Digital marketing in small enterprises in a countryside city

Marketing digital em pequenas empresas em uma cidade rural

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Abstract

Digital marketing is a change in the corporate environment that has brought new dynamics, challenges, techniques, and tools for companies. Among these changes, many organizations seek to adapt marketing strategies and techniques to new digital platforms. While there are studies indicating how large companies behave in the face of these changes, not much is known about smaller companies, which have different dynamics. Thus, this research aims to analyze how these smaller companies perceive and act in the digital space through marketing. To achieve this goal, a mixed-method study was conducted, with a qualitative study in the first phase, and a quantitative study with managers of companies in the second phase. The

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results demonstrate that changes in digital marketing strategy demand adaptations and investments to bring about changes. Additionally, after the strategy change, it is necessary to monitor and align it with marketing strategies in other areas and platforms. The questionnaire results with managers of micro and small businesses showed that these companies prefer to allocate their own resources for marketing, focusing on a few platforms and intending to expand their digital presence also with their own resources.


**Resumo**

O marketing digital é uma mudança no ambiente corporativo que trouxe novas dinâmicas, problemas, técnicas e ferramentas para as empresas. Entre estas mudanças, várias organizações buscam adaptar estratégias e técnicas de marketing para novas plataformas digitais. Enquanto há estudos que indicam como empresas de grande porte se comportam frente à estas mudanças, não se conhece muito a respeito de empresas de menor porte, que apresentam dinâmicas diferentes. Assim, esta pesquisa busca analisar como estas empresas percebem e agem no espaço digital através do marketing. Para alcançar esse objetivo, conduziu-se um estudo de método misto, sendo na primeira fase conduzido um estudo qualitativo, e na segunda fase um estudo quantitativo com gestores de empresas. Os resultados demonstram que as mudanças na estratégia de marketing digital demandam adaptações e investimentos para produzir mudanças, e que após a mudança de estratégia é necessário acompanhamento e alinhamento com estratégias de marketing em outras áreas e plataformas, além disso os resultados do questionário com gestores de micro e pequenas empresas demonstraram que as empresas preferem aplicar recursos próprios para o marketing com ênfase em poucas plataformas e com intenções de expansão da presença digital também com recursos próprios.


**Introduction**

The introduction of new information technologies has revolutionized the organizational landscape, bringing new dynamics to the reality of companies, resulting in new
opportunities and threats that are confronted with the adaptation of existing tools outside of these media. In special, it has been noted that digital marketing allows for more agility, flexibility and personalization, alongside a decrease in costs in marketing activities (Piccini, Bichueti, Borba, Posser & Zonatto, 2023). Considering the assumptions of marketing as presented by Kotler and Armstrong (2003) and Kotler and Keller (2012), the tools and techniques developed by marketing have become increasingly essential for modern businesses, especially in the increasingly competitive environment.

In this sense, Pereira, Maia, Reis, Martins and Fornari (2018), Reis, Fornari, and Martins (2019), Andrade, Magalhães, Damascena and Soares (2023), Catessamo and Rua (2023) Piccini et al. (2023) and Galante, Pakes and Rocha (2023) among other researchers, have sought to investigate how marketing tools function in these new platforms that have developed in recent years. However, while there have been studies investigating the effects of marketing in larger companies, other authors such as Souza, Siqueira, and Reinhard (2017), Mendonça, Ruzzão, Santons and Azadinho (2017), and Reis, Querino, Ribeiro and Gomes (2019) advocate for more research in micro and small-sized companies, which have a different dynamic from larger ones. Considering the above, this research aims to investigate how micro and small-sized companies perceive and understand marketing strategies in this context, as well as the implementation and practices of marketing on digital platforms adopted by these companies.

By drawing on these studies, we propose to answer the following research question: How do micro and small-sized companies perceive, use, and plan marketing on digital platforms? The main objective of the research is to understand how companies perceive and utilize digital marketing strategies and techniques. The specific objectives are: To identify how companies deal with digital platforms; To analyze which digital platforms are most used; To investigate the intention of expanding digital presence; To observe which types of resources will be employed for this expansion.

