

A Study on the impact of digital marketing on export growth in Afghanistan - India

Estudio sobre el impacto del marketing digital en el crecimiento de las exportaciones en Afganistán – India

Um estudo sobre o impacto do marketing digital no crescimento das exportações no Afeganistão - Índia

Abdul Moiz Sarwari¹
Juma Rasuli²

Abstract

Sawari, A. M.; Rasuli, J. A Study on the impact of digital marketing on export growth in Afghanistan - India. *Rev. C&Trópico*, v. 48, n. 2, p. 17-36, 2024. Doi: [https://doi.org/10.33148/CETROPv48n2\(2024\)2338](https://doi.org/10.33148/CETROPv48n2(2024)2338)

The main purpose of marketing is to help companies increase their performance while putting their goods and services across from customers. Today's businesses compete intensely with each other in the order to expand and guarantee their long-term existence in the market. According to Ayyagari, Beck, and Demirgüç-(2007) study, the expansion of enterprises is crucial for every nation's economy as a whole, hence additional motivational factors must be taken into account to help firms expand. Clients' recruitment and retention are essential for many Afghan businesses that export goods to India because they are at this stage of their life cycles. As a result, to attract clients throughout India, including rural areas, businesses must have a clear marketing purpose and strategy in place. Afghan traders have always relied on word-of-mouth marketing to spread the word about their products and services. The paradigm of marketing has changed away from the provision of connectivity and toward the sale of commodities as digital marketing has gained prominence. Technological improvements, new marketing channels, and the ongoing change in the media environment have all contributed to this transformation (Bhattacharya and Bolton, 2000). The purpose of this study is to ascertain the effect of digital marketing on Afghanistan's export growth to India, we have created the simple linear regression model below to better understand how digital marketing affects export growth and sales, and Primary data for the study was acquired through a survey form made especially for it. Data on both the quantitative and qualitative levels were gathered using a semi-structured questionnaire the sample size was 60 traders.

Keywords: Digital marketing. Marketing strategy. Export growth rate. Increase sales. Company experience. Factors.

Resumen

Sawari, A. M.; Rasuli, J. Estudio sobre el impacto del marketing digital en el crecimiento de las exportaciones en Afganistán – India. *Rev. C&Trópico*, v. 48, n. 2, p. 17-36, 2024. Doi: [https://doi.org/10.33148/CETROPv48n2\(2024\)2338](https://doi.org/10.33148/CETROPv48n2(2024)2338)

El principal objetivo del marketing es ayudar a las empresas a aumentar su rendimiento poniendo sus bienes y servicios a disposición de los clientes. Hoy en día, las empresas compiten intensamente entre sí para expandirse y garantizar su existencia a largo plazo en el mercado. Según el estudio de Ayyagari, Beck y Demirgüç (2007), la expansión de las empresas es crucial para la economía de cada nación en su conjunto, por lo que también deben tenerse en cuenta factores de motivación adicionales. Captar y retener clientes es esencial para muchas empresas afganas que exportan productos a la India. Por consiguiente, para atraer clientes en toda la India, incluidas las zonas rurales, las empresas deben tener un objetivo y una estrategia de marketing claros. Los comerciantes afganos siempre han confiado en el marketing boca a boca para dar a conocer sus productos y servicios. El paradigma del marketing ha pasado de proporcionar conectividad a vender bienes, a medida que el marketing digital ha ido ganando protagonismo. Las mejoras tecnológicas, los nuevos canales de comercialización y el cambio continuo en el entorno de los medios de comunicación han contribuido a esta transformación (Bhattacharya y Bolton, 2000). El objetivo de este estudio es determinar el efecto del marketing digital en el crecimiento de las exportaciones de Afganistán a la India. Creamos el modelo de regresión lineal simple para comprender mejor cómo afecta el marketing digital al crecimiento de las exportaciones y las ventas. Se recopilaron datos cuantitativos y cualitativos mediante un cuestionario semiestructurado y el tamaño de la muestra fue de 60 comerciantes.

Palabras clave: Marketing digital. Estrategia de marketing. Tasa de crecimiento de las exportaciones. Aumento de las ventas. Experiencias de empresas. Factores.

