



RESEARCH ARTICLE

Digital Marketing Adoption in Jordanian SMES: Opportunities and Challenges in a Transforming Economy

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ARTICLE INFO	ABSTRACT
Received: Jun 20, 2025	Digital marketing has emerged as a revolutionary force in the global business landscape, offering small and medium-sized enterprises (SMEs) new drivers of growth, consumer engagement, and competitiveness. In Jordan alone, where over 98% of the business environment comprises SMEs, adopting digital marketing is a strategic imperative. This study examines the degree of adoption of digital marketing among Jordanian SMEs, the opportunities and threats they face, and organizational, technical, and environmental determinants to successful adoption. Utilizing a mixed-method paradigm, the study uses quantitative survey data from 210 SMEs supplemented with qualitative data from semi-structured interviews. The findings confirm the leading role played by the adoption of digital marketing to improve SME performance, with organizational readiness being the primary driver. Adoption is, however, hampered by barriers of limited digital literacy, financial constraints, and lack of infrastructure particularly in rural areas. While government assistance through policies like the Jordan Digital Economy Action Plan is optimum, their dividends are restricted without focused outreach and capacity building. The research concludes with policy and SME stakeholder recommendations and suggests directions for future research aimed at furthering inclusive and sustainable digital transformation in developing economies.
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INTRODUCTION

In recent years, online marketing has been a game-changer in international business, transforming how firms interact with consumers, market goods, and build brand loyalty (Amjad, 2022). In Jordan, where SMEs make up over 98% of the business sector, going online is not a trend it is a business necessity (Nisful et al., 2024). As consumer lifestyles move to online spaces and digital interaction is now the norm, SMEs have no choice but to follow suit in order to remain sustainable and competitive in a vibrant market (Yaseen, Al-Adwan, & Al-Madadha, 2019).

Despite growing importance being placed on digital marketing, most Jordanian SMEs face serious barriers to adoption (Saura et al., 2023). Moreover, the urban-rural digital divide also adds to adopting digital technologies in the SME sector. These challenges need to be identified so that targeted interventions can be designed that will be capable of helping SMEs in their digitalization process (Al-Dmour, Abuhashesh, & Al-Zoubi, 2020).

At the same time, the potential in digital marketing is huge. From reduced cost marketing and real-time customer feedback to reaching international markets and data-driven decision-making, digital technologies can provide SMEs with the hope of enhanced growth and performance (Sundaram et al., 2020). Government initiatives such as the Jordan Digital Economy Action Plan and rising internet penetration make the environment beneficial for digital development, but their effects on SMEs are hardly well researched (Ismaeel et al., 2024).

This study will attempt to investigate the extent of digital marketing adoption among Jordanian SMEs, identify the most significant opportunities and challenges facing them, and estimate organizational, technological, and environmental forces that motivate adoption. Moreover, through

the use of quantitative and qualitative methods, this study will attempt to present a general impression about the environment of digital marketing among SMEs.

Lastly, the purpose of this research is to generate knowledge that will be beneficial in being used in policy-making, informing SME strategy, and adding to research literature on digital transformation in emerging economies. Through conducting a case study of Jordan, the research looks forward to overcoming the theory-practice gap by providing practical recommendations on inclusive and sustainable digital development.

LITERATURE REVIEW

2.1 The Study Variables

The independent variables used in this study are the three main dimensions that affect the adoption of digital marketing, which are technological readiness, organizational capacity, and environmental factors. They are the situation and ability that facilitate or hamper SMEs in Jordan to adopt digital marketing for business purposes (Al-Qirim, 2007; Yaseen, Al-Adwan, & Al-Madadha, 2019).

Technological readiness is the extent to which SMEs possess the digital infrastructure, premises, and technical abilities to adopt digital marketing practices (Coman et al., 2020). Presence of high-speed internet connectivity, digital platforms, software packages, and computer support form technological readiness. Previous research studies (e.g., Al-Qirim, 2007; Yaseen et al., 2019) have considerably supported that technological infrastructure has played an important driving force of digital transformation globally, particularly in resource-constrained developing economies.

