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FACTORS INFLUENCING THE READINESS AND IMPLEMENTATION OF E-MARKETING IN COMPANIES IN THE REPUBLIC OF NORTH MACEDONIA

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Abstract

In the context of today's rapidly evolving marketing landscape, it is imperative for companies to remain proactive and respond effectively to the needs and interests of consumers. They must continuously adapt their strategies to the dynamic digital marketing arena to attract new customers and sustain their loyalty and support. The application of e-marketing offers an avenue for innovation, constantly generating new opportunities driven by the introduction of emerging technologies, modern business models, and cutting-edge communication approaches. This paper aims to identify the most influential factors that impact the capability and readiness for e-marketing implementation, as well as the key determinants that influence the actual application of e-marketing in companies within the Republic of North Macedonia. Moreover, the study explores the correlation between various segments (groups of factors) related to capability and readiness, and distinct segments associated with the practical application of e-marketing in the companies under investigation. The results of the correlation and regression analysis revealed a statistically significant and positive correlation between all latent variables and readiness, as well as between all latent variables and the actual application of e-marketing. Both correlation analyses confirmed the results obtained from the descriptive statistics concerning respondents' attitudes. A key focus of this analysis was determining the relationship between the latent variables of readiness and the actual implementation of e-marketing. A strong correlation was found between business and IT resources and the application of e-marketing. Conversely, there was a moderate correlation between human resources and the application of e-marketing. The summary correlation highlighted a strong relationship between readiness and the actual implementation of e-marketing in the examined companies, covering North Macedonia.

Keywords: e-marketing, e-marketing readiness and capability indicators, e-marketing application indicators, correlation, regression analysis.

JEL Classification: C1, M31, O1.

INTRODUCTION

In the digital era, e-marketing is becoming a key tool for the successful operation of companies. In the context of Macedonian companies, there is an increasing need to integrate e-marketing as part of the overall business strategy. Like their global competitors, Macedonian companies face the challenge of adopting and effectively applying e-marketing strategies to remain competitive. This process involves not only technological infrastructure but also the development of employee skills and the ability to adapt to new digital trends swiftly. The COVID-19 pandemic, besides having an impact on increasing consumer habits in consuming media, also had an impact on increasing the number of internet users, the use of digital devices, and increasing online activities. Therefore, to seize opportunities in the new marketing landscape, companies need to adjust their strategies in the digital marketing arena to gain new customers and maintain their customer loyalty and support. For that, companies must have digital marketing capabilities (Masrianto et al. 2022). According to the latest research, a large number of companies in North Macedonia are beginning to recognize the importance of e-marketing, but their readiness and capabilities for full application vary depending on different key factors. Recommendations from the new literature point out that the successful application of e-marketing in North Macedonia is not only a technical issue, but also a strategic initiative that requires continuous commitment by companies to follow digital trends and constantly update their digital platforms (Trajkovski, 2024).

LITERATURE REVIEW

Electronic marketing has transformed traditional methods of advertising and sales, turning them into highly digitized activities that enable better communication with consumers and business expansion (Mirzaei, et al. 2012). E-marketing has established itself as a key element in the modern operation of companies, providing them with greater flexibility, better communication with customers and improving operational efficiency. Electronic marketing enables communication with consumers through various channels, such as email, social networks, and Internet search engines, increasing marketing strategies' effectiveness and sales results (Brătucu et al. 2014). The COVID-19 pandemic has further increased the importance of electronic marketing, as many companies have been forced to shift their activities to the virtual environment (Benartzi et al. 2015). Online presence is crucial for companies, allowing them better visibility and accessibility to consumers (Lim, 2023). E-marketing capabilities refer to the skills, resources, and capacities that enable organizations to effectively utilize digital channels and technologies for marketing. These capabilities encompass various aspects such as online advertising, digital marketing, SEO, email campaigns, data analytics, and customer relationship management (CRM) in the digital realm (Alharthey, 2023). Modern e-marketing strategies not only include online promotion, but also advanced analytical capabilities that enable better analysis of consumer behaviors and habits. According to Chaffey and Ellis-Chadwick (2019), using analytical tools like Google Analytics and SEO optimization is an essential part of successful e-marketing campaigns. These capabilities help improve campaign effectiveness and maximize return on investment. One of the main factors for the successful application of e-marketing is support from top management. Without engagement and clear support from top leaders, a marketing initiative can remain on the sidelines. According to Kotler and Armstrong (2021), management must be particularly involved in defining marketing strategies to ensure that they are integrated into the overall business vision. The application of e-marketing requires a long-term investment, not only in the financial system, but also in changing the corporate culture and organizational processes. Authors Strauss and Frost (2016) point out that companies that promptly and