¹ Ph.D Scholar in Management Department at Veer Narmad South Gujarat University (VNSGU), Surat, India. E-mail: abdul.moiz.sarwari@gmail.com Orcid: <https://orcid.org/0009-0000-1201-9604>

² Ph.D in Economics from Veer Narmad South Gujarat University (VNSGU). Visiting Professor in International Relation Department, NEPDA at UEPB, CAPES. E-mail: rasuli.juma@visitante.uepb.edu.br Orcid: <https://orcid.org/0000-0001-5349-6810>

Resumo

Sawari, A. M.; Rasuli, J. Um estudo sobre o impacto do marketing digital no crescimento das exportações no Afeganistão - Índia. *Rev. C&Tropico*, v. 48, n. 2, p. 17-36, 2024. Doi: [https://doi.org/10.33148/CETROPv48n2\(2024\)2338](https://doi.org/10.33148/CETROPv48n2(2024)2338)

O principal objetivo do marketing é ajudar empresas a aumentar o seu desempenho, colocando seus bens e serviços à disposição dos clientes. Atualmente, empresas competem intensamente entre si para se expandirem e garantirem sua existência a longo prazo no mercado. De acordo com o estudo de Ayyagari, Beck e Demirgüç (2007), a expansão das empresas é crucial para a economia de cada nação como um todo, pelo que devem ser levados em conta também fatores motivacionais adicionais. O recrutamento e a fidelização de clientes são essenciais para muitas empresas afegãs que exportam mercadorias para a Índia. Consequentemente, para atrair clientes em toda a Índia, incluindo nas zonas rurais, as empresas devem ter um objetivo e uma estratégia de marketing claros. Os comerciantes afegãos sempre se basearam no marketing boca-a-boca para divulgar seus produtos e serviços. O paradigma do marketing mudou, deixando de ser o fornecimento de conectividade e passando a ser a venda de mercadorias, à medida que o marketing digital ganhou proeminência. As melhorias tecnológicas, os novos canais de marketing e a mudança em curso no ambiente midiático contribuíram para esta transformação (Bhattacharya e Bolton, 2000). O objetivo deste estudo é determinar o efeito do marketing digital no crescimento das exportações do Afeganistão para a Índia. Criamos o modelo de regressão linear simples para compreender melhor como o marketing digital afeta o crescimento das exportações e as vendas. Os dados, tanto a nível quantitativo como qualitativo, foram recolhidos através de um questionário semi-estruturado e a dimensão da amostra foi de 60 comerciantes.

Palavras-chave: Marketing digital. Estratégia de marketing. Taxa de crescimento das exportações. Aumento das vendas. Experiências da empresa. Fatores.

Data de submissão: 16/08/2024

Data de aceite: 13/09/2024

1. Introduction

This study aims to determine the causal relationship and correlation between digital marketing tactics and business exports to India. The study's goal was to determine how internet marketing affected Afghan traders' exports to India. The holistically marketing strategy, which is based on the creation, design, and implementation of marketing processes, processes, and activities that take into consideration their breadth and interconnectedness, has gained more and more traction among businesses. (2012) (Kotler & Keller). The marketing can be increased by using digital marketing approaches to replicate a wide range of marketing communications and traditional media platforms. Digital campaigns encompass all facets of marketing communications and are more focused. Digital technology is therefore perceived to affect the business models, marketing tools, and media that communication firms are required to deliver. Freund and Weinhold (2004, p. 172) observed that a country's growth in exports in the ensuing year was correlated with an increase in the number of company websites. To assess the effect of digital marketing on export growth and sales, this study employs the Ordinary Least Square regression approach.

Trust and understanding, cooperation, and a development partnership are the cornerstones of Afghanistan-Indian relationships. Both countries are linked by strong cultural and historical ties that have cultivated positive relations over time. The Strategic Partnership Agreement (SPA), which was signed by the two states in 2011, aims to further solidify Indo-Afghan relations and their shared

neighboring policy. India's partnership with Afghanistan confirms that the two countries are truly working together to advance prosperity, peace, stability, and a better future for both of their countries.

There seems to be trade between the two countries for many years. Significant growth is being seen in the two countries' bilateral trade. By striking a trilateral deal (with Afghanistan, India, and Iran) for the building of the Chabahar port, India has also made a substantial contribution to connecting Afghanistan to the rest of the globe. Now that Chabahar port is a reality, trade and imports from India to Afghanistan and Central Asia will move more quickly, creating new opportunities.

2. Literature Review

Rodgers' (1983) What, where, and how quickly new inventions are accepted are all explained by the diffusion of innovation hypothesis. According to DOI, innovation is transferred through particular channels and mechanisms. (Rodgers, 1995). The distribution, which includes awareness, argumentation, decision-making, implementation, and validation of the innovation's results, involves society's members individually. According to this concept, the rate at which technology is adopted develops along a normal distribution curve. The adoption process is broken down into five stages, with innovators being the first to adapt and laggards being the last, according to the DOI theory: innovators, early adopters, early majority, late majority, and laggards. The adoption and implementation of innovations at the firm level are affected by technology, organization, and environment.

