Impact of E-marketing Capabilities and E-marketing Orientation on Sustainable Firm Performance of SME in KSA Through E-relationship Management

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Abstract

This study aims to investigate the impact of e-marketing orientation and e-marketing capabilities on sustainable business performance through e-customer relationship management. Employing a positivistic and deductive approach with an experimental technique, this research utilizes a cross-sectional design, collecting 152 responses via a Google Docs questionnaire. Smart PLS3 analysis reveals that sustainable business performance significantly hinges on e-marketing capabilities and orientation, with e-customer relationship management acting as a mediator. Notably, this study underscores strong interrelationships among all variables and highlights noteworthy positive influence of social media marketing on SME performance in Kingdom of Saudi Arabia. While this research acknowledge need for future studies to broaden the variable scope, its implications offer valuable assistance to SME top management for achieving long-term performance objectives. The distinctive contribution of this study lies in its examination of sustainable SME performance in KSA through the lenses of e-marketing and e-relationship management, enriching the understanding of these factors in fostering enduring success.

Keywords: e-marketing, e-marketing orientation, e-marketing capabilities, e-customer relationship management, SMEs, Sustainable firm performance

1. Introduction

Marketing is the defined as creation and communication of values, and delivering it to consumers, while also managing the relation with customers to achieve organizational goals. It involves strategic planning, market research, advertising, and other activities aimed at promoting products or services to target audiences. In recent years the face and bit part of marketing has been altered due to lack of materials and power, recession, unemployment and most important the fast and rapid technological changes in business (Bala & Verma, 2018). As internet growth blowup and outbreak, online marketing has becoming very famous. Chaffey et al. (2009) explain e-marketing in simple words as online or e-marketing is attaining and accomplishing marketing goals and objectives by applying digital techniques. In the world of marketing the online marketing is an innovation (Haudi, Rahadjeng, Santamoko, Putra, Purwoko, Nurjannah, & Purwant, 2022). In the era of developed world, it is crucial for all business to adopt an innovative way of marketing like e-marketing to cater the needs and demands of customer more efficiently and accurately (Parsons, Zeisser, & Waitman, 1996). There are total 1.14 million SMEs in Kingdom of Saudi Arabia (KSA). SMEs play a crucial character in economic growth and employment generation. EM provides every persons and SMEs with opportunities and ways to do a business in a successful manner that they can never have this before. For the past three decades, researchers and practitioners have shown keen interest in small business enterprises due to their noteworthy role in global economic development. These enterprises have made significant contributions, drawing significant attention from experts in the field (Brodiee et al., 2007; Hothoo & Champiion, 2011; Mazarol, 2015). This reaserch is differentiated by exploring how SMEs develop and utilize e-marketing capabilities that are specifically tailored to their resource limitations and market niches. Unlike larger companies that might have more resources to invest in technology, SMEs often have to be more creative and efficient in utilizing their e-marketing tools. While larger companies might have established marketing strategies, SMEs often need to be more agile and adaptive due to their size and changing market conditions. Investigate how SMEs adjust their e-marketing orientation to stay competitive and

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meet the needs of their specific customer base. SMEs might face resource constraints, but this can also lead to innovation. Explore how limited resources drive SMEs to find innovative ways of engaging with customers through e-marketing. This could involve examining cost-effective strategies, creative content, or unique engagement methods. The unique characteristics of the Internet and other electronic media have led to the recognition of e-marketing as a crucial avenue for SMEs in conducting their marketing activities. The opportunities afforded by e-marketing are highly valued, considering the Internet's role as both a market and a medium for SMEs (Eid & El-Gohary, 2013). In the present era, numerous organizations recognize the utmost importance of establishing an online presence to effectively leverage the diverse marketing channels at their disposal (Taherdoost & Jalaliyoon, 2014). In previous years researchers show more interest towards the e-marketing and its factors and impact on SMEs. This study will explore the impact of e-marketing capabilities, e-marketing orientation on sustainable performance of SME'S through E-CRM. The aim of this research is to explore the impact of e-marketing orientation and e-marketing capabilities on sustainable firm performance and mediating role of e-customer relationship management.