effectively apply digital marketing technologies are more likely to maintain or improve their market share. The rapid adaptation of new technologies and innovations in e-marketing is becoming an essential element for competitive advantage in the modern economy. Marketing capabilities are critical for business users and depend on the ability to understand consumer needs, which creates long-term relationships (Nath et al., 2010). Digital marketing capability is a multidimensional construct that includes IT resources, human resources and business resources (Trainor et al., 2010). According to Tomeska Petreska, Ilieska and Janeska (2024) in terms of the ability and readiness of Macedonian companies to apply e-marketing, it can be concluded that in several aspects, the respondents (more than 50%) expressed themselves positively. From all those aspects, over 70% of the respondents follow the trends and well recognize the benefits of the application of e-marketing, they have a website that is continuously updated and the website has a built-in data protection system. What is a weakness in terms of the ability and readiness of Macedonian companies to apply e-marketing is the absence of an e-marketing strategy and sufficiently qualified staff for e-marketing, non-attendance of training related to the use of e-marketing tools as well as the inability to make electronic payments on the website. Automation of marketing processes is another key component of e-marketing capabilities. Spenner and Freeman (2012) emphasize that with automated marketing systems, companies can reduce the costs and time of implementing marketing campaigns while enabling better personalization and targeting of users. These systems help organizations improve return on investment and create more effective marketing strategies. The development of e-marketing capabilities has become necessary for companies that want to take advantage of digital technologies and remain competitive in the market. The literature shows that digital transformation, data analysis, automation and customer interaction are essential elements for successful marketing strategies.

RESEARCH METHODOLOGY

To achieve the research objectives, a questionnaire method was employed, incorporating closed-ended, multiple-choice, and Likert scale questions. The anonymous questionnaire was created using Google Forms and distributed via email to companies, with 538 responses collected. The questionnaire was divided into four sections. The first section comprised five questions on the general characteristics of the companies, such as business activity, number of employees, years in operation, annual e-marketing budget, and target market. The second section assessed the companies' capacity and readiness to implement e-marketing. The third section gathered data on the actual application of e-marketing, while the fourth section, which focused on the impact of e-marketing on company performance, was excluded from this research. The emphasis was placed on the second and third sections, particularly on the Likert scale questions. The second section contained 16 questions, with 3 addressing the companies' ability and readiness for e-marketing adoption, and 13 grouped into three categories (latent variables): business resources, human resources, and IT resources. The third section consisted of 14 questions, with 3 focusing on the current use of e-marketing, and 11 also grouped into three categories: marketing tools, company goals for e-marketing, and the use of e-metrics. Descriptive statistics, including the calculation of arithmetic means and standard deviations, along with correlation and regression analyses, were applied to process the data. The results were analysed using Microsoft Excel and SPSS software packages.

RESEARCH RESULTS AND DISCUSSION

First part: General characteristics of the investigated companies

Table 1: General characteristics of the investigated companies (Source: Author's calculation, 2024)

Characteristics of company	Number of respondents	%
Sectors of activity	537	100%
Manufacturing	114	21,23%
Professional, scientific and technical activities	33	6,15%
Agriculture, forestry and fishing	12	2,23%
Human health and social work activities	84	15,64%
Wholesale and retail trade; repair of motor vehicles and motorcycles	93	17,32%
Information and communication	42	7,82%
Financial and insurance activities	54	10,06%
Construction	51	9,50%
Accommodation and food service activities	6	1,12%
Education	48	8,94%
Companies by number of employees	537	100%
> 250	111	20,67%
50 – 249	129	24,02%
10 – 49	183	34,08%
< 9	114	21,23%
Years of existence in business	537	100%
< 5	27	5,03%
6 – 10	60	11,17%
11 – 20	135	25,14%
> 20	315	58,66%
Annual budget for e-marketing activities	537	100%
< 10%	342	63,69%
10%-20%	144	26,82%
20%-30%	27	5,03%
>30%	24	4,47%
Type of market in which the company sells the products/services	537	100%
International market	30	5,59%
Domestic market	255	47,49%
Domestic and International market	252	46,93%

The table displayed characteristics of 537 companies based on sector, employee count, years of operation, e-marketing budget, and market reach. Manufacturing represented the largest sector (21.23%), and over half of the companies (58.66%) had operated for more than 20 years. Furthermore, 47.49% engaged solely in the domestic market, while 46.93% served both domestic and international markets.

