

DIGITAL MARKETING IN MSMEs: A FOCUS ON CHALLENGES AND OPPORTUNITIES IN JOHOR

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ABSTRACT

This study offers an in-depth analysis of the digital marketing environment faced by micro, small, and medium-sized enterprises (MSMEs) in Johor, Malaysia. As pivotal contributors to the Malaysian economy, MSMEs account for a substantial share of GDP and employment, however, they are increasingly compelled to integrate digital marketing strategies to remain competitive in a digitally evolving global market. This study identifies the primary obstacles hindering digital marketing adoption among these enterprises, including limited digital literacy, infrastructural deficiencies, financial limitations, and cultural hesitancy. Additionally, it explores the importance of digital marketing for Johor's MSMEs. The study provides actionable recommendations to address these barriers by evaluating empirical data and existing policy measures. This study aims to equip policymakers, scholars, and industry professionals with valuable insights to drive effective and sustainable digital advancements in the region's MSME sector by situating these challenges within Johor's specific socio-economic framework.

Keywords: Digital Marketing, MSMEs, Johor Entrepreneur, Government Support

1.0 INTRODUCTION

Micro, small, and medium-sized enterprises (MSMEs) are globally recognized as the powerhouses of the economy. Small businesses account for 90% of global businesses, providing more than half of the worldwide employment and playing a critical role in poverty alleviation, innovation, and economic diversification (Alalwan et al., 2018). In Malaysia, MSMEs are also important, accounting for 38.4% of the nation's GDP and providing jobs for 48.2% of all employees. Johor is Malaysia's second-largest economic contributor, and these MSMEs are essential for economic growth across the agriculture, manufacturing, services, and construction sub-sectors.

Although Johor's MSMEs are vital to the economy, their digital marketing development is unbalanced, as they still experience challenges with low literacy levels, infrastructural facilities, and limited funding. Digital marketing offers Johor's MSMEs the opportunity to enhance competitiveness by expanding their audience's reach, ensuring quality engagement, and

optimizing costs. Of course, these advantages are provided so businesses can overcome structural and cultural barriers.

This study aims to (1) examine the importance and barriers of digital marketing adoption in Johor's MSMEs, and (2) identify the significance of digital transformation research towards Johor's MSMEs. For this purpose, this study adopts a conceptual paper approach, producing scholarly articles, research reports, and industry insights to understand the dynamics of digital marketing adoption in SMEs. The keywords used for the search included variations of terms such as "SMEs" and "Digital Marketing." Additionally, specific terms related to the research objectives, such as "competitive advantage" or "strategic management," were included to ensure a comprehensive search.

2.0 LITERATURE REVIEW

2.1 Importance of MSMEs importance and Barriers to Digital Marketing Adoption in Johor's MSMEs

2.1.1 Importance of MSMEs Worldwide

The role of MSMEs cannot be overemphasized within the SE socio-economic infrastructure, especially in Malaysia. They are essential for posting economic growth, social order, and sustainable development, as stated by Bargoni et al. (2024). This study identified MSMEs as significant contributors to job creation, making them key employment providers within the economy and offering opportunities to a broad population segment. Their ability to enhance the general conditions of the economy is relatively high, which in turn leads to a reduction in unemployment indicators. However, the subsequent arguments elucidate the vital importance of MSMEs in sustainable economic development: The Bali Agenda highlights that small businesses are more effective than large firms and flexible in adapting to change because they possess innovative working models that allow them to effectively and sustainably compete in volatile markets (Camilleri, 2019). These changes increase market flexibility and promote entrepreneurial activities, allowing individuals to engage in innovative activities to improve the general economy (Figure 1).