2. Literature Review on Key Variables

2.1 E Marketing Capabilities

E-marketing capabilities refer to the skills, resources, and capacities that enable organizations to effectively utilize digital channels and technologies for marketing purposes. These capabilities encompass various aspects such as online advertising, digital marketing, SEO, email campaign, data analytics, and customer relationship management (CRM) in the digital realm. The Internet, as a dynamic innovation, has taken a pivotal role in fostering the emergence of fresh business connections and unlocking cross-border market potential for companies that is the sign of the good performance and growth of the firm s (Hinsun & Adjasii, 2009; Peterson, Welch, & Liesech, 2002; Raypoort & Svioklaa, 1994). Considering the resource and knowledge constraints faced by SMEs, the Internet can serve as a stimulator to overcome these hurdles and drive extension into other markets. The impact of online marketing assets and competencies on an SME's market development remains underexplored, highlighting its potential to address barriers to entry and expansion in other markets for SMEs (Arenius, Sasi, & Gabrielsson, 2005; Lui & Beamish, 2001). Capabilities are collections of assets that have developed through deliberate investment actions, leading to the creation of novel forms of competitive advantage based on specific paths and strategies (Ray, Muhana, & Barniey, 2005; Tece, Pisaano, & Shueen, 1997). The Web, functioning as an organizational capital, serves as a foundation for transforming into distinct online marketing proficiency (Liao, Kickul, & Ma, 2009; Yalcinkaya, Calantone, & Griffith, 2007) that seamlessly integrate into intercontinental marketing enterprise and business procedure and had a powerful impact on firm's growth (Glavas & Mathews, 2014; Trainor, Rapp, Beitelspacher, & Schillewaert, 2011). When a company successfully integrates and assimilates online techniques and other assets into their enactment and processes, they can harness this capability to attain a higher level of performance and outperform their competitors (Li & Ye, 1999; Powell & Dent-Micallef, 1997; Tippiins & Sohii, 2003).

2.2 E-Marketing Orientation

E-marketing orientation refers to a business approach that emphasizes the use of digital channels and strategies to reach and engage with customers, promote products or services, and drive online sales. E-marketing orientation, also known as EMO, has gained global scholarly recognition as a result of advancements in technologies (Mutlu & Sürer, 2016). Numerous research has explored the benefits of implementing e-marketing orientation, which can contribute to improved performance and growth of firm in terms of competency (Baloglu & Pekcan, 2006), monetary performance (Ciunova-Shuleska et al., 2016), market size (Atkinson et al., 1997), and growth. Over the past time period, investigator have investigated methods to improve sustainable business performance (SBP). Previous research articles have identified several key elements that influence SBP, such as flexible organization, networks of organization (Yousaf & Majid, 2018), strategic adjustments (Chenhall, 2005), the web (Camagni & Capello, 2005), and inter-linked firm networks (Yousaf & Majid, 2016). However, there are still undiscovered dimensions of EMO that can lead to the establishment of superior performance. SBP's slogan has the potential to empower SMEs, enabling them to enhance their competitiveness and productivity through swift and efficient responses to customer demands, evolving market drift and inclination, and strategies about competitors (Yousaf & Majid, 2018).

2.3 E-Customer Relationship Management

E-CRM refers to the strategic management of digital interactions and relationships with customers, aimed at optimizing customer satisfaction, loyalty, and profitability through online channels. Prameswari et al. (2020) and Praditya (2020) states that CRM, or customer relationship management, offers benefits such as customer

satisfaction through product/service choices, efficient problem-solving and quick responses, as well as easy and rapid access to information, all aimed at ensuring customer happiness. The primary objective of CRM is not only to retain customers and prevent them from becoming challenger, but rather to provide customers effectively. Its main aim is to recognize, engage, and preserve the appropriate consumer who will repeatedly use the goods offered by the company (Asbari, 2021). E-customer relationship management, or electronic consumer relationship management, is a form of CRM that is web-based, utilizing electronic platforms and technologies to manage customer relationships and interactions. E-CRM leverages the internet through customer-accessible websites, enabling customers to interact at their convenience from anywhere, resulting in enhanced customer satisfaction, loyalty, and the company's competitive advantage. This individual customer knowledge indirectly fuels the company's marketing strategy, performance and growth. In an interconnected society, the administration and execution of e-CRM holds the potential to generate significant utility for both firms and consumers (Jih & Lee, 2011). With the increase in number of web users, e-CRM emerges as the ideal emulsion for companies to effectively nurture and manage customer relationships.