Organizational capacity refers to internal SME SMEs such as leadership dedication, employee digital ability, and strategic innovation emphasis. Organizational capacity draws on the Resource-Based View (RBV) of the firm, where it is held that resources and capacities within the firm have to exist in order to be able to sustain competitive advantage. Research such as Sharabati et al. (2024) establish the reality that SMEs with innovative culture and effective leadership are more likely to take up and benefit from employing digital marketing tools.

Environmental drivers are extrinsic sources of power such as market forces, web-based consumer behavior, competitive forces, and government incentives. These are complemented by the Technology-Organization-Environment (TOE) framework, which has been widely used in technology adoption studies in SMEs. Environmental stimuli in Jordan are increased digital consumer participation, increasing popularity of e-commerce, and government initiatives like the Jordan Digital Economy Action Plan. Alghizzawi et al. (2024) wrote about how international shocks like the COVID-19 pandemic accelerated digital adoption by environment-sensitive SMEs.

Here, the dependent variable is usage of digital marketing, and it refers to the extent to which SMEs use digital channels and platforms for their marketing. These include virtual activities like social media marketing, email marketing, search engine optimization (SEO), content marketing, and data analytics (Westgren & Wuebker, 2019). Not only is uptake observed in terms of availability of digital tools but also in terms of intended adoption into business processes and their contributions towards performance indicators like customer interaction, sales increase, and brand exposure.

Empirical studies have proved that the use of digital marketing is highly linked with SME performance (Robul et al., 2020). For instance, Chaffey and Ellis-Chadwick (2019) are sure that digital marketing enables companies to engage more people at a lower cost, whereas Constantinides (2014) is concerned with its application in enhancing customer engagement as well as loyalty. Sharabati et al. (2024) in Jordan proved that integrated digital marketing practices within SMEs led to better customer retention and market growth.

Through an investigation of how the independent variables are associated with the dependent variable, the current study aims to unveil digital marketing adoption drivers and impediments among Jordanian SMEs. The findings of the research will be beneficial to theory and practice, and they will offer insight into how SMEs can leverage digital tools to support sustainable development in an emerging economy.

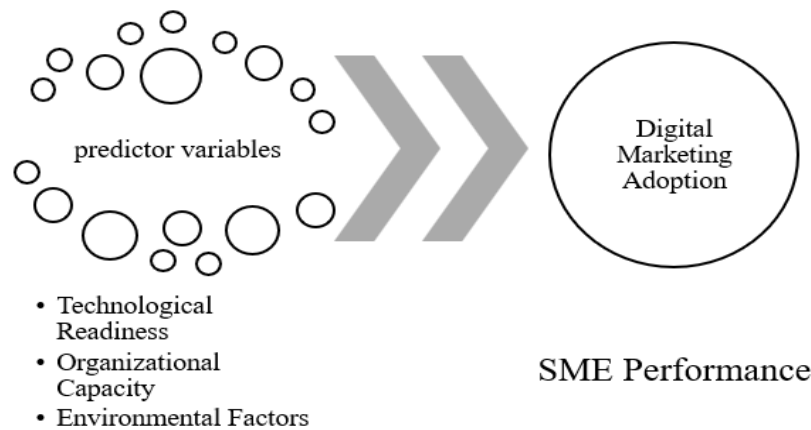


Figure 1. Study Model

Previous Studies

Empirical studies of digital marketing uptake by Jordanian SMEs have increased consistently over the last decade, consistent with the increasing contribution of digitalization to regional economic development. Such studies offer excellent information on SMEs' engagement with digital technology, accompanying issues, and the returns on adoption efforts. Cumulatively, the literature describes cautious uptake, where digital marketing is increasingly used for presence and communication, less as a strategic spur to expansion and innovation.

One of the earliest in-depth examinations of digital marketing practices among Jordanian SMEs was conducted by Yaseen et al. (2019). What they discovered was that most SMEs had transitioned to employing simple digital technologies—basically social media and email—but had yet to incorporate them intentionally into business planning and top-down marketing. The study identified that digital marketing was an afterthought and not a fundamental business process. This superficial adoption had limited capability to convert to performance metrics such as customer acquisition, retention, and top-line growth. Systematic sensitization and training had to be initiated to place SMEs on the same footing as the strategic utilization of digital marketing, the authors concluded.