Part Two: Results of Descriptive Statistical Analysis

The following table presents the results of the descriptive statistical analysis. Conclusions are drawn based on the arithmetic mean and standard deviation values for each variable.

Table 2. Descriptive statistics (arithmetic mean (M) and standard deviation (SD)) of the answers to the factors affecting the ability and readiness of companies to apply e-marketing (Source: Author’s calculation, 2024)

Factors	M	SD
I. Factors Influencing the Ability and Readiness of Companies to Implement E-Marketing		
There is support from top management for the implementation of e-marketing (Q1).	3,80791	3,472247
We have developed an e-marketing strategy (Q2).	2,881356	2,885773
We have sufficient financial resources for the implementation of e-marketing (Q3).	3,559322	3,296977
Our company has a solid technical and technological foundation for the implementation of e-marketing (Q4).	3,627119	3,29869
Our company follows trends in e-marketing technology (Q5).	3,88764	3,522001
Our company has sufficient qualified staff for e-marketing (Q6).	3,322034	3,322034
Employees in our company regularly attend training on the use of e-marketing tools (Q7).	2,129213	2,410184
Employees in our company recognise the benefits of e-marketing implementation (Q8).	3,932203	3,520722
There is resistance from employees in our company towards new trends in e-marketing implementation (Q9).	1,153409	1,69893
We have a website that is continuously updated (Q10).	3,893258	3,765604
Our website enables online ordering (Q11).	2,734463	3,137166
Our website facilitates electronic payments (Q12).	1,857955	2,565062
Our website has an integrated data protection system (Q13).	3,627119	3,706766
Average Arithmetic Mean and Standard Deviation	3,108692	3,103982

From the table, it was concluded that companies scored highly and regarded the following factors as significant: Q1, Q3, Q4, Q5, Q6, Q8, Q10, and Q13, as the arithmetic mean for these indicators exceeded the average. Among these, the highest-rated components were: having top management support, keeping up with trends in e-marketing technology, recognising the benefits of e-marketing, and continuously updating the website. However, it was important to note that for the same indicators deemed relevant by companies, the standard deviations were higher than average, indicating a low level of agreement among respondents regarding their significance. Based on the standard deviation values (deviation from the arithmetic mean), it was observed that the highest standard deviations were associated with statements Q10 (SD = 3.77) and Q13 (SD = 3.71). This suggested that a significant number of respondents did not hold a consistent view of these particular statements, with responses varying considerably. Conversely, the lowest standard deviations were found for indicators related to the implementation of a developed e-marketing strategy (Q2), employee participation in training on e-marketing tools (Q7), resistance to new e-marketing trends (Q9), and the ability of the website to facilitate electronic payments (Q12), suggesting that companies held a more uniform stance on these aspects. In general, it was concluded that to enhance the ability and readiness of companies to implement e-marketing, emphasis should be placed on these four factors.

Table 3. Descriptive statistics (arithmetic mean (M) and standard deviation (SD)) of the answers to the factors that reflect the actual application of e-marketing in companies (Source: Author’s calculation, 2024)

Factors	M	SD
II. Factors Reflecting the Actual Implementation of E-Marketing in Companies		
We use e-marketing tools as a complement to traditional marketing activities (Q14).	4,039106	3,627949
We apply e-marketing tools for communication with our customers (Q15).	4,224719	3,811573
We apply e-marketing tools for advertising our products/services (Q16).	4,318182	3,899301
We apply e-marketing tools for selling our products/services (Q17).	3,943503	3,606335
We apply e-marketing tools to build a customer database (Q18).	4,068182	3,712693
The use of e-marketing is important for the company’s brand (Q19).	4,20904	3,782206
The use of e-marketing is important for attracting new customers (Q20).	4,454545	4,005678
The use of e-marketing is important for retaining existing customers (Q21).	4,397727	3,96433
We use e-metrics to analyse customer behaviour (Q22).	3,039773	2,954196
We use e-metrics to promote sales (Q23).	2,511364	2,509074
We use e-metrics to track customer behaviour on the website (Q24).	2,412429	2,435612
Average Arithmetic Mean and Standard Deviation	3,783506	3,482631