2.4 Sustainable Firm Performance

In response to intensifying competition in local and global markets, organizations are actively exploring modern strategies to attain exceptional and sustainable performance. A significant proportion of these strategies revolve around customer orientation, focusing on instigate goods that surpass customer assumptions and fulfill their inclination (Kopalle et al., 2020; Al-Hawary et al., 2013). In today's dynamic conditions, business organizations face challenges in achieving strategic goals and retaining customers. Conventional marketing ways are no longer sufficient to accomplish exceptional marketing performance, which is crucial for enhancing competitiveness and achieving sustainable competitive advantage (Išoraitė, 2016). To achieve a competitive position and enhance the growth and performance of the firm researcher should focus on the variables discussed above.

2.5 Hypotheses Development

E-marketing capabilities and e-CRM is closely related to each other because CRM permit to effectively manage the data which is essential for the growth and performance of the firm. Marketing capabilities plays very beneficial role in the firm's performance and competency with the help of effective customer relationship management (Hunt & Morgan, 1995). E-mail marketing and social media campaigns are such e-marketing capabilities that are consolidated with the ECRM that are rationalized with the consumers for the sustainable firm performance Jayachandran et al. (2005). Wu et al. (2003) discussed in previous researchers that the firms that managed and organized e-marketing capabilities and customer information more effectively would automatically enhance sustainable firm performance. Previous literature and research papers suggest that there is a strong positive relation between e-marketing capabilities and CRM (Day & Wensley, 1988). Literature about CRM propose that nowaday's organizations interconnect with consumers more efficiently, functionally and productively with the support of advancement in new skills, talent, technologies and techniques referred as e-marketing capabilities (Ahearne, Jelinek, & Rapp, 2005; Coviello et al., 2001). On the basis of above literature, it can be hypothesized as follow:

H₁: E-marketing capabilities significantly influence the e-customer relationship management.

As we discussed above that e-loyalty, e-trust and customer satisfaction are termed as e-CRM. So, e-CRM is a concept which is based on the trust and satisfaction of the consumers that show their willingness to purchase online which shows the credibility and reliability of management (Ben Mansour & Ben Mansour, 2016). Customer would be more confident about the firm if firm's management satisfied its consumers with its loyalty and efficiency (Jin et al., 2008). Trust and loyalty is a most important and key factor for the relationship between customers and employees (Yasir et al., 2014). Customer satisfaction is the basis for structuring e-trust, and firms can gain it with the effective implementation of EMO strategies (Chou et al., 2015). To maintain its trust on consumers, employees should need to cater the needs and complaints of the customers more efficiently so that performance of the firm would be increased day by day (Miyazaki & Fernandez, 2001). E-marketing orientation, strategies and activities that is highly ethical would lead to enhance the e-trust on management results in increase of business performance (Yousafzai et al., 2003; Oré Calixto, 2021). The prior literature signifies the strong and positive relation between e-marketing orientation and CRM. So,

H₂: E-marketing orientation significantly influences the e-customer relationship management.

CRM is a fundamental strategy of the firms to sustain its competiveness through managing and interacting with consumers more efficiently. According to Grönroos (1994); Sheth and Parvatiyar (2002) it is a change in marketing concept that e-marketing orientation is referred as attracting the consumers while CRM defined as having and retaining a loyal consumer which increase the sustainable firm performance. There are many

opportunities provided by the CRM to understand the needs and preferences of clients, offers the customized products that shows the value of the firm to prosper strong relationship for the long time period that leads to the sustainable business performance (Payn, 2006; Awad, Hussain, & Aboalganam, 2023). Huang and Xiong (2010) explained that whole life cycle of the product is based on CRM and this is the point of strategic maturity for CRM. One of the studies of Hoyer, Krafft and Krieger (2011) states that CRM has a positive impact on the performance of the product and it is highly correlated. So,

H3: E-customer relationship management significantly influences the sustainable firm performance.

2.6 Mediating Role of E-CRM

The impact of digital marketing on business performance is substantial, necessitating continuous evolution of marketing strategies to establish robust customer relationships (Husnain Toor, 2017). Additionally, Ahmed and Zahid (2014) conducted a study revealing the significant impact of CRM as a mediator between digital marketing and customer purchase intention. Husnain and Toor (2017) provided further support to the perspective presented by Ahmed and Zahid (2014). Dastane (2020) conducted a study indicating that CRM serves as a partial mediator in the relationship between digital marketing and sustainable firm performance. The study conducted by the Nuseir and Refae (2022) explained that CRM mediates the relationship between social media use and SBP. So,

H4: E-customer relationship management significantly mediates the relationship between e-marketing orientation and sustainable firm performance.