In the ASEAN context, the significance of MSMEs is particularly evident due to their unparalleled contributions to promoting economic integration and fostering inclusive economic growth. MSMEs constitute around 99% of businesses within the ASEAN region, provide around 85 % of the workforce employment, and contribute between 30 and 53 % to the GDP of the ASEAN countries. ASEAN has recognized MSMEs as engines of the area's growth, as illustrated by the ASEAN Strategic Action Plan for enhancing the competitiveness of MSMEs during 2016-2025. Diversification in MSMEs, especially in the digital economy transition after the pandemic, has allowed the region to improve participation in global value chains, become more reliable against external disturbances, and set up sustainable growth trajectories (Bargoni et al., 2024). Due to the digitization of markets everywhere and changes in customer needs, MSMEs in Malaysia are urged to employ digital promotional tools to increase competitiveness. Consequently, digital marketing has evolved as a competitive approach for increasing market coverage, developing customer relations, and optimizing organizational expenses.

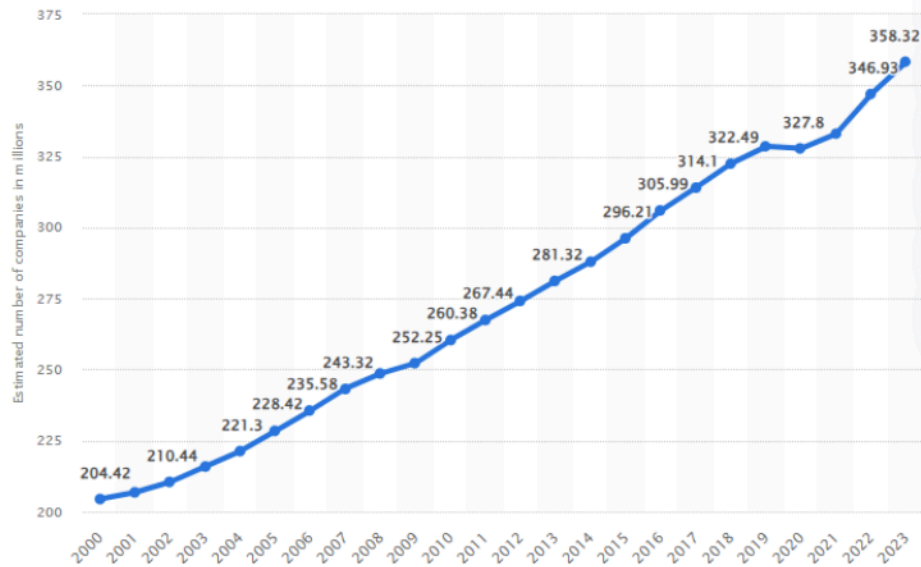


Fig. 1. Projected quantity of MSMEs globally from 2000 to 2023 (in millions) (source: statista.com)

Malaysian MSMEs play an essential role in contributing to the GDP, as they are a large contributor to the economic production of many industries (B.N.M., 2023). The DOSM revealed that Malaysian MSMEs grew 11.6% in 2022, much higher than the country's GDP of 8.7% for the same year. The share of MSMEs within the GDP increased to 38.4% from 37.4%, reflecting a value-added of RM580.4 billion from RM520 billion in 2021, as depicted in Figure 2.