(Tornatzky & Fleischer, 1990), It is in keeping with the DOI, which highlights the importance of a firm's internal and external attributes as influences on innovativeness in companies. (Oliveira & Martin, 2011). It is explained in detail in the Technology Acceptance Model Venkatesh, Moris, Davis and Davis 2003) how users consent to and use technology. Park (2009) confirms that the Technology Acceptance Model (TAM) is a useful theoretical model for understanding and explaining behavioral intentions in the context of technology use. This theory argued that four important variables—effort expectation, performance expectation, social influence, and enabling conditions—have an impact on the adoption of innovations.

When implementing new technology, customers evaluate and take into account a variety of issues, including the associated expenses for adoption and use (Venkatesh et al, 2005) Using a wireless system to send consumers personalized information that is time- and location-specific and promotes goods and services is known as a "mobile marketing approach." (Scharl, Dickinger & Murphy, 2005) Given the popularity and competitiveness of pay-per-click advertising continuing to grow, keywords are becoming more and more expensive for small businesses. (Ryan & Jones, 2009). The decision to use or obtain the use of a concept or object, according to Hall and Khan (2002),

whereas Rogers (1995) defined adoption as the decision to make full use of a new idea as the most effective course of action available to a person or organization.

Sabuhoru and Wunisch (2003) conducted a study on the use of computers and the internet in Canadian farms and discovered that the nature of the firm's operations was the most important factor influencing computer and internet use. Eisenmann, T., Parker, G., & Van Alstyne, M. (2011).just that, it really should be mentioned that digital platforms, which connect the supply and demand sides of enterprises, are defined by network effects and comprise desktop computers, personal digital assistants, network switches, multimedia, and mobile devices like smartphones.

A mobile marketing strategy is defined as the use of a wireless medium to provide consumers with time and location-specific, tailored information that promotes products and services (Scharl, Dickinger & Murphy, 2005). In turn, it enhances the interaction between consumers and their mobile phones, as well as the consumer-brand relationship, as well as the ability of mobile advertising to control the viewing environment, allowing advertisers to build more meaningful brand relationships with consumers.

3. Methodology

Kothari and Garg (2014) The design of specific methods of data collection and assessment to optimize relevance to the research purpose are what is meant by research design. It outlines the context in which data were gathered, measured, and evaluated and serves as the basis for this study.

Primary data for the study was acquired through a survey form made especially for it. Data on both the quantitative and qualitative levels were gathered using a semi-structured questionnaire. This plan was efficient and facilitated quick data collecting. (Schindler 2000).

The study's target population was all traders who export to India and were affiliated with a pilot project designed by the Afghan government and the United States Agency for International Development to promote Afghanistan's exports to India, a total of 60 businesses.

And to use a semi-structured questionnaire created to identify the variables being studied in line with the research aims, the respondents gave primary data. Respondents provided answers to both open-ended and closed-ended items on the questionnaire during a face-to-face interview (Abugah 2009).

The questionnaires were divided into three sections to collect information about the respondents' backgrounds, their use of digital marketing, and their performance indicators. The study's respondents include the company's president, chief executive officer, and marketing managers who were deemed to be knowledgeable about the trading company's marketing operations.

To assess the effect of digital marketing on export growth and sales, this study employs the Ordinary Least Square regression approach. This research sought to determine the causal relationship and correlation between digital marketing tactics and business exports to India. We have created the simple linear regression model below to better understand how digital marketing affects export growth and sales.

3.1. Econometric Model:

$Y = \beta_0 + \beta_1 x + \beta_2 x^2$ (1), Where Y is the outcome variable of interest (Export Growth and Sales), x is all the independent variable that has an impact on Export Growth and sales. In our case, (x) is access to digital marketing, digital marketing strategies, the experience of companies, and the sector of operation.

To know the correlation between all variables, we also conduct correlation tests for all the independent variables and dependent variables too. We have also used pie charts to understand the perceptiveness of companies in a more easy way.

3.2. Analysis:

The purpose of this study is to ascertain the effect of digital marketing on Afghanistan's export growth to India. The study summarizes the statistics from the export-oriented businesses that responded to our survey in Section 4.2, while Section 4.3 analyzes the impact of digital marketing on export growth.

The findings of the study were discussed in Section 4.4, and chapter 4.5 summarized the data analysis findings, results, and discussions.