H5: E-customer relationship management significantly mediates the relationship between e-marketing sustainable firm performance and sustainable firm performance.

3. Methodology

The chosen research design plays a crucial role in gathering and analyzing the data. Bryman and Bell (2015) emphasize the significance of a research design as it provides a framework for data collection and analysis. Considering research problem and objectives, a descriptive quantitative research design was deemed its most appropriate approach for this study. This study has deductive reasoning approach in which theoretical background is being constructed based on literature review, and from that, different hypotheses are being extracted. Moreover, to collect data and present work followed quantitative research design to investigate sustainable business performance. The current study was specific to time period so, cross-sectional time horizon was applied and data were collected from employees of SMES in SKA in one point in time (Saunders et al., 2007).

3.1 Population and Sampling

The population of study includes the subject under study. In this research population was small and medium enterprises working in KSA.As the total number of small and medium-sized businesses surpassed 1.2 million in first quarter of 2023, Saudi Arabia is seeing a boom in entrepreneurial activity. This amount represents an increase of 4.8 percent over last quarter of 2022, according to a study issued by SMEs General Authority. A total of 41.4 percent of SMEs in the Kingdom were located in Riyadh, followed by Makkah (18.1 percent), the Eastern Province (11.1 percent), and other cities (28.6 percent). In present study SMEs working in major cities are considered as part of study. It is not possible to collect data from all population therefore a sample is selected for data collection. A good sample enables the researcher to draw valid and uniform information and to apply it to the entire population. In this study the population frame was not available because the total number of populations is not exactly known. Krejcie formula used for unknown population. "Krejcie and Morgan (1970)" formula is very popular to determine the sample size i.e., $n = Z^2Pq/e^2$. Moreover, a rule of thumb to determine the sample size can also be used. According to rule of thumb (5 observations per item) can also be used. In the present study total number of items were 24 by applying the rule of thumb a total of 120 sample is enough to test the hypothesis.

3.2 Data Collection

The study utilized a survey method to collect data from employees of different SMEs working in KSA. The survey consisted of multiple-choice questions, enabling conversion of responses into numerical data, particularly percentages. To collect data emails were sent to employees, in the first round almost 200 emails were sent response was low, but data were collected from 161 respondents. Response rate was only 65%. The survey method is cost efficient, and less time is required to manage instruments for data collection. Google Doc was used to design questionnaires and disseminate through email. Questionnaire is developed in English language. This study was cross-sectional. The common method bias test was applied due to the student's respondents construct and the

nature of the study is quantitative and correlation design. SPSS (statistical package of social sciences 21) will be used. Smart PSL (partial least squares) was used for moderation and mediation tests. However, correlation and regression were applied to test the hypotheses. In smart PLS mediation was done through bootstrapping method.

3.3 Questionnaire Design

The introduction part of the questionnaire provided participants with the topic and a brief explanation of the study. The survey followed a quantitative approach and consisted of two sections.

The first section gathered demographic information to understand the background of the participants. This data included age, gender, nationality, occupation, level of education, and monthly income, which will aid in categorizing the respondents.

The second section deals with measurement of the variables which includes E-marketing capabilities, e-marketing orientation, e-customer relationship management and sustainable business performance. The language of the instrument was kept simple, easy, and understandable. The instruments for measuring variables were well defined and have been used in previous studies. E-marketing capabilities was measured with 9 items scale adopted from (Trainor et al., 2011) e-marketing orientation with 5 items scale adopted from (Trainor et al., 2011), e-customer relationship management 5 items were adopted from (Seify et al., 2020) and sustainable business performance five item scale was adopted from ((Haseeb et al., 2019)

4. Data Analysis

The primary aim of this postdoctoral study was to investigate the intricate interplay between e-marketing orientation and e-marketing capabilities in relation to sustainable business performance, with a specific focus on the mediation role of e-customer relationship management. To accomplish this overarching objective, empirical data were meticulously gathered from employees engaged in Small and Medium-sized Enterprises (SMEs) within the Kingdom of Saudi Arabia (KSA).