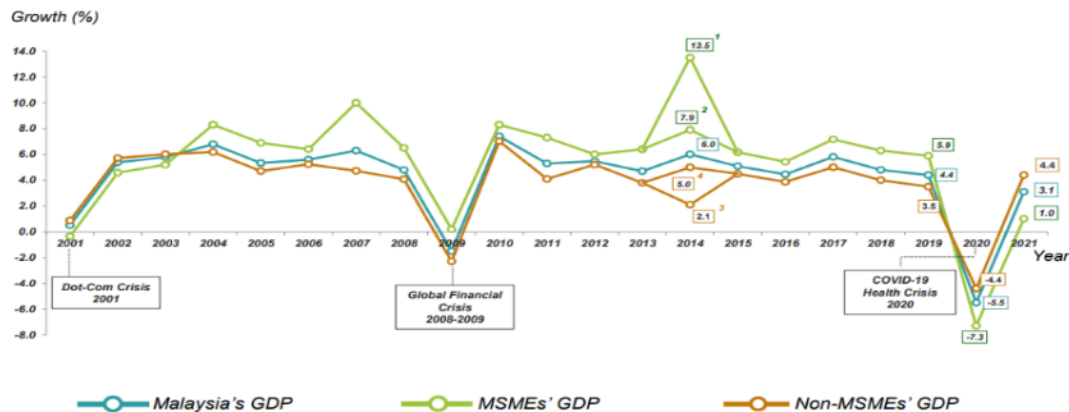


Fig. 2. The GDP growth of Malaysian MSMEs

MSMEs are also significant employers in the country and significantly contribute to employment. In 2022, employment grew for MSMEs to 3.8% (7.6 million), the highest employment rate after the reclassification of MSMEs in 2014. This was counterbalanced by approximately 280,000 employed individuals, indicating ongoing economic developments as the countries worldwide lifted COVID-19 restrictions, engaged in economic normalization, and reopened borders for international tourism. Conversely, non-MSMEs raised employment marginally by 2.4%, approximately 193000. The total employment sector in MSMEs is more than half, with 48.2% in 2022 compared with 47.8% in the previous year.

Being resilient, adaptable, and flexible instruments that can address the challenges of the existing market environment needed for economic stability, MSMEs incorporate poverty

reduction and social inclusion by creating employment services for the most vulnerable population groups, thus ensuring equitable economic growth among them (Saura et al., 2023). MSMEs are also part of the supply chain and significantly contribute to developing the local economy through demand-side activities across industries.

MSMEs are flexible and able to respond to market needs quickly; therefore, they are better aligned with the existing opportunities, translating to GDP growth and enhanced economic recovery. Thus, the role of MSMEs is not limited to numbers. However, they provide change and become a guide to orient society toward its overall development and a more inclusive and empowered future.

2.1.2 The Socio-Economic Role of MSMEs in Johor

MSMEs are critical to Malaysia's social and economic development, particularly in Johor. The results revealed that, as of 2020, Malaysia had 119,920 MSMEs, representing 70.8% of the total registered businesses, of which 85.4% were in the services sector. In addition to MSME's contribution to Malaysia's GDP and employment rates, the government also recognizes their role as catalysts of growth for community development, innovation, and socio-economic sustainability in Johor's diverse and competitive economic structure.

MSMEs are significant in tackling the unequal distribution of productive assets, wealth, and resources in Johor and other rural areas with little economic activity. The above enterprise employment fosters local enterprises and contributes to rural areas' economic development. For example, agricultural-based MSMEs implement supply chain arrangements, develop new markets, and add value to their goods and services, all positively influencing rural populations (Alalwan et al., 2018). As witnessed during the coronavirus outbreak, these types of businesses performed admirably by expanding the use of technology. On the same note, food producers, like the firms in the agriculture value chain, employed the e-commerce markets to access the consumer markets when physical markets were out of access.

This innovation also holds avenues within Johor's MSMEs, and this link and element of innovation have impacted Johor's MSMEs. Due to their size and decentralized management, smaller organizations frequently demonstrate more efficiency in acquiring and implementing new technologies than larger corporations. For instance, to improve productivity and remain competitive, many manufacturing MSMEs in Johor have implemented key Industry 4.0 enablers, such as automation, big data, and intelligent manufacturing. This technological change enhanced performance and helped place Johor's MSMEs as strategic suppliers for the growth of industrial Malaysia. The dual objectives of MSMEs in Johor, which are to achieve financial viability while fostering societal progress, are increasingly recognized by regional development bodies such as the Bahagian Perancang Ekonomi Johor. By maintaining symbiotic relationships within the local economy, these businesses ensure a steady supply of raw materials, strengthen local value chains and create significant employment opportunities. The resulting reduction in unemployment and poverty directly improves Johor's residents' quality of life, fostering a more inclusive socio-economic environment.

Furthermore, most of Johor's MSMEs possess a clear understanding of local markets and the corresponding client demands, enabling the customization of goods and service delivery systems to meet the needs of the Johor populace. This responsiveness also increases customer satisfaction, fosters economic relationships, and makes the community more productive. Thus, several recommendations can be employed to further enhance Johor's economic competitiveness, including promoting MSMEs, introducing support to societies and communities, and delivering sustainable development. Regulating this, governments and organizations today pay more attention to and value building with MSMEs as these promise long-term economic development.