After this first section with a brief introduction, the following section presents the theoretical framework followed by previous studies, the third section presents methodological choices, the fourth section the main results of this study, and the fifth section the final considerations.
Theoretical Framework

Marketing is indispensable for any modern company, especially due to the multitude of products and services available, which often compete for a place in customers' minds. Kotler and Keller (2012) define the marketing effort for current companies as both an art and science to select, capture and retain customers while also build customer loyalty by creating, delivering and communicate value to them. Based on their definition, we understand that achieving success through marketing requires not only scientific knowledge but also an artistic approach. Also, we comprehend that achieving goals in marketing and its tools requires both scientific knowledge and practical, instinctive knowledge for decision-making that allows establishing long-term relationships with customers and potential customers.

Therefore, it is inferred that marketing strategies and practices cannot be used in the same way in all situations, even less so in all types of companies, and each situation and application of tools needs to adapt to its context. Marketing is a word derived from the term "market," which means the market. According to Kotler and Keller (2012), this market was defined as a physical space where commercial exchanges occurred, and in this conception, marketing strategies were focused on this physical space, aiming for more movement and physical sales. However, as argued by Silva (2012), this space takes on different contours with the insertion of the digital issue. This physical space now expands to also accommodate the digital market, which in some cases may be synonymous with the global market, while in others, it is a more local market, but in any case, it is a larger environment than the previous physical space.

This means that the tools and strategies used previously, as affirmed by Reis, Fornari, and Martins (2019), may not have all the effective effects to achieve the organization's intended objectives. This reality requires decision-makers to understand how market relationship’s function, the effects that the digital market has on the company's results, and how to use strategies in a way that they are optimized to achieve the intended objectives.

2.1 Marketing, Objectives and Strategies

Marketing is inseparably linked to the objectives and strategy of an organization. In fact, attempting to implement marketing tools and techniques without defining the intended objectives and how marketing fits into the organization's strategic planning can result in losses and significant setbacks. Barros (2010) asserts that implementing a marketing tool or
technique requires clear understanding for decision-makers of how the implementation and potential results enable the company to get closer to achieving its objectives. In case the results do not contribute to achieving the objectives, the tools and techniques should be reconsidered.

These objectives, according to Gomes and Reis (2016), are related to what the company sets as goals to be achieved within a certain timeframe and are usually associated with similar companies, which are then seen as competitors and potential threats to their achievement. As marketing is involved with the company's objectives, it must be integrated into the organization's strategic planning - the way the company selects and implements strategies, tactics, and actions to achieve its business goals. Enterprises should adopt a strategy for their actions, which is understood following Correa (2005) as a focus on analyses and processes characteristics of planning considering the competitive demands. Following this, strategy, objectives, plans, tactics and goals are part of how an enterprise responds the following question ‘With whom do we compete for success?’ (Correa, 2005).

Modern strategy, understood in these terms, consists of a continuous process of adaptation while maintaining essential points. Similarly, the implementation of marketing tools and techniques should allow flexibility to provide appropriate responses to future challenges, which cannot be fully predicted due to the high number of variables and conditions, in some cases requiring preparation for dozens or hundreds of potential situations. Santos et al. (2019) discusses the importance of marketing strategy being aligned with the global business strategy, and, like the latter, being attentive to the necessary adaptations during the process of environmental change that occurs constantly. The relationship between the global business strategy and marketing strategy, therefore, appears to have a reciprocal behavior: when one undergoes changes, the other will also require adaptations.