The pursuit of this research goal necessitated the diligent application of various multivariate data analysis procedures. Specifically, essential prerequisites such as addressing missing values, assessing normality, and mitigating the potential influence of common method variance were meticulously adhered to. In order to rectify the issue of missing values, the expectation maximization method was employed, uncovering only a negligible amount of missing data. Subsequently, subsequent to rectifying the missing data and eliminating any remaining instances of incomplete data entries, a robust dataset comprising 152 valid responses was deemed suitable for the final phase of analysis.

The data collection process employed in this study involved the administration of an online survey to a consistent cohort of participants. However, the possibility of common method variance potentially skewing the relationships among variables prompted a cautious approach. To mitigate this concern, the single-factor test developed by Harman was deployed to assess the extent of shared method variance. The outcomes of this assessment indicated the presence of multiple latent factors contributing to variance, with the cumulative variance explained amounting to 43%. This finding effectively assuaged concerns regarding severe bias, confirming the data's reliability and maintaining the cumulative shared variance at an acceptable level of less than 0.50.

The application of a normality test was imperative to ascertain the conformity of the collected sample data to a normal distribution, a fundamental assumption underlying various statistical analyses such as correlation, regression, and experimental design. Notably, these statistical techniques hinge upon the presumption of normally distributed variables. However, in light of the utilization of bootstrapping technique for hypothesis testing in this study, concerns surrounding data normality were rendered less pertinent to the final analysis.

4.1 Demographic Analysis

The analysis of this study shows that (48%) were male while (42%) were female. While age demographic shows that (53%) respondents were below 25, (38%) between 26–30 were (26%). Further results show that between age group 31–35 were (13%), between 36–40 were (8%) and above 40 were only 3%. Moreover, the work experience of most employees is less than one year, and other details are given below in Table 1. Table 1 presents distribution of study sample based on its demographic features.

Table 1. Distribution of study sample according to demographic characteristics

Demographics Catagory		Frequency	Percentage		
Gender	Male	82	48%		
	Female	71	42%		
Age	Below 25	65	38%		
	26-30	45	26%		
	31–35	22	13%		
	36–40	15	08%		
	Above 40	05	03%		
Work Experience	Less than 1 year	70	41%		
	2-3 years	45	27%		
	4–5 Years	31	18%		
	Above 5 Years	06	04%		

4.2 Evaluation of the Measurement Model

To evaluate the validity of the items, the measuring model in this study was evaluated (for instance, factor loadings), construct validity "Discriminant and Convergent" and construct reliability (for instance, "Cronbach's alpha and composite reliability"). This procedure is typically used to evaluate the item loading and compare empirical measurements to see if the proposed model accurately represents the data or not. SmartPLS3 was utilized in this study to assess the validity and reliability of the instruments. The technique of analyzing the consistency of instruments is known as reliability analysis. Cronbach's alpha is a reliable indicator. Sekaran (2005) and Goh, Hall, and Rosenthal's (2016) investigation revealed the following as the explanation for accepting the reliability of the scale. In this study, 23 items were used. E-marketing skills, business sustainability, e-customer relationships, and e-marketing orientation Cronbach's alpha, which is more than 0.70, is within the acceptable range. Thus, all of the outcomes above demonstrated that all of the constructions items were trustworthy.

The perfect correlation between many measures that capture the same construct was shown to be indicative of convergent validity. The degree of shared variation among the observed variables in the model has reportedly been examined using the Fornell and Larcker (1981) criteria. It is emphasized that the indicator factor loadings and "average variance extracted (AVE)" may be used to assess the convergent validity, respectively. As a result, was employed in this study to evaluate the convergent validity. That strategy is generally accepted. For convergent validity, the acceptability scale for AVE must be more than 0.50 (Fornell & Larcker, 1981). All of the results in this investigation had AVE values higher than the generally accepted norm, or 0.50, indicating that each construct may potentially justify for more than half of the variance of its indicators.

A construct's discriminate validity describes how it differs from the model's constructs. Cross-loadings of the indicators and the Fornell & Larcker criterion are thus typically employed to show discriminant validity (Hair et al., 2012). Fornell-Larcker criteria is not a good measure for discriminant validity in SmartPLS3, according to some researchers (Henseler, Ringle, & Sarstedt, 2015). As a result, "Heterotrait-Monotrait ratio of correlation" was used to measure discriminant validity when using SmartPLS3. According to Heenseler et al. (2015), this measure is more accurate than the previous one in terms of determining discriminant validity. It should have a value of less than 0.9.