Nevertheless, structural hurdles remain as issues that negatively affect the development of MSMEs in Johor. Lack of capital, insufficient technological enablers, and multiple bureaucratic regulations are crucial for rural players. Insights gathered from Vietnam support the effectiveness of government initiatives concentrated on certain sectors to address similar issues. Some measures include credible incentives, such as cheap technology support, vocational training for rural-based start-up entrepreneurs, and well-coordinated bureaucratic clearance procedures in India (Kapoor & Kapoor, 2021). If implemented in Johor, similar measures could boost MSMEs' economic and social performance capabilities to contribute optimally to the area's development.

2.1.3 Digital Marketing Strategies and Their Importance

Digital marketing provides scalable and cost-effective solutions that enable MSMEs to compete in dynamic markets (Harrigan et al., 2021). Key strategies include social media marketing (SMM), search engine optimization (SEO), email marketing, and content marketing. Platforms such as Facebook, Instagram, and TikTok have proven effective in engaging customers and building brand visibility (Kannan & Li, 2017).

Table 1: Digital marketing strategies and their importance

No	Digital Marketing Strategies	Their Importance
1	Social Media Marketing (SMM)	Social media platforms allow MSMEs to connect directly with their target audiences. For instance, a Johor-based café increased its foot traffic by 30% by using Instagram to post visually appealing content and promotions. SMM fosters real-time interactions, enabling businesses to build customer loyalty.
2	Search Engine Optimization (SEO)	SEO ensures that MSMEs' online content ranks higher in search results, increasing visibility and organic traffic. For example, a furniture retailer in Johor improved its sales by creating SEO-optimized blogs on sustainable furniture care, attracting eco-conscious customers.
3	Content Marketing and Email Marketing	Content marketing enhances brand authority, while email campaigns strengthen customer relationships through personalized updates. Together, these strategies help MSMEs retain customers and encourage repeat purchases.

As global and local economies depend significantly on MSMEs, organizations must promote good marketing communication strategies to sustain them (Deb et al., 2024). Van Veldhoven and Vanthienen (2023) asserted that the business activities of MSMEs are always sensitive to market fluctuations that force deep concern on the firm to develop a good business model to fit in the competitive market environments. MSMEs require marketing skills to build a linkage between entrepreneurship orientation (E.O.) and performance (Lányi et al., 2021)

MSMEs are essential for the growth of the local and international economy, and their sustainability has been found to depend on marketing communication strategies to boost their marketing success. Deb et al. (2024) noted that MSMEs must pay adequate attention to communication to relate well in competitive markets. According to Van Veldhoven and Vanthienen (2023), competition pressure coupled with volatile markets affects firms' ability to develop sustainable development and existence strategies. Nevertheless, the scarcity of marketing competencies has become a limiting factor for MSMEs in achieving E.O. for success, as Lányi et al. (2021) observed. As highlighted earlier, this is an area where MSMEs need to build their capability to link their business strategy to market requirements effectively.

New digital marketing technologies have become critical success factors in the strategic management of MSMEs for their continuity and flexibility. Lányi et al. (2021) also noted that many digital marketing instruments are better equipped for recognizing and satisfying customer needs than conventional marketing approaches. It is flexibility that guides organizations to meet customers' needs and offers a responsive model in responding to changes in the market. Duffett and Maraule (2024) supported all the statements made by Lee (2017) in proving that digital competencies in marketing are practical tools for reaching profitability and gaining a competitive advantage in the digitalized world economy.

However, despite the myriad technological tools currently available for digital marketing, sales promotions, advertising personality selling, and public relationship statcaremonly cost. For MSMEs, there is usually only one method of communicating with potential customers: personal selling at the presale, sale, and post-sale realization stages (Dabas et al., 2021). However, the efficiency of these strategies depends on the focus area of the extent to which different parts of digital marketing are understood and can be applied by MSMEs (Sharma & Sharma, 2024). Lack of compliance with these changing needs poses a significant hazard. According to Taiminen and Karjaluo (2015), digital marketing communication is not an addition but a necessity to realize MSME's marketing objectives. According to Ritz et al. (2019), one of the reasons for the high number of MSME failures is the low level of marketing communication and the few attempts made by owners and managers to market their businesses well.