From the table, it was concluded that companies scored highly and considered the indicators from Q14 to Q21 as relevant, as the arithmetic mean for these indicators exceeded the average. These indicators pertained to the first two segments of factors: the use of marketing tools and the motives behind companies' adoption of e-marketing. In the first segment, the most important factor was the use of e-marketing tools for advertising products or services, while in the second segment, the key factors were attracting new customers and retaining existing ones. Notably, for the same indicators deemed relevant by companies, the standard deviations were higher than average, indicating a heterogeneous attitude among respondents regarding their importance. Conversely, the arithmetic mean values for factors related to the use of e-metrics were lower than average, suggesting that companies did not perceive these as relevant and did not apply them. From the standard deviation values (deviation from the arithmetic mean), it was observed that the lowest values were associated with the indicators related to the application of e-metrics (Q22, Q23, and Q24), indicating a consistent view among companies on these factors. Following this analysis, an internal consistency check was conducted to assess the reliability of the factors applied within the framework of companies' readiness and actual implementation of e-marketing. Internal consistency was evaluated using the Cronbach's alpha test. For reliability and to justify further analysis, the Cronbach's alpha coefficient needed to be at least 0.7. The results of this analysis were presented in the following table.

Table 4. Factor reliability (Source: Author’s calculation, 2024)

Factor	Cronbach alpha
Factors within ability and readiness	0.92
Factors within the actual application of e-marketing	0.94

The table shows that both values exceed 0.7, indicating a very high level of internal consistency for the factors and reliability of the findings. Accordingly, it is justified to proceed with further analysis.

Part Three: Results of Correlation and Regression Analysis

In this section, a correlation analysis was conducted for each group of factors within the segment related to the ability and readiness to implement e-marketing, for each group of factors within the segment concerning the actual implementation of e-marketing, as well as for the impact of readiness factors on the implementation of e-marketing in Macedonian companies.

The interpretation of the correlation coefficients should be understood as follows ¹:

- +/- 0 to +/- 0.29 – weak;
- +/- 0.3 to +/- 0.49 – moderate;
- +/- 0.5 to +/- 1 – strong.

The following table presented the results of the correlation analysis. Based on Pearson's coefficient values, the degree of dependency between the groups of factors in the model concerning companies' ability and readiness to implement e-marketing was determined.

Table 5. Intercorrelation Matrix – Pearson's Correlation Coefficient for the Group of Factors (as Latent Variables) Influencing Companies' Readiness to Implement E-Marketing (Source: Author's calculation, 2024)

	Capability and Readiness	Business resources(Q1-Q6)	Human resources (Q7-Q9)	IT resources (Q10-Q13)
Capability and Readiness	1			
Business resources(Q1-Q6)	0,930955764	1		
Human resources (Q7-Q9)	0,737796159	0,6785576	1	
IT resources (Q10-Q13)	0,862698669	0,65573636	0,440164212	1

Capability and Readiness consists of the following questions:

- Q11: We have sufficient business resources for the implementation of e-marketing.
- Q12: We have sufficient human resources for the implementation of e-marketing.
- Q13: We have sufficient IT resources for the implementation of e-marketing.

The intercorrelation matrix indicated a strong correlation between business resources, IT resources, and human resources, as well as between human resources and IT resources, and business resources. However, only a moderate correlation was observed between IT resources and human resources, suggesting that employees did not fully utilise the available IT resources.

Based on the coefficient of determination values from the regression analysis results, it was concluded that 86.7% of the variability in readiness was explained by the business resources variable, 54.4% by the human resources variable, and 74.4% by the IT resources variable. The coefficient of determination indicated the percentage of variability accounted for by each variable individually, with the remaining variability influenced by other factors.

The following table presented the results of the correlation analysis, and Pearson's coefficient values determined the degree of dependency between the groups of factors in the model reflecting the actual implementation of e-marketing.