In addition to this, Okada and Souza (2011) argue that not only should marketing planning be integrated and included in the overall strategic planning, but also the Information Technology planning needs to be integrated since some marketing tools and techniques demand differentiated IT resources, and their absence can negatively impact marketing planning and, by extension considering the integration between them, the overall strategic planning. With what was exposed, we can understand that the lack of alignment between the implementation of the marketing strategy with the company's objectives and the overall strategic planning can lead to reduced benefits and even counterproductive outcomes.
2.2 Marketing, Communication and ICT

Communication in marketing studies can be understood as the way marketing seeks to transmit to its target audience what it intends, thus aiming to attract and garner the adherence of potential customers to the products the company offers. The use of marketing tools, according to Silva (2012), aims to convey superior value to the target audience it seeks to reach. Thus, if this transmission of superior value is done efficiently, the potential customer will have a positive judgment of the product or service and perceive that it has greater value for them than other products or services. This process is enabled through communication. Both Churchill and Peter (2012) and Kotler and Keller (2012) state that the customer does not necessarily decide to make a purchase at the moment they receive a marketing stimulus. This act of purchase is part of a set of marketing efforts that seek to communicate something to the potential customer.

This communication process is understood by Churchill and Peter (2012) to have some basic components of communication:

**Sender:** The company wants to communicate something about its product or itself.

**Receiver:** Current or potential customers.

**Channel:** Referring to the media used for message transmission.

Regarding these elements, the sender is the company itself and relates to the objectives and strategies discussed in the previous section. The receiver, referring to potential and current customers, is related to the company's business strategy and will be discussed in greater depth in the next section. Communication takes place through one or more channels, and these channels can act as transmitters of a single dimension, or as bidimensional channels or even as multidimensional channels. (Souza, Siqueira & Reinhard, 2017).

Unidimensional communication is the one that allows conveying information only from the sender to the receiver, and the feedback in this process is minimal, and marketing communication generally reflects only in purchase statistics. Bidimensional communication not only allows the transmission of information but also more accurate feedback, capturing satisfactions and dissatisfactions. It has been used in recent years to measure customer satisfaction regarding a purchase or the results of a marketing strategy. (Okada & Souza, 2011).

Multidimensional communication is the one that allows a more integrated interaction between the emitting source, in the corporate case, the company itself, and a range of consumers and potential consumers. These consumers not only express their satisfaction and
dissatisfaction but also become part of the product and service production and development process, bringing greater complexity to marketing professionals in a contemporary company. This last case of multidimensional channel has been explored, for example, in the context of digital tools known as Web 2.0 according to some authors or even Web 3.0, with the mobile revolution and the new modes of transactions through new technologies, including so-called digital banks. (Reis, Fornari & Martins, 2019).

Regardless of the name, what is noticed is a greater interaction and integration of consumers in the information process that goes from product conception to after-sales, meaning greater consumer participation in the routine of companies, especially those dealing with higher-value-added products and developing longer-term relationships with their customers. The channels are diverse, from analog media such as billboards, flyers, corporate newspapers, etc., to digital media, such as ads on Facebook, messages sent by email, WhatsApp, etc.

These last types of channels, digital media, fit into the broader context of Information and Communication Technologies, or ICTs. Souza, Siqueira, and Reinhard (2017) argue that these technologies allow access to information and knowledge for society as a whole, as well as enable the integration of organizations. They also affirm that the evolution of ICTs is a result of radical changes in data and information storage, acquisition, processing, and distribution methods. However, this phenomenon has also increased the dependence on the use of ICTs in the activities of various sectors, resulting in advantages and disadvantages.

Therefore, Souza, Siqueira, and Reinhard (2017) further argue that channels, media, products, and services have become increasingly dependent on ICTs, increasing the level of interconnections that become more fragmented, meaning more multiple and complex, demanding more knowledge from those responsible in companies. All of this makes the use of marketing itself a special challenge for those companies with limited resources, such as small and microenterprises.