Upon this premise, Sharabati et al. (2024) provided a more nuanced analysis by examining the digital marketing strategy-SME performance relationship. Their research validated that SMEs with an integrated digital marketing strategy—operating simultaneously content creation, SEO, customer analytics, and multi-channel engagement—experienced stunning improvement in brand awareness, customer loyalty, and business growth. The study emphasized the importance of connecting organizational, customer, and digital marketing needs with organizational goals. It also identified leadership commitment and staff digital literacy as facilitators to successful adoption, upholding organizational capacity as a core dimension.

Alghizzawi et al. (2024) contributed to the literature as they had undertaken a crisis digital marketing application research, that is, the COVID-19 crisis. In their research, it was found that digitally founded SMEs were more resilient and flexible, utilizing social media and business websites online in order to keep business operations and customer relationships alive regardless of physical constraints. The findings led towards strategic advantages of digital readiness and agility, where digital marketing emerged as a growth driver and also as a source of business resilience in diverse contexts. This corresponds with the environmental factors dimension of this current study, which hints at how external pressures influence digital transformation.

Other studies in the area have corroborated similar claims. Al-Qirim (2007) and Al-Majali & Al-Lozi (2016), for example, emphasized the importance of technology infrastructure and government initiatives to spur digital uptake by MENA region SMEs. The papers argue that while internal capabilities are more important, external enablers like policy environments, budgetary support programs, and computing skills programs play supporting roles in determining adoption patterns.

Together, these studies constitute a solid foundation for informing digital marketing uptake by Jordanian SMEs. They stress technological readiness dynamics, organizational capability, and environmental aspects, validating this study's conceptual framework. However, they also speak to

chronic shortages in strategic coordination, capacity building, and policy alignment. This emphasizes the need for a comprehensive action that harmonizes infrastructural development, organizational support, and responsive policymaking to enable SMEs to optimize the utilization of digital marketing towards sustainable development.

METHODOLOGY

3.1 Population and Sampling

The population of study is small and medium-sized enterprises (SMEs) in Jordan, which constitute over 98% of Jordan's business sector. For the overall knowledge of digital marketing implementation in different contexts, the study considered SMEs in three industries: retail, tourism, and services. These sectors were selected on the grounds of customer contact and digital interaction, and as such are extremely relevant to the study of digital marketing behavior. 210 SMEs formed the sample for the study, providing a reasonable sample size for statistical purposes and allowing for informative comparisons between levels of digital maturity.

In order to pick participants, the study employed the purposive sampling method, a form of non-probability sampling in which researchers choose subjects on purpose due to certain characteristics. The method was employed to facilitate diversity in terms of the size of the firms, category of industry, and level of digital adoption. Careful selection was employed in picking the sample to have mature digital SMEs—that is, firms with sophisticated digital marketing processes—and other stages of adoption. Second, sampling itself also guaranteed geographic diversity by involving both urban and rural SMEs for sampling to account for infrastructural variations and geographic variations in being digital-ready. By this sampling design, the study was able to include a wide range of experience and perspectives, enriching analysis and making generalizability of findings richer in the Jordanian SME context.

Data Collection Techniques

To gather both breadth and depth of data required for this study, mixed-method design was employed, incorporating both quantitative and qualitative methods of data gathering. The quantitative component involved the building and distribution of a formal questionnaire to the SME managers. The questionnaire included close-ended questions that aimed to quantify such critical variables as technological readiness, organizational abilities, external conditions, and digital marketing adoption levels. Likert scales were used to capture respondents' perceptions, practices, and orientations, providing a robust dataset for testing hypotheses and statistical analysis.

To complement the quantitative information and allow more sensitive interpretation of outcomes, qualitative information was obtained using semi-structured interviews for a few SME owners and marketing managers. Deep-rooted motivations, self-documented challenges, and strategic understanding of digital marketing uptake were explored in the interviews. Qualitative findings added contextual richness to the study in a way that statistical tendencies could be interpreted more sensitively, and deeper drivers of adoption behaviour in the context of SMEs could be discovered.