Table 2. Measurement model analysis

	Cronbach's Alpha	Composite Reliability	Average Variance Extracted (Ave)	e-CRM	e-MC	e-MO
e-CRM	0.88	0.916	0.691			
e-MC	0.915	0.931	0.627	0.824		
e-MO	0.896	0.924	0.710	0.864	0.700	
SRP	0.907	0.931	0.731	0.261	0.372	0.140

Note. CRM = Customer Relationship Management, EMC = e-Marketing Capabilities, e-MO = e-Marketing Orientation, SBP = Sustainable Business Performance.

4.3 Evaluation of Structural Model

Afterwards there is need to assess the relationships among the variables and model is being tested (Hair Jr et al., 2014). The basic aim to provide practical proof of this study model (Richter et al., 2015). Its checks the latent construct within the model. So that way structural models inter relationships have been examined by PLS-SEM

algorithm. To measure the hypotheses bootstrap technique was used. It is a non-parametric technique (Efron & Tibshirani, 1986). In bootsrapping from the original set of data subsamples are generated. Then the subsample is used to approximate the pattern of the PLS path. The process is repeated until a greater number of random subsamples usually about 5000 have been created. It implies the use of sample resample method to test and verify the hypothesized relationship. In present research a sample of 152 respondents with a sample of 500 was used to analyse the proposed model.

4.4 Correlation Analysis

It is possible to describe correlation analysis as the process of identifying relationships between variables and assessing their strength and direction. The allowed correlation range is from -1 to +1. The following prerequisites must be met in order to carry out a correlation analysis. The fact that r = 0 indicated there is no association between the variables. Positive r value indicated a direct proportional link between the variables. A negative r value indicated an inversely proportionate link between the variables. There was no significant association between the variables, as indicated by r 0.09. R values of 0.10 to 0.29 indicated a tenuous association. The moderate association was shown by R values between 0.30 and 0.49. R values between 0.50 and 0.69 demonstrated a strong correlation. The variables are tightly connected if the value of r is less than 0.70. The e-MO, e-MC, and e-CRM have a high correlation with other variables. However, SBP has weak correlation with all construct as shown in Table 3 below.

Table 3. Correlation analysis

	e-MO	e-MC	e-CRM	SBP
e-MO	1			
e-MC	.632**	1		
e-CRM	.768**	.735**	1	
SBP	0.126	.360**	.245**	1

Following Hair et al.'s (2019) recommendations, we stated the route coefficients, t-values and p-values for the structural model that used a 5,000-sample bootstrapping technique (Ramayah et al., 2018). Further based on Hahn and Ang (2017) criticism that p-values are not really a good criterion for evaluating the significance of the hypothesis, and suggested using a combo of criteria such as p-values, beta values, and t-values. The summary of the criteria we used to test the proposed hypotheses is shown in Table. T values are determined with this knowledge to determine the importance of each prediction. Two tail testing was conducted to test the hypothesis. T value greater then 1.94 indicates the t value supports the hypothesis. P importance indicates a significant level of 5% in this study.

The hypotheses result show that e-marketing capabilities have significant positive impact on Customer relationship management as (b = 0.412, t = 6.043, p = 0.000) which shows that e-marketing capabilities has significant positive impact on customer relationship management. So H_1 is accepted. Similarly, e-marketing orientation also has a significant positive impact on customer relationship management. The results are given in Table 2, as (b = 0.510, t = 8.201, p = 0.000) leading to acceptance of hypotheses 2. The result of H_3 indicates that customer relationship management significantly influences sustainable business performance as (b = 0.231, t = 2.48, p = 0.007). So H_3 is also accepted.

Further mediation analysis was test following the preacher and Hayes method using the SEM technique and the results show that customer relationship management significantly mediates the relationship between e-marketing capabilities and sustainable business performance as (b = 0.231, t = 2.48, p = 0.007) and the relationship between e-marketing orientation and sustainable business performance is also significant at 95% level of confidence interval. So, both hypotheses H_4 , H_5 both are accepted. The result indicates that firm with high marketing capabilities having stronger cusrelationship and ultimately business performance will be sustainable. Similarly, the marketing orientation with higher relationship also explain the relationship between business performance and marketing orientation.