2.3 Marketing and Target Audience

Being considered as the messenger of marketing communication, the target audience is the destination of every effort made in the implementation of marketing tools. This target audience is, of course, different for each organization, depending on the type of product and/or service offered, as well as the type of segment and region of operation. Moreover, the target audience represents not only the current customers of an organization but also potential
customers. The important thing is for the company to have defined the characteristics of the target audience to be reached so that its marketing efforts can be better directed and have a greater effect. In other words, the target audience is who the company wants to reach and can be delimited based on specific characteristics, such as gender, age range, household income, social groups they are members of, other buying habits, places they frequent, etc. (Gomes & Reis, 2016).

One of the most common objectives of marketing is to reach the target audience and transform them into customers of the organization. In other words, marketing efforts aim to convey communication capable of turning the target audience into consumers of their products and services, usually with the goal of establishing a long-term relationship that is beneficial considering the organization's objectives and strategic planning. The relationship between marketing and its customers and organization has become more complex, and the problems arise as companies and consumers develop communities where relationships become individualized despite many participating in the communication process as explained by Barros (2010).

This more complex and long-term relationship requires the organization to treat its customers more personally, leaving behind the old model that treated all customers as a single type in a general manner. This old relationship was done in a massified way, issuing a stimulus from the organization whose treatment of customers and potential customers was the same, and in some cases, there wasn't even a definition of a target audience, and they tried to reach anyone. (Corrêa, 2009). However, as explained by Souza, Siqueira, and Reinhard (2017), the increasing competitiveness, the pursuit of quality in service, and closeness to customers, as well as the rapid development of ICTs, led companies to develop strategies that allowed for an increasingly personalized relationship, taking into consideration the unique characteristics of each customer.

The idea of this type of relationship is not exactly new, and at least since the beginning of the millennium, the need to seek to understand each customer in a unique and personal way, with the understanding of their specific needs, has been one of the marketing objectives. (Kotler & Armstrong, 2003; Kotler & Keller, 2012; Churchill & Peter, 2012). Arnaud, Margini, Barros and Turdan (2016) explains that despite these concerns existing since the beginning of the millennium, it was with the rapid development and proliferation of ICTs that the implementation of this differentiated relationship and with a greater tendency towards personalization became possible. Companies, employing the resources available from ICTs, seek new solutions and ways to better communicate with, and understand the needs and desires
of their target audience. However, despite advances, new challenges and questions arise that are faced by companies and their marketing departments.

### 2.4 Micro and Small Enterprises

Smaller companies have significantly lower investment capabilities in terms of resources and human capital when compared to larger companies.

Souza, Siqueira, and Reinhard (2017) state that these differences also reflect in the options available to these companies when implementing strategies focused on the digital environment. The advantages offered by digital marketing are more explored by larger companies, which have access to more intensive campaigns and comprehensive consultancy. However, the development of technology has allowed smaller companies to have an increasing participation. Souza, Siqueira, and Reinhard (2017) also argue that besides these resource-related elements, there are also technical barriers that exist. Small and medium-sized companies, due to their limited investment capacity, may not have specialized professionals to implement a digital marketing strategy and may need to rely on their own knowledge for implementation. This can become a barrier to access digital marketing and even become a competitive advantage depending on the business environment and location.

Gomes and Reis (2016), for example, affirm that in many cases, smaller companies begin implementing their marketing strategy through free tools, and depending on the results and returns obtained, they may migrate to more advanced tools and even professional support. However, despite the free nature of the tools, the large number of competitors who also use them can nullify the advantage, which then remains concentrated in companies that have resources to invest. This is relevant because, as stated by Pereira et al. (2018), small and medium-sized enterprises are the numerical majority of businesses in Brazil. Inferencing that there is greater competition among these companies than between large companies and small companies, any advantage can make a difference in the longevity of these businesses.

Mendonça et al. (2017) assert that planning failures and lack of managerial skills are the main contributing factors to the high mortality rate of companies, and that more adequate planning could reduce this. Moreover, according to the authors, the main reason for the lack of greater investments is the alleged human and financial limitation. Andrade, Magalhães, Damascena and Soares (2023) investigated how marketing could be related to strategy and low costs, showing that some strategies were more accessible, as search marketing and social media content marketing. In another point of view, Catessamo and Rua (2023) show that
incremental innovations in marketing also has benefits and can foster change in small and middle enterprises.