3.3. Summary Statistics

The study's objective was to analyze the impact of digital marketing on the growth of Afghanistan's exports to India. Questionnaires were sent to 100 traders in Afghanistan, and 57 businesses responded. This resulted in a response rate of 57%, with the remaining 43% failing to respond to the questionnaire within the time frame required for the study.

Table 1: Descriptive Statistics between all variables

Variable	Obs	Mean	Std. Dev.
Experience	57	2.158	.819
Commodity	57	2.357	1.227
Access	57	1.175	.384
Impact digital	57	1.596	.884
Sales	57	1.772	.926
Export Growth	57	1.772	.866
Email marketing	57	2.491	.928
Website and Social Media	57	2.351	1.11
Google search	57	2.281	1.206
online advertising	57	2.404	1.178

Table 1 shows the summary of all variables that includes several observation (57), the mean value, and the standard deviation of each variable, this help in recognizing the statistic of each variable.

i) Companies Export Commodity

Table 2: Companies' Main Export Commodity

Trading commodity	Freq.	Percent	Cum.
Dry Fruits	21	37.50	37.50
Fresh Fruits	8	14.29	51.79
Spices	13	23.21	75.00
Others	14	25.00	100.00
Total	57	100.00	

Source: Research data (2021)

Table 2 indicates the distribution of the type of export commodity that companies dealing with that the study sampled in Afghanistan. From the total of 57 Businesses that responded, the findings indicated that 37.5% (of them were dealing in dry fruits, 14.29% of them were dealing fresh fruits, 23.2% of them were dealing in spices and 25 % were dealing in other commodities including herbs, gemstone, and carpet.

ii) Businesses Experience

Table 3: Business Experience in Exports

Business Experience	Freq.	Percent	Cum.
5 Years	15	26.32	26.32
less than 5 Years	18	31.58	57.89
More than 10 Years	24	42.11	100.00
Total	57	100.00	

Source: Research data (2021)

The period in which the responded companies operated in Afghanistan was provided in the Table 4.3above. From the study findings, 26% (N=15) of the Businesses are for 5 years in operation,

431.58% (N=18) of the Businesses have been in operation for less than 5 years, while 42.11% (N=24) of the Businesses are mature with more than 10 years of experience in exports.

iii) Access to Digital Marketing

Table 4: Presence of Digital Marketing

Access Digital Marketing	Freq.	Percent	Cum.
Yes	47	82.46	82.46
No	10	17.54	100.00
Total	57	100.00	

Source: Researchdata(2021)

Table 4 above indicated whether the Businesses have access to digital marketing in their companies. The study results indicated that 82.46% (N=47) of the Businesses for this study have a functional digital marketing department in their organization, while the other Businesses (17.5%) do not have a formal digital marketing platform.

iv) The impact of Digital Marketing

The study also inquired from the companies whether digital marketing has any effect on export growth and sales.

Table 5 Effect of Digital Marketing

Impact _ digital marketing	Freq.	Percent	Cum.
Yes	38	66.67	66.67
No	4	7.02	73.68
Maybe	15	26.32	100.00
Total	57	100.00	

Table.5 above indicated the impact of digital marketing on their companies. The study results indicated that 66.7% (N=38) of the Businesses believe that digital marketing had a positive impact on their business, while only a small proportion of 7 % think that there is no effect and the other Businesses (26.3%) are not quite sure about the impact but they also do not reject the impact.

v) Impact Statistics

Table 6: Export Growth

Export _ Growth	Freq.	Percent	Cum.
Yes	29	50.88	50.88
No	12	21.05	71.93
Maybe	16	28.07	100.00
Total	57	100.00	

Table 6 above indicated the impact of digital marketing on Export growth. The table results indicated that 50.88% (N=29) of the Businesses believe that digital marketing had a positive impact on export growth, while the proportion of 21 % think that there is no effect on export growth and (28. %) are not quite sure about the impact of digital marketing on export growth.

Table 7: Impact on Sales

Increase in Sales	Freq.	Percent	Cum.
Yes	32	56.14	56.14
No	6	10.53	66.67
Maybe	19	33.33	100.00
Total	57	100.00	

Table 7 above indicated the impact of digital marketing on business sales. The statistics indicated that 56.14% (N=32) of the companies believe that digital marketing had a positive impact on their sales, while a small proportion of 10.53 % think that there is no effect on sales, and (33.3%) are not quite sure about the impact of digital marketing on sales.