All the results are significant at 95% of level of confidence interval and lower limit and upper limit confidence interval both are also in acceptable range.

Table 4. Structural model analysis

Sr. No	Hypotheses	Beta	T-Value	P-Values	5.00%	95.00%
H_1	e-Marketing Capabilities -> CRM	0.412	6.043	0.000	0.303	0.511
H_2	e-Marketing Orientation -> CRM	0.510	8.201	0.000	0.404	0.604
H_3	CRM-> Sus Business Performance	0.231	2.48	0.007	0.076	0.363
H_4	Marketing Capabilities -> CRM -> Sus	0.095	1.943	0.026	0.024	0.165
	Business Performance					
H_5	Marketing Orientation -> CRM -> Sus	0.118	2.702	0.004	0.046	0.181
	Business Performance					

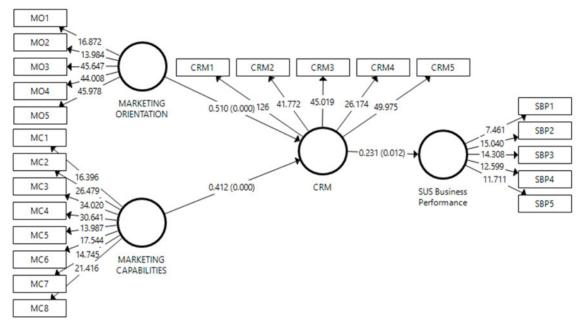


Figure 1. Structural model

5. Discussion

This study was conducted to determine the influence of electronic-marketing orientation and electronic-marketing capabilities on SBP. We studied the mediating effect of e-customer relationship management (e-CRM) to identify the effect of e-marketing orientation and e-marketing capabilities on sustainable firm performance. It contributes to the originality of the research. Furthermore, this paper expands its aggregation of research on performance of the SMEs of KSA by undertaking the relevant predictor of sustainable performance of SMEs in the context of e-marketing orientation and capabilities; the following part outlines the key discoveries of the research, the results indicates that e-marketing capabilities and e-marketing orientation have significant positive impact on e-customer relationship management these results are in line with previous results (Nadube, Paul, & Ordah, 2023) moreover the customer relationship management also have significant impact on sustainable firm performance. Prior literature has also proved this relation which is further signifies by present research (Awad, Hussain, & Aboalganam, 2023).

This research was conducted in the small and medium enterprises of KSA, which is one of the most important pioneers of the SMEs. Our research model is based upon the unique criterion of firm performance; firstly, the study identifies that e-marketing orientation and e-marketing capabilities is directly related to sustainable firm performance. Moreover, this research vigorous the predictor of sustainable firm performance with the help and support of e-marketing orientation and e-marketing capabilities. The findings of the research reveal that the e-marketing orientation and e-marketing capabilities significantly affect the firm performance through e-CRM. Sustainable business and firm performance can be achieved through the implementation of a successful Customer

Relationship Management (CRM) system, which not only enhances customer satisfaction and retention but also boosts employee satisfaction (Oré Calixto, 2021). If we create awareness about e-marketing through different digital techniques and platforms, then customer may switch their buying behavior digitally which enhance the market share and performance of small and medium size firms. The widespread adoption of online techniques such as android phones, smart products, the Internet of Things and AI has significantly influenced consumer purchasing behavior, contributing to the current surge in e-marketing growth (Dastane, 2020).

The title role of e-marketing capabilities and electronic-marketing orientation is also highlighted in this research literature. It is explained that once people are digitally aware and have access to different technologies then the level of growth of firms increase with the support of e-marketing. Digital marketing encompasses the utilization of various digital advertising channels and strategies to effectively reach and engage the target audience in promoting a brand (Mandal et al., 2016). The objective of this research was to explore the interplay between e-marketing capabilities and e-marketing orientation and e-CRM with the aim of enhancing sustainable firm performance of SMEs operating in KSA.