Piccini et al. (2023) studied how digital marketing was implemented in a service business, and it is results showed the importance of proposing digital marketing activities in the broad context of new strategies and planning. The authors state the necessity to delineate objectives and actions, which can enhance results. In another study, Galante, Pakes and Rocha (2023) showed that the application of digital market strategies is fundamental for increasing the results from marketing actions. Also, they investigate the use of social media as a way to achieve a closer relationship with consumers.

Additionally, a study conducted by Reis, Ribeiro, Querino and Gomes (2019) shows that from 2008 to 2012, the opening of businesses classified as Microentrepreneurs and Small-sized Enterprises represents the vast majority of businesses. Data from 2012 reveals that the two types of companies account for more than 96% of the total number of businesses opened, showing an increase since 2008, especially for Microentrepreneurs, which, in the latter year of the data, accounted for over 63% of the total businesses opened.

The growth in the opening of smaller companies, along with their peculiar characteristics in terms of human capital and financial resources, demands specific features in the marketing strategy tailored for them.

Methodology

The present study was conducted following a mix method approach, being a qualitative-quantitative study. This choice is interesting to understand how digital marketing is used as it allows researchers to gain a more comprehensive and holistic understanding of complex phenomena, combining both qualitative and quantitative to leverage benefits and compensate limitations. This is useful regarding business phenomena, given its complexity and multifaceted characteristics.

Before the phases of data collection, bibliography review was conducted, as is common in all kinds of empiric research (Gil, 2017), about the themes of marketing, digital marketing and strategies in small enterprises. Then, at first, a qualitative case study was conducted with a service provider company. The case study is a method in which one or several cases are chosen to analyze data to investigate interactions and elements that affect the studied phenomenon (Yin, 2014). Primary sources were used for data collection through documentary research and observations. Afterwards, data was organized for facilitating the
understanding of the observed phenomenon in light of the obtained data, enabling an analysis of the corpus (Yin, 2014). To analyze the data, they were organized and, after the organization, analyzed based on the conducted literature review (Lakatos & Marconi, 2010).

The company in which the case study was conducted, name here as Enterprise M, is a medical services provider. Its product is health care plans, to which the company sells to employees of other companies or individuality, whilst the first is its main commercial focus. At the time of study, the company had seven direct employees and several indirect collaborators. It operates in the city of Passos, a middle-sized city in Minas Gerais, and the surrounding area. The study was carried out to verify how changes in communication strategies with the target audience affect performance indicators on social media for this company during the years of 2017 and 2020, as during this time specific digital marketing strategies were developed by the company.

Then, based on the first phase of data collection, a survey was elaborated to broaden our understanding on how digital marketing strategies are employed in similar small enterprises. This involved another phase of primary data collection (Lakatos & Marconi, 2017). The survey was made available to small enterprises owners using a convenience and non-probabilistic sampling, considering the exploratory nature of the work (Vergara, 2012). After data collection, descriptive statistics were used to treat and present the data in tables, as described in the results and discussions section. Approximately 135 responses were obtained after sending out the questionnaires. After discarding incomplete ones, a total of 129 valid questionnaires were considered.

Main Results

To better present our findings, first the case study is present in brief, before the survey results are discussed.

4.1 Case Study Findings

Enterprise M has conducted its economic objectives since the decade of 1990, and while its digital presence was not intense during the years of 2010, it had enrolled in digital platforms since 2013. Changes during that year included the recruitment of a new collaborator to give ICT technical support, whilst not focused in marketing activities.
This changed during 2017. The company’s directors accompanying the tendency of its industry sought a professional to better plan and occupy digital presence. Alongside the cited year, Company M. opted to outsource to bring skilled marketing professionals, and hired a consultancy in marketing, which included implementation of a digital marketing strategy.