Therefore, marketing plays a dual role as an essential tool for achieving organizational objectives and is a significant problem for MSMEs. According to Rehman et al. (2024), the lack of proper marketing strategies can be the primary reason for the failure. Simultaneously, there is a need to have a deeper understanding of what digital marketing entails to help MSMEs grow and become more resilient in the current highly competitive environment (Hafezieh et al., 2023). This understanding is especially crucial to Johor's MSMEs since implementing digitalization has significant potential for boosting their firms' performance in terms of productivity, market presence, and efficient customer outreach.

However, the digital transformation of MSMEs in Johor is challenging, as described below: Lack of funds and inadequate education are still significant barriers to utilizing progressive technologies in business. Furthermore, the weakness in awareness and knowledge of their utilization expands the gap between performance capabilities and the actual results. Therefore, efforts must be made to overcome these challenges through collaboration. The government, market stakeholders, and emerging technology solutions must collaborate to develop equal access to digital resources and design adequate training solutions for the MSME sector. Hence, based on the learning from the efficient models of the digital subsidy and localization of training programs, Johor may use such aid to raise its MSMEs for digital readiness and competitiveness in the global market.

2.1.4 Barriers to Digital Transformation in Johor's MSMEs

One prominent issue is low digital awareness and expertise, particularly acute in rural or agriculturally focused MSMEs. These enterprises often understand essential digital marketing concepts, such as SEO or social media advertising, yet lack the technical skills to implement these strategies effectively. This gap is evidenced by a global study by Hafezieh et al. (2023), who found that over half of rural MSMEs cite digital literacy as a significant obstacle, underscoring the need for targeted educational programs.

Financial constraints also play a critical role in limiting the adoption of digital technology. Although digital marketing is typically more cost-effective than traditional methods, the initial outlay for necessary technologies, website development, and ongoing promotional activities remains prohibitive for many MSMEs (Chaffey et al., 2019) and further explored by Petrova

and Babin (2022). Recurrent expenses, such as subscriptions for digital tools, consultancy fees, and content creation, compounded these financial burdens, particularly affecting low-margin sectors, such as agriculture.

Moreover, poor Internet connectivity further intensifies these challenges, particularly in the rural regions of Johor. Despite national efforts, such as the Jendela initiative aimed at enhancing broadband penetration, many areas still experience significant deficits in connectivity. This lack impedes MSMEs from fully utilizing cloud-based solutions, participating in online training, or engaging in e-commerce with outdated hardware and software, restricting their digital engagement capabilities.

Cultural resistance within these organizations also poses a significant barrier. Many of Johor's MSMEs are family-owned, with a deep-rooted reliance on traditional marketing methods and a general mistrust of digital innovation (Camilleri, 2019). Such scepticism is often shared by employees who fear job displacement or feel overwhelmed by the technological demand for digital tools. Without strong leadership and a clear vision of digital integration, these enterprises face significant challenges in adopting fundamental digital strategies.

Lastly, the effectiveness of government digitalization initiatives is often undermined by policy gaps that fail to recognize the diverse needs of Johor's MSME sectors. While urban retailers might benefit from subsidies for social media marketing, rural agricultural enterprises require support to digitalize their supply chains. This one-size-fits-all approach in policymaking fails to accommodate the specific needs of different sectors, leaving significant segments of the business community underserved, as highlighted by Wang et al. (2018). These factors illustrate the complex, interconnected barriers that must be addressed to facilitate a successful digital transition for Johor's MSMEs.

2.1.5 Government Initiatives and Their Effectiveness

Since 2020, the Johor government has actively pursued socio-economic advancement through its transformative "Makmur Johor" vision, a strategic framework encompassing twelve critical focus areas: agriculture, information technology, and e-business, enterprising, physical, human capital, management, tourism, local development, youth, religious belief, and sustainable and social development. This massive plan kickstarts development while fixing the social problems outlined by Johor's inhabitants.

