) Video marketing: a company can use videos to explain and promote its business, products/services, provide instructions on how these products/services are used, and show customer reviews as a means of promotion (Giantari et al., 2022).



A questionnaire was used as a research method.

- The questionnaire consisted of three parts.
- The first part includes 6 questions, the second part 5 questions, the third part 6 questions.
- Each answer was evaluated on a five-point scale.
- The survey was conducted among marketing managers.
- 440 questionnaires were distributed, of which 257 were fully filled out.

To conclude, the investigations of this study in relation to the effect of digital marketing programs such as online advertising, affiliate marketing, email marketing, and social media marketing on business performance showed the impact of digital marketing efforts on the business performance of MSMEs in Tehran during the COVID-19 pandemic, as digital technologies have enabled businesses to remotely interact with their customers. It was also found that the said impact has been strengthened by customer relationships management.

The results also showed the significant positive impact of CRM on business performance during the COVID-19 pandemic, which is also consistent with previous findings (Shahbaz et al., 2020; Suoniemi et al., 2021; Dalla Pozza et al., 2018). Furthermore, CRM was found to mediate the relationship between digital marketing and business performance during the COVID-19 pandemic.

By the same token, digital marketing capability has a positive effect on the success of a business in a market warped by the pandemic crisis and its consequent limitations, which completely disrupt many non-digital business operations. With digital marketing, some businesses can even use such a crisis as an opportunity to promote their products/services. The results of this study also showed the significant positive effect of digital marketing on CRM during the COVID-19 pandemic, which is consistent with previous findings

We agree with the author's conclusions. since digital marketing provides great advantages for business promotion. It also makes it possible to analyze the customer base, launch paid and free advertising in social networks, quickly find the right product through a search engine. The pandemic has become one of the reasons for the development of digital marketing.

What is Research?

Research is the careful consideration of study regarding a particular concern or problem using scientific methods. According to the American sociologist Earl Robert Babbie, “research is a systematic inquiry to describe, explain, predict, and control the observed phenomenon. It involves inductive and deductive methods.”

Inductive methods analyze an observed event, while deductive methods verify the observed event. Inductive approaches are associated with qualitative research, and deductive methods are more commonly associated with quantitative analysis.

What is a purpose of research?

There are three main purposes:

Exploratory: As the name suggests, researchers conduct exploratory studies to explore a group of questions. The answers and analytics may not offer a conclusion to the perceived problem. It is undertaken to handle new problem areas that haven't been explored before. This exploratory process lays the foundation for more conclusive data collection and analysis.

Descriptive: It focuses on expanding knowledge on current issues through a process of data collection. Descriptive research describe the behavior of a sample population. Only one variable is required to conduct the study. The three primary purposes of descriptive studies are describing, explaining, and validating the findings. For example, a study conducted to know if top-level management leaders in the 21st century possess the moral right to receive a considerable sum of money from the company profit.

Explanatory: Causal or explanatory research is conducted to understand the impact of specific changes in existing standard procedures. Running experiments is the most popular form. For example, a study that is conducted to understand the effect of rebranding on customer loyalty.

Characteristics of a good research.

- Good research follows a systematic approach to capture accurate data. Researchers need to practice ethics and a code of conduct while making observations or drawing conclusions.
- The analysis is based on logical reasoning and involves both inductive and deductive methods.
- Real-time data and knowledge is derived from actual observations in natural settings.
- There is an in-depth analysis of all data collected so that there are no anomalies associated with it.
- It creates a path for generating new questions. Existing data helps create more research opportunities.
- It is analytical and uses all the available data so that there is no ambiguity in inference.
- Accuracy is one of the most critical aspects of research. The information must be accurate and correct. For example, laboratories provide a controlled environment to collect data. Accuracy is measured in the instruments used, the calibrations of instruments or tools, and the experiment's final result.

Types of research

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graph TD; A[Types of research] --> B[Qualitative]; A --> C[Quantitative];
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Qualitative is a method that collects data using conversational methods, usually open-ended questions. The responses collected are essentially non-numerical. This method helps a researcher understand what participants think and why they think in a particular way.

Quantitative methods deal with numbers and measurable forms. It uses a systematic way of investigating events or data. It answers questions to justify relationships with measurable variables to either explain, predict, or control a phenomenon.