During 2017, Company M. implemented the first actions with a clear and defined overall marketing strategy, and saw a significant increase in its interaction and communication impressions. This was not without investments, although a conversative approach was taken, as Company M put around 0.89% of its annual gross income into the new marketing effort.

The digital strategy implemented focused both in the city Company M is located as well as two others in a radius of fifty kilometers of distance. During this year, the company saw its audience reach to 76,494 people in the entire year, while audiences outside this focus point was only of 3,633, which corresponds roughly to 4,749%. This indicator is important, for in previous years there was more than half of its communication on digital platforms that reached people who could not buy its services due to distance.

Also in relation to interactions with posts, histories and the digital pages, Company M saw around 55.2% increase. This represents a remarkable growth, aligned with a focused audience, which helped to better the company brand positioning in the region. Despite not being directly attributed to its change in digital marketing strategy, Company M had an increase in 8.4% in its annual revenue.

It is also interesting to note that the number of stories created by individuals is 1.389, indicating that some people created more than one story. Finally, the company’s reach on social media and the traffic on the website increased significantly its activity, allowing, and its data was extracted to better direct and organize strategic actions in the following years.

This trend continued both in the years of 2018 and 2019, being interrupted only in the years of pandemic COVID-19, which obliged the directors and its strategic support to change strategy once again. During 2019, last year following the overall marketing strategy, the weekly interactions reached a rate of organic interactions ranging from fifty to sixty into the segmented public of interest.

Also, the digital pages of Company M surpassed in thousands their number of followers, which helped to decrease costs in advertising, which were redirected to implement other strategies as developing videos and offline advertise campaigns.

While a direct measure of its result cannot be correctly assessed due to revenue being affected by various factors, it is of note that the annual gross income increased 54.87% from 2017 and 2020. This led to further investments in marketing, which left the 0.89% in the first
year to 2.34%, allowing for more complex actions in marketing, and an increase in digital presence.

This case study investigated the main changes in the use of marketing and its digital strategies in a medical services provider. It explored how digital social networks impact current businesses, and increasingly, those organizations that had some resistance to entering the interconnected market have embraced ICTs (Information and Communication Technologies).

The researched company adopted new strategies throughout the period, experiencing a considerable increase in its interactions with users and bettering of its communication channels. The flow of access both on the social media pages and the website has shown growth for the immediate future, which is a positive indicator. The company has also been successful in transforming the produced content into something relevant to users, as each publication has generated one or more stories among its receivers. Besides its result in communication and marketing, there was also an effect, although not measurable, in income, as Company M observed that there was an increase in revenue during the period, which may not necessarily be directly linked to the new digital marketing strategies adopted by the company, but certainly brings reflections on the impacts caused by them.

After this results, it was developed a survey to better understand how other small companies dealt with their digital presence and how they expected to invest or not in digital market in near future.

### 4.2 Survey Findings

In this section, we present the findings after conducting the survey, firstly presenting findings related to the current usage of digital platforms and current digital presence.

<table>
<thead>
<tr>
<th>Company size</th>
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</tr>
</thead>
<tbody>
<tr>
<td>Micro-sized company</td>
<td>64.34%</td>
</tr>
<tr>
<td>Small-sized company</td>
<td>35.66%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Company has digital presence?</th>
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</thead>
<tbody>
<tr>
<td>Yes</td>
<td>84.5%</td>
</tr>
<tr>
<td>No</td>
<td>15.5%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>How is digital presence managed?</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Own company (internal employees, owner)</td>
<td>80.63%</td>
</tr>
<tr>
<td>Service provider company (outsourced)</td>
<td>3.87%</td>
</tr>
<tr>
<td>Platforms are not in use</td>
<td>3.87%</td>
</tr>
<tr>
<td>Outsourced professional</td>
<td>5.43%</td>
</tr>
<tr>
<td>No response</td>
<td>6.2%</td>
</tr>
</tbody>
</table>
Does the company intend to expand its digital presence in the near 5 years into the future?