Thus, Makmur Johor's vision is to offer Johor the prospect of a harmonious development of both the economic and social planes. When announcing the 2021 budget, former Johor Menteri Besar Datuk Hasni Mohammad stressed this vision, claiming that its essence would help revive trade, boost commercial activity, and spur domestic economic activities. The initiative also strengthens the enforcement of rights for vulnerable groups and promotes sustainable and equitable growth (Wang et al., 2018). Through these critical focus areas, Johor hopes to deal with significant issues affecting its development, including unemployment, poor development in rural areas, and inadequate modern development facilities, to establish the foundation for sustainable economic growth.

Johor Niaga is the most notable component of Makmur Johor due to its efforts in economic entrepreneurship. Understanding that MSMEs are fundamental to the growth of the local economy in Johor, Niaga provided RM 3.5 million for grants for nearly 560 MSMEs in the state. This is important since it enables small businesses to secure financial capital and appropriate tools to improve their operations and competitiveness in evolving market structures (Camilleri, 2019). In addition to fostering entrepreneurship, the Masyarakat Desa Johor program under Makmur Johor emphasizes local development, particularly in rural and traditional village settings. With a dedicated RM 2 million allocation under the Local Rejuvenation Plan, this

initiative aims to strengthen and empower local communities and preserve Johor's traditional villages' cultural and social fabrics. This program is especially significant in regions within the Iskandar Malaysia Development Corridor, where rural areas can benefit from targeted interventions that promote sustainable livelihood and socio-economic integration.

State initiatives are further supported by federal programs, government financial initiatives, and other financial institutions, thus forming a well-aged environment for MSMEs. The Johor Makmur MSME Grant is a Local People's Grant or G.O.L funded by Bank Kerjasama Rakyat Malaysia under the Kementerian Koperasi dan Kepenggunaan Malaysia. In 2022, this program provided interest-free loans with a fund of RM 100 million to Johor-based MSMEs. This grant offered working capital to at least 560 MSMEs, helped them expand their operations, funded equipment purchases, and met other needs with less pressure associated with conventional loans. This program reflects a supportive framework that positions SMBs as economic recovery and growth drivers.

At the national level, the MSME Digitalization Grant or MADANI continues to develop small companies' digital infrastructure. The government of Malaysia pays RM 5,000 to MSME enterprises, assisting them with half of the funding that matches the cost of adopting digital technologies for business improvement. Managed along with registered digitalization partners, the grant addresses a broad range of digitalization activities, such as social media advertisements, the establishment of e-shops, and e-payment services. Through this program, the Ministry empowers MSMEs to adopt digital solutions for operations and assures that the escalating global digital system does not leave small enterprises captured.

2.2 Significance of Digital Transformation Research Towards Johor MSMEs

The digitalization of industries has driven significant changes, presenting both opportunities for growth and challenges for companies across various countries. The approach employed also has theoretical consequences for the investigation. With the growing competition in the digital economy environments, MSMEs in Johor need to embrace digital marketing tools that make their operations efficient and effective within the market area (Wang et al., 2018).

From a functional point of view, digital transformation seeks to assist MSMEs in Johor by defining digital marketing tools and the resources required to realize them. Factors that hinder the use of digital solutions by MSMEs include low Internet literacy, high adoption costs, and a lack of access to proper infrastructure (Chaffey et al., 2019). Therefore, it is imperative to tackle these challenges if companies are to maximize ICT instruments.

Leveraging technology enables MSME owners to understand and address these challenges effectively. For instance, this study reveals ways to enhance the digital skills of businesspeople, shows ways of utilizing low-cost tools and platforms to market businesses, and presents the best ways in which infrastructural investments can be crucial to businesses. Additionally, in this area of research, the exact effect of digital marketing on performance is determined, thus providing a research-based conclusion to MSMEs. If implemented, these strategies can significantly enhance revenue generation, operational efficiency, and customer satisfaction, positioning MSMEs as the key players in the digital economy.

Therefore, for policymakers, the findings of any research on digital transformation are as important as others. Any study generates data by identifying general challenges detrimental to MSMEs, especially in developing digital skills and accessing relevant infrastructure (Camilleri, 2019).