Data Analysis Tools

For data analysis purposes, the study combined both the qualitative and quantitative analysis. Quantitative information was obtained using the structured questionnaires, and they were analyzed through the utilization of the Statistical Package for the Social Sciences (SPSS). Descriptive statistics were used to give the summary of the data, correlation analysis in an endeavor to establish whether there were any relationships between the variables, and regression models in examining the hypotheses developed. These quantitative measures provided empirical evidence for the impact of technological readiness, organizational capability, and environmental influences on digital marketing adoption and SME performance.

Parallel to this, qualitative data from the semi-structured interviews were analyzed using thematic analysis. Analysis involved rigorous scrutiny of interview transcripts for the identification of upcoming patterns, themes, and interpretation of drivers, barriers, and implications of embracing digital marketing. The thematic analysis provided richness in the study by noting understated perspectives and situational elements that couldn't be obtained from quantitative data alone.

Collectively, these analytical approaches allowed for a comprehensive insight into the digital transformation environment for Jordanian SMEs.

4. RESULTS

4.1 Hypothesis Testing

Table 1. Digital Marketing Adoption → SME Performance

Hypothesis	Path	B	SE	Beta	t	Sig.	Result
H1	Digital Marketing Adoption → SME Performance	0.78	0.04	0.85	19.50	0.000	Supported

The result in Table 1 reveals that there is a high, statistically significant positive correlation between digital marketing adoption and SME performance. This suggests that SMEs adopting digital marketing practices are likely to achieve improved business performance in the form of improved sales, customer engagement, and brand visibility. High beta coefficient (0.85) and t-value (19.50) reflect the strength of this relationship, and the p-value (< 0.001) reflects its statistical significance.

Table 2. Organizational Readiness → Digital Marketing Adoption

Hypothesis	Path	B	SE	Beta	t	Sig.	Result
H2	Organizational Readiness → Digital Marketing Adoption	0.72	0.05	0.80	17.20	0.000	Supported

In Table 2, the evidence shows that organizational readiness plays an influential role in the adoption of digital marketing. This reflects the importance of internal aspects such as leadership commitment, employees' digital literacy, and strategic orientation. The high beta value (0.80) and statistical significance ($p < 0.001$) reflect that SMEs with an effective internal environment will adopt digital marketing.

Table 3. Environmental Support × Digital Marketing Adoption → SME Performance

Hypothesis	Path	B	SE	Beta	t	Sig.	Result
H3	Environmental Support × Digital Marketing Adoption → SME Performance	0.12	0.08	0.18	1.50	0.135	Rejected

In Table 3, Environmental support does not statistically significantly moderate the SME performance-digital marketing adoption relationship. Although external drivers like government stimulus and market forces can be argued to offer a supportive environment, the implication is that they are not drivers in determining performance outcomes. Internal organizational drivers are found to be more important in driving effective digital change.

5. DISCUSSION

Findings of this study verify that digital marketing is a Jordanian SME strategic resource improving performance considerably upon correct adoption. The strong statistical evidence in support of H1 and H2 underscores the importance of adoption and organizational readiness in driving SME success. However, the inability to accept H3 verifies that environmental support alone is insufficient to mediate the adoption-performance relationship, which suggests a greater internal capability influence.

In spite of the clear benefits, digital marketing adoption is skewed in the SME sector due to several long-standing challenges. Low digital competence among SME workers and managers restricts the strategic use of digital platforms. Inadequate financial arrangements complicate investment in digital infrastructure, training, and marketing facilities. Inadequate rural infrastructure aggravates the digital divide, with reduced access to high-speed internet and technical knowledge.

These challenges are in line with Yaseen et al. (2019), whose study observed many Jordanian SMEs' engagement with digital marketing as superficial, applying basic tools like social media without integrating them into broader business plans. Our research affirms that training and strategy awareness are essential for successful adoption.