<p>| | |</p>
<table>
<thead>
<tr>
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<tbody>
<tr>
<td>Yes</td>
<td>80.62%</td>
</tr>
<tr>
<td>No</td>
<td>19.38%</td>
</tr>
</tbody>
</table>

Table 1 – Digital presence and Company size
Source: research data (2023)

The vast majority of companies that participated in the research opted to use their own personnel to manage their digital presence, being 80.63% of all participants, while less than 10% utilize a professional outside the company for support. This is surprising, as research indicates that many small owners may not have the technical skills appropriate to manage digital presence. It is possible to infer from this data that some companies may not be satisfied with their digital presence.

To some extent, this result aligns with what was observed in the theoretical framework, namely, that most smaller companies lack resources for investments. However, it still indicates that companies do not perceive digital marketing as a high priority for investment. Instead, they prefer to rely on in-house solutions rather than hiring specialized assistance.

This may be further supported by the fact that 80.62% of the companies intend to invest in digital presence in the near future. This infer that those companies value digital presence, but maybe not equipped to explore all its possibilities. Although not a majority of answers, it is interesting that 19.38% does not see it as a priority, or at least are satisfied with the current digital presence.
If the company does not have digital presence, which alternative is closer to the reason why the company does not invest in digital presence?

<table>
<thead>
<tr>
<th>Reason</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>High costs</td>
<td>23.81%</td>
</tr>
<tr>
<td>Lack of technical knowledge</td>
<td>33.33%</td>
</tr>
<tr>
<td>Not relevant to the company</td>
<td>9.52%</td>
</tr>
<tr>
<td>Customers would not notice the difference</td>
<td>4.76%</td>
</tr>
<tr>
<td>Lack of time for implementation</td>
<td>19.04%</td>
</tr>
<tr>
<td>Others</td>
<td>9.54%</td>
</tr>
</tbody>
</table>

If the company intend to invest and expand its digital presence, in which way it prefers to do it?

<table>
<thead>
<tr>
<th>Method</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Own company (internal employees, owner)</td>
<td>70.19%</td>
</tr>
<tr>
<td>Service provider company</td>
<td>11.54%</td>
</tr>
<tr>
<td>Outsourced professional</td>
<td>18.27%</td>
</tr>
</tbody>
</table>

How does the company see digital presence in the next 5 years?

<table>
<thead>
<tr>
<th>Perspective</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Competitive advantage</td>
<td>26.37%</td>
</tr>
<tr>
<td>Basic business necessity</td>
<td>36.43%</td>
</tr>
<tr>
<td>Substitute for physical sales</td>
<td>1.55%</td>
</tr>
<tr>
<td>Sales multiplication strategy</td>
<td>33.33%</td>
</tr>
<tr>
<td>None of the alternatives</td>
<td>2.32%</td>
</tr>
</tbody>
</table>

Table 2 – Digital platforms used by companies.
Source: research data (2023)

According to the obtained responses, it is possible to observe that the platforms where digital presence is most intense are Facebook and WhatsApp, reaching 77.52% and 74.41% of responses, respectively. Other tools that are also relevant according to the research results are Instagram, the company's own website, and, to a lesser extent Google search optimization.

In regard to digital expansion, the alternative most chosen was a company’s website. This may not surprise, as many small enterprises lack resources even to establish a base digital presence, which has costs of implementation, which does not occur in social media platforms.

The next question is related to the reasons why companies do not have a digital presence. The main emergent reason is lack of technical knowledge, followed by high costs and lack of time for implementation. It is interesting that the lack of technical knowledge is perceived as a more difficult barrier than costs, which comes in second. Also, there is the fact that to get technical knowledge fast, an option would be to hire personnel or outsource, which would incur in the problem of increasing expenses.