2.3 Conceptual Framework

The proposed conceptual framework integrates input variables such as financial resources, training programs, and government initiatives with mediating factors like digital marketing strategies, E.O., and technological infrastructure. The output variables focus on key performance indicators, including productivity, market presence, customer satisfaction, and long-term sustainability.

This detailed framework emphasizes the interconnected roles of digital marketing, capacity building, and supportive policies in driving MSME growth. Addressing barriers such as financial constraints and knowledge gaps, coupled with leveraging strategic government interventions, positions MSMEs in regions like Johor to capitalize on digital transformation. By fostering innovation, enhancing market adaptability, and building resilience, this framework provides a pathway for MSMEs to achieve sustained success and contribute significantly to local and global economic development.

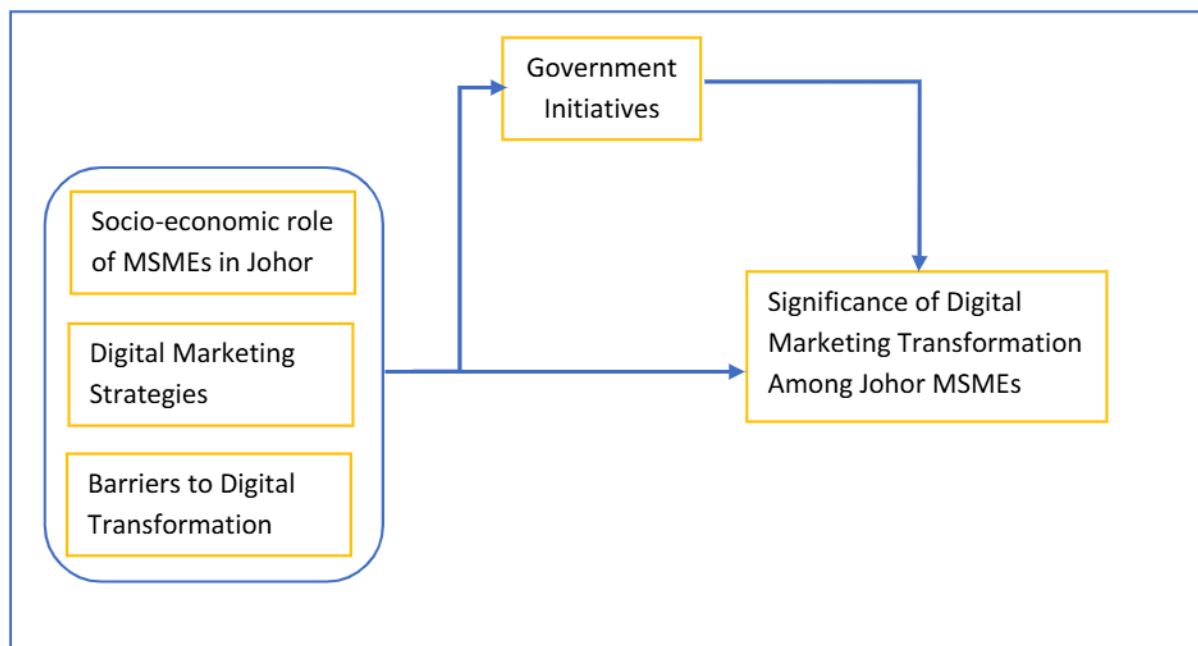


Fig. 3. Conceptual framework

The conceptual framework illustrates the interconnected dimensions shaping the significance of digital marketing transformation among micro, small, and medium enterprises (MSMEs) in Johor. At its core, the framework highlights three primary aspects: (1) the socio-economic role of MSMEs in Johor, (2) digital marketing strategies, and (3) barriers to digital transformation. These elements collectively influence the ability of MSMEs to adopt and benefit from digital marketing technologies.