¹ Cohen, J. (1988). Statistical power analysis for behavioral science. Lawrence Erlbaum Associates: New Jersey

Table 6. Intercorrelation Matrix – Pearson's Correlation Coefficient for the Group of Factors (as Latent Variables) Reflecting the Actual Implementation of E-Marketing (Source: Author's calculation, 2024)

	E-marketing application	E-marketing tools (Q14-Q18)	Motive for applying e-marketing (Q19-Q21)	E-metrics (Q22-Q24)
E-marketing application	1			
E-marketing tools (Q14-Q18)	0,912329255	1		
Motive for applying e-marketing (Q19-Q21)	0,875234639	0,850572606	1	
E-metrics (Q22-Q24)	0,791281467	0,504341081	0,483792508	1

The E-marketing application comprises the following questions:

Q21 - We apply e-marketing tools.

Q22 - We have motivation for implementing e-marketing.

Q23 - We apply e-marketing metrics.

The intercorrelation matrix indicated that the values of the Pearson correlation coefficient were significant, demonstrating a high degree of correlation between the latent variables in the model and the actual implementation of e-marketing. Regarding the correlations among latent variables, a strong association was found between the motivations for implementing e-marketing, e-metrics, and e-marketing tools. Additionally, a moderate correlation was observed between e-metrics and motivations for implementing e-marketing, suggesting that companies did not effectively utilise e-metrics to achieve their objectives (motivations) for implementing e-marketing. The following table presented the results of the partial linear regression, which tested the impact of the three independent variables—e-marketing tools, motivations for implementing e-marketing, and e-metrics—on the dependent variable: the actual implementation of e-marketing in companies. From the values of the coefficient of determination in the regression analysis results, it was concluded that 83.2% of the variability in actual implementation was explained by the variable e-marketing tools, 76.6% by motivations for implementing e-marketing, and 62.6% by e-metrics. The coefficient of determination indicated the percentage of variability accounted for by each variable individually, with the remainder influenced by other factors. The results of the correlation coefficients between the relevant groups of factors regarding the preparedness and capability of companies and the actual implementation of e-marketing were noteworthy and are presented in the following table.

Table 7. Correlation between the relevant groups of factors regarding the preparedness and capability of companies and the actual implementation of e-marketing (Source: Author's calculation, 2024)

	E-marketing application
Business resources	0,770303
Human resources	0,539221
IT resources	0,741072

Table 7 indicated that the correlation between business and IT resources and the actual application of e-marketing was the highest, suggesting a strong association. The intercorrelation matrix, which displayed Pearson's correlation coefficients for ability and readiness (as independent variables) and the actual application of e-marketing (as the dependent variable), was presented in the following table.

Table 8. Intercorrelation matrix—Pearson's correlation coefficient of ability and readiness (as independent variables) and the actual application of e-marketing (as a dependent variable) (Source: Author's calculation, 2024)

	Capability and Readiness	E-marketing application
Capability and Readiness	1	
E-marketing application	0,825125797	1

Based on the table 8, a strong correlation can be observed between the ability and readiness for e-marketing and its actual application in the investigated companies in the Republic of North Macedonia.

CONCLUSION

The research indicates that companies should prioritise developing an e-marketing strategy as an integral part of their overall business strategy. Additionally, employees should attend training on e-marketing tools, and companies should enable electronic payments on their websites. To improve effectiveness, it is recommended that companies employ e-metrics to analyse consumer behaviour and to promote sales. The results also highlight a strong correlation between business and IT resources regarding readiness and the application of e-marketing, although this correlation does not appear among human resources. A strong link is also observed between the use of e-metrics and the motivations for applying e-marketing tools.

The research has some limitations, including a lack of official data on the number and size of companies in North Macedonia that maintain updated websites and utilise social media profiles. Additionally, the survey's distribution via email could have resulted in responses from unqualified persons, and the subjectivity of respondents may affect the outcomes. Readiness was measured across 13 variables, and actual implementation across 11, which, though not exhaustive, represent the primary components for analysis. Future research is advised to include a proportional number of micro, small, medium, and large companies from different sectors to ensure representative and realistic results, as well as a greater number of variables influencing readiness and e-marketing implementation. Applying additional statistical methods could provide a broader analysis from various perspectives, such as industry, company size, and market scope. Comparative analyses with companies from the Western Balkans and other countries would also be beneficial for a deeper understanding of the state of e-marketing and its potential.

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