How companies intend to expand and maintain digital presence brings results that are somewhat surprising. Most companies that intend to expand their digital presence in the next 5 years plan to do so through their own resources, which may indicate, as discussed earlier, the lack of resources to execute this expansion. In this case, it can be inferred that the possible
results may not be the most effective, considering, as exposed in the theoretical framework, that specialized companies and professionals tend to have more experience and knowledge in implementing marketing tools and techniques in the digital environment.

The companies that intend to seek help in their expansion represents approximately 29.81% of the total companies intending to expand. The option to use specialized companies and professionals may result in a higher quality effort and may help implement the marketing strategy more effectively.

The last question was about how companies sees digital marketing in the upcoming years. There was a proximity between the most marked alternatives concerning the importance of having a digital presence in the coming years: the basic business necessity and as a sales multiplication strategy. It is interesting to note that most companies consider digital presence to be a basic part of any business, and another large part of the companies sees digital platforms as a strategy to increase the number of sales.

The appearance of these options as the most marked seems to align with what was observed in the theoretical framework, especially the view that digital marketing is more of an extension of marketing strategies. However, still, 26.37% of the companies consider that digital presence can be considered a competitive advantage, and it is inferred that this would be a differential, while digital presence seems to converge towards something natural in all businesses, therefore not constituting a competitive advantage on its own.

However, as observed in the theoretical framework, websites have been used for a long time as an important marketing tool, and they remain relevant today, despite the emergence of massive alternatives. This can be explained, as previously discussed, by websites being seen as true digital places of the company, like physical office buildings and stores.

**Final Considerations**

Through this research, it was investigated how micro and small organizations behave in the face of changes brought about by Information and Communication Technologies (ICTs), and how these companies, which have more restrictions, handle the challenges. Although micro and small organizations have a significant impact on Brazilian economy (Reis, Ribeiro, Querino & Gomes, 2019), they had received less attention from researchers in regard to how they face challenges imposed by digital marketing.

This researched aimed to contribute with current efforts to deepen our knowledge by investigating the following question: How do micro and small-sized companies perceive, use,
and plan marketing on digital platforms? The research effort was conducted through a case study followed by a survey distributed among owners of micro and small enterprises.

The main findings help us to better understand how implementation and utilization of digital marketing strategies and techniques for digital environments. In the case study, it was shown that the company adopted new digital strategies beginning at 2017, achieving a considerable increase in interactions with users. The flow of access at its digital pages and the websites has indicated growth and also has transformed the produced content into something relevant to users, as each publication has generated one or more stories among its receivers. Also, alongside the change in strategies there was also noted an increase in revenue during the period, which may not necessarily be directly linked to the new digital marketing strategies adopted by the company, but certainly raises reflections on the impacts caused by them.

After the first results from the case study, it was conducted survey research. Its main results show that the main digital platforms used by companies were those with low costs to upkeep. Another specific objective was to investigate the intention to expand digital presence, with approximately 80.62% of respondents stating that they intend to expand this presence, and approximately 56.59% intend to do so with their own personnel.

For future works, it is suggested to establish a clearer connection between the digital marketing strategies employed by micro and small companies with other measurements such as profit, sales volume and growth. Also, our findings could be further expanded to investigate the reasons for the preference for using own resources instead of outsourcing. It may also be worthwhile to investigate how these data regarding the use of internal or external resources are perceived in traditional marketing media. Additionally, qualitative research that seeks to understand the perceptions of digital and non-digital marketing by companies also appears promising.

Despite contributing for our understanding, this research has some limitations. First, it investigates changes in marketing without much integration with other areas of business, which would help get a better understanding of these changes. Second, although a survey was conducted to broaden the findings from the case study, there is limited generalizability. Third, investigate other contexts and different cultural backgrounds should better help with generalizability.

These contributions help us better understand how digital marketing has changed the business landscape for micro and small enterprises. However, as a dynamic process that is subject to constant change, more research is desired to help us better frame how micro and
small enterprises deal with this challenge. Given the significance of these companies, more research should be conducted for help broaden this field of research.

References


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