The socio-economic role of MSMEs is foundational, recognizing their contributions to local employment, income generation, and economic growth in Johor. This understanding underscores the necessity of supporting MSMEs in their digital evolution to sustain their socio-economic impact. Digital marketing strategies represent the tools and approaches MSMEs leverage to enhance their online presence, engage with customers, and drive sales. These strategies are integral to competing effectively in an increasingly digitalized market landscape. However, their successful implementation is often hindered by the barriers to digital transformation, which may include limited financial resources, lack of technical expertise, resistance to change, and inadequate infrastructure.

Government initiatives act as an overarching moderator in this framework. Policies and programs aimed at fostering digital literacy, providing financial incentives, and supporting technology adoption play a pivotal role in addressing the barriers MSMEs face. By doing so, these initiatives facilitate the digital marketing transformation process and amplify its significance for MSMEs in Johor.

This framework underscores the interplay between the socio-economic contributions of MSMEs, the enablers and constraints of digital transformation, and the critical role of governmental support. A comprehensive approach integrating these elements is essential to ensure the successful digital marketing transformation of MSMEs, thereby enhancing their competitiveness and contribution to Johor's economic development.

3.0 CONCLUSION

The digital marketing concept provides a great opportunity for MSMEs in Johor to improve competitiveness, expand the overall market, and contribute to sustainable growth. These enterprises are core to the region's socio-economic development and play a vital role in terms of adding value to GDP and contributing towards the employment index as well as uplifting the sense of togetherness that defines communities Wang et al. (2018). However, while digital marketing strategies can enhance the performance of MSMEs, their adoption among Johor's MSMEs is still incomplete because of digital literacy, financial resources, infrastructure, and culture (Camilleri, 2019).

There is a level of willingness for the government to implement digital transformation, with some programs being put forward for implementation, including the MSME Digitalization Grant and the Johor Makmur MSME Grant. However, they are limited by poor rural penetration, low knowledge, and a lack of sectorial and solution-oriented approaches. Policymakers must consider diversity, ensuring that programs address both urban and rural MSMEs as well as specific subsectors.

Concerning these challenges, Johor's MSMEs can fully realize the potential of digital marketing through policy cohesiveness between the policymakers, industry, and technology providers. This change may improve their market competitiveness and affirm their leadership positions regarding knowledge, sustainability, and socio-economic growth in this region. This indicates that the future development of these MSMEs needs investment, integration, and collaboration between different players to make the MSMEs future-proof by supporting all sizes and regions involved.

4.0 SUGGESTION FOR FUTURE RESEARCH

The potential of emerging technologies to enhance digital marketing for MSMEs warrants further exploration. Artificial Intelligence (AI) and Machine Learning (ML) tools offer personalized marketing solutions that can optimize costs and efficiency. For instance, AI-driven analytics can help MSMEs target specific customer segments, predict market trends, and automate repetitive tasks, significantly reducing operational burdens. Future research should explore the accessibility of emerging technologies to small enterprises and develop comprehensive models for their integration.

Moreover, policy evaluation studies are crucial to understanding the effectiveness of existing government programs. Although initiatives such as the Johor Makmur MSME Grant aim to alleviate financial barriers, their actual reach and impact remain unclear. Research

should focus on identifying bottlenecks in implementation, such as low awareness or administrative complexities, and recommend adjustments to improve inclusivity and scalability.

By addressing these gaps, future research can provide a more nuanced understanding of the barriers and opportunities in MSME digital transformation, ensuring that strategies are inclusive and effective in promoting sustainable economic growth on the most crucial factors that have been identified in this study.

CO-AUTHOR CONTRIBUTION

The authors affirmed that there is no conflict of interest in this article. Author1 carried out the fieldwork, prepared the literature review and overlooked the writeup of the whole article. Author 2 wrote the research methodology and did the data entry. Author3 carried out the interpretation of the results.

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DECLARATION TO THE PUBLISHER REGARDING THE APPLICATION OF GENERATIVE AI TOOLS AND AI-ASSISTED TECHNOLOGIES IN THE WRITING PROCESS

While preparing this writing, the author utilized ChatGPT4.0, Quillbot Premium, and Grammarly to refine and complete the use of these applications/tools; the author conducted a review, refinement, and editing process to ensure full responsibility for the content of the writing and publication.

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