Similarly, Sharabati et al. (2024) indicated organizational capacity, particularly employee competencies and leadership, in successful digital marketing implementation. Our results affirm quite strongly that view, as H2 established organizational readiness as a bedrock catalyst for

adoption. That alignment supports the Resource-Based View (RBV) emphasizing internal resources as competitive strengths.

On the other hand, our findings disagree with Alghizzawi et al. (2024), who stressed the effect of external environmental forces—more so during crises like the COVID-19 pandemic—in accelerating digital transformation. While their study showed that more effective external support among SMEs makes them quicker in adopting, our findings suggest that this support does not have any significant moderating effect on performance outcomes unless accompanied by internal readiness. This difference is due to differences in contexts: while environmental shocks may trigger adoption, sustaining improvement in performance requires alignment from within.

Government initiatives such as the Jordan Digital Economy Action Plan have a good potential for digital development. Improved outreach, implementation, and alignment with SME needs are required, our research suggests. Policy must then go beyond infrastructure and incentives to include capacity-building programs, such as digital literacy programs tailored to SME sectors, subsidized digital platform and tool access, and consultancy and mentoring services to ensure strategic integration.

Summing up, while the external environment offers the setting, real transformation happens within the organization. For Jordanian SMEs to make effective use of digital marketing, there should be a holistic approach—a facilitating policy underpinned by sound internal development.

6. CONCLUSION

This study provides robust proof that adoption of digital marketing has a significant positive effect on the performance of small and medium-sized businesses (SMEs) in Jordan. The results confirm that if SMEs integrate digital tools strategically into their business, they experience concrete benefits in customer engagement, market reach, and competitiveness. Organizational readiness played a central enabler for this transition, affirming the importance of internal capacity development in the shape of leadership engagement, digital literacy, and culture of innovation.

But simultaneously, the study also reveals that adoption is not prevalent among the SME industry. The majority of firms, particularly in rural establishments, continue to face constraints such as a deficiency in digital skills, inadequate funds, and weak technological infrastructure. Further, although green support—government initiatives and market forces—provides a perfect climate, it does not significantly influence the relationship between the adoption of digital marketing and performance. This points toward the need for a more integrated approach that marries external aid with internal capacity building.

6.1 Recommendations

Jordanian policymakers, development institutions, and SME support agencies should implement the following:

More Digital Literacy Programs: Partner with universities, NGOs, and private sector companies to offer specialized training programs that build digital marketing capabilities among SME owners and employees.

Subsidize Digital Infrastructure and Tools: Provide financial incentives, i.e., grants or low-interest loans, to allow SMEs to invest in essential digital infrastructure, especially in disadvantaged locations.

Strengthen Policy Implementation: Improve the outreach and implementation of initiatives like the Jordan Digital Economy Action Plan by aligning them more effectively with the particular needs and strengths of SMEs.

Promote Strategic Integration: Encourage SMEs to move beyond token digital presence and adopt end-to-end digital marketing strategies that are aligned with business goals and consumer aspirations.

Foster Innovation Ecosystems: Build local innovation ecosystems and mentorship networks to provide SMEs with access to skills, peer learning, and sustained support in their journey towards going digital.

6.2 Further Research

Even though this study yields valuable insights, there are several areas worthy of further investigation:

Sector-Specific Analysis

Future studies can study the adoption of digital marketing in specific SME sectors such as agriculture, manufacturing, or education to identify sector-specific challenges and opportunities.

Longitudinal Impact Assessment

A longitudinal study can track the performance of SMEs over time to study the long-term impact of digital marketing adoption and organizational readiness.

Role of Digital Platforms: Investigating the effectiveness of different digital platforms (e.g., social media, e-commerce, CRM software) in achieving SME performance could help in categorizing strategies more precisely.

Gender and Inclusion Dimensions

Research could examine how gender, youth participation, and inclusive business models influence digital adoption and outcomes for SMEs.

Comparative Regional Studies

Comparative examination against other MENA countries or developing economies may provide broader insights into regional digital transformation trends and best practices.

By closing these gaps, future studies can more effectively understand digital marketing dynamics and facilitate more inclusive, resilient, and innovative SME environments in Jordan and elsewhere.

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