5.1 Practical Implications

This study bears noteworthy implications for practical application, particularly within realm of small and medium-sized enterprises (SMEs), an enduring sector. The research significantly enriches our understanding of how SME managers perceive and navigate impacts of e-MO and e-MC in their business milieu. For SME managers, capitalizing on potential of e-MO, e-MC, and e-CRM in bolstering sustainable firm performance emerges as an imperative strategy. The insights distilled from this study emerge as a guiding beacon for top-tier management within SMEs, steering them towards the realization of their long-term performance aspirations. By meticulously identifying the variables capable of molding operational performance, entrepreneurial and marketing managers can adroitly craft and implement winning strategies for their enterprises. The study underscores dynamic nature of electronic marketing, urging organizations to embrace a regime of continual enhancement. This entails a perpetual cycle of scrutinizing and upgrading offerings, ensuring that they resonate with the latest trends, deliver seamless experiences, and embody cutting-edge attributes, thus effectively bolstering their competitiveness in the eyes of consumers.

5.2 Limitations and Avenues for Future Research

In tandem with its notable contributions, this paper is not devoid of certain limitations warranting elucidation. The conceptual framework propounding Sustainable Business Performance (SBP) as formulated within this research harbors the promise of refinement from diverse vantage points. Within the contours of this model, the nexus involving ECRM as a mediator interconnected through EMO and EMC with SBP has been scrutinized. Nonetheless, this model remains amenable to augmentation by assimilating other antecedent factors—encompassing electronic loyalty, marketing efficiency, customer satisfaction, and brand equity—as mediators influencing sustainable firm performance.

An additional constraint resides in the study's exclusive concentration on SMEs, with a regrettably truncated view that overlooks the broader industrial panorama. Hence, a vista of opportunity unfolds for future inquiry to encompass a more sweeping array of industries. The current study's data, delineated by its sampling essence, grapples with an inherent limitation in establishing causal relationships. To surmount this impediment, our subsequent research phase aspires to delve into the landscape of E-marketing adoption across enterprises of varying magnitudes. Moreover, a parallel investigation could be embarked upon to scrutinize the assimilation of E-marketing, specifically within internationally dispersed service-oriented enterprises.

Encouragingly, an imperative emerges to heighten the leveraging of e-commerce for marketing SME products, thereby optimizing the augmentation of their marketing performance. Timely embracement of e-commerce is counselled for SMEs that have not yet integrated it into their marketing strategies, an undertaking underscored by the manifold benefits concomitant with such adoption. With the user-friendliness and pronounced impact on workforce efficacy duly recognized, the assimilation of e-commerce portends a substantial elevation in the marketing performance of SMEs.

Turning to the matter of sample size, it warrants mention that the study's cohort encompassed a relatively modest N=152. In the interest of endowing the findings with enhanced statistical robustness, future researchers are enjoined to endeavor towards amplifying the sample size while upholding the constancy of the research design. By so doing, a more comprehensive and substantively potent evaluation can be envisaged, casting luminance upon the intricate dynamics underpinning the study's ambit.

6. Conclusion

The findings of this study have illuminated significant insights into the practices and impacts of electronic marketing (EM) among small and medium-sized businesses (SMEs). Notably, the prevalent utilization of Internet marketing and e-mail marketing by SMEs has emerged as pivotal contributors to their success. Moreover, the study uncovers the positive and advantageous effects of electronic marketing capabilities (EMC) and electronic marketing orientation (EMO) on the sustained achievements of SMEs spanning various business domains within the context of the Kingdom of Saudi Arabia (KSA).

In sum, this study underscores that SMEs hold the potential to elevate their marketing prowess through the strategic implementation of E-marketing tactics. However, a crucial distinction arises: the mere adoption of E-marketing technology alone does not guarantee automatic enhancements in marketing performance or competitive advantage. Instead, the proactive and skilled deployment of E-marketing tools and strategies by adept marketing professionals assumes paramount importance in harnessing the benefits of E-marketing for small businesses.

Through effective utilization of these resources, small enterprises can effectively heighten their marketing effectiveness and secure a competitive edge by mastering the domains of e-marketing capabilities, e-marketing orientation, and e-Customer Relationship Management (e-CRM). Building on the study's findings, it is evident that digital marketing exerts a noteworthy and favorable influence on the performance trajectory of SMEs within the landscape of KSA. The study also sheds light on the proactive engagement of small and medium enterprises in social media marketing, a practice shown to exert a substantial and positive impact on their overall achievements within the KSA business environment. These collective findings point towards the pivotal role of effective E-marketing strategies in shaping the success trajectory of SMEs, both within KSA and potentially beyond.

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