Table 8: Usage of Email Marketing

Email marketing	Freq.	Percent	Cum.
More	9	15.79	15.79
Less	19	33.33	49.12
Moderate	21	36.84	85.96
None	8	14.04	100.00
Total	57	100.00	
Variable	Obs	Mean	Std. Dev.
Email marketing	57	2.491	.928

The extent of email marketing usage by Businesses in Afghanistan was provided in Table 8. From the table, 15.79% (N=9) of the respondents used email marketing to a great extent as a way of digital marketing while 33.33% (N=19) of the Businesses used email less. Only 36.84% (N=21) of the Businesses use email as a form of marketing tool to a moderate extent and 14.05% (N=8) used email marketing to a little extent. For the overall usage, the mean usage of email marketing by Businesses in Afghanistan was 2.49 which implied that email marketing usage was done to a great extent by the Businesses.

Table 9: Usage of Website & Social Media Marketing

Variable	Obs	Mean	Std. Dev.
Website and Social Media marketing	57	2.351	1.11

The extent of Website and social media marketing usage by Businesses in Afghanistan was provided in Table 9. From the table, 29.82% (N=17) of the respondents used Websites and social media to a great extent as a way of digital marketing while 24.56% (N=14) of the Businesses used Website and social media less. Only 26.3% (N=15) of Businesses use Website and social media as a form of marketing tool to a moderate extent and 19.30% (N=11) use Website and social media marketing to a little extent. For the overall usage, the mean usage of search engine marketing by Businesses in Afghanistan was 2.35 which implied that email marketing usage was done to a great extent by the Businesses.

Table 10: Usage of Google search engine

Google search engine	Freq.	Percent	Cum.
More	23	40.35	40.35
Less	7	12.28	52.63
Moderate	15	26.32	78.95
None	12	21.05	100.00
Total	57	100.00	
Variable	Obs	Mean	Std. Dev.
Google search	57	2.281	1.206

The extent of google search engine usage by Businesses in Afghanistan was provided in Table 10. From the table, 40.35% (N=23) of the respondents used google search engine a great extent as a way for digital marketing while 12.2% (N=7) of the Businesses used google search engine less. Only 26.3% (N=15) of the Businesses use a google search engine as a form of marketing tool to a moderate extent and 21.05% (N=12) used google search marketing to a little extent. For the overall usage, the mean usage of search engine marketing by Businesses in Afghanistan was 2.28 which implied that email marketing usage was done to a great extent by the Businesses.

Table 11: Usage of Online Advertising

Online Advertising	Freq.	Percent	Cum.
More	19	33.33	33.33
Less	9	15.79	49.12
Moderate	16	28.07	77.19
None	13	22.81	100.00
Total	57	100.00	
Variable	Obs	Mean	Std. Dev.
Online advertising	57	2.404	1.178

The extent of online advertising usage by Businesses in Afghanistan was provided in Table 11. From the table, 33.33% (N=19) of the respondents used online advertising to a great extent as a

way of digital marketing while 15.79% (N=9) of the Businesses used online advertising less. Only 28 % (N=16) of the Businesses use online advertising as a form of marketing tool to a moderate extent and 22.81% (N=13) used online advertising marketing to a little extent. For the overall usage, the mean usage of search engine marketing by Businesses in Afghanistan was 2.4 which implied that email marketing usage was done to a great extent by the Businesses.

3.4. Correlation between variables

Coefficients of correlation are used to quantify the strength of a relationship between two variables. There are several types of correlation coefficients, but Pearson's is the most commonly used. Pearson's correlation coefficient (affectionately referred to as Pearson's R) is a correlation coefficient that is frequently used in linear regression. It's essential to understand the correlation of main variables before finding the causal impact if there is a correlation between variables then there is a chance that one variable might have ve causal effect on others. To find the correlation between variables we have run the correlation coefficient (affectionately referred to as Pearson's R) test using

Variables	(1)	(2)
(1) Experience	1.000	
(2) Access	0.251	1.000

STAT application. In the bellows, the correlation between dependent and independent variables is presented for a better understanding of each variable and its relationship with others.

Table 12: Matrix of correlation Business experience & Access _Digital Marketing

Variables	(1)	(2)
(1) Access	1.000	
(2) Sales	0.115	1.000

Table 12 indicates a relatively positive weak relationship between access to digital marketing and sales, this means as the expectation for access to the digital market increased the sales also increased.

Table 13: Matrix of correlation Export Growth & Access _Digital Marketing

Variables	(1)	(2)
(1) Export Growth	1.000	
(2) Access	0.015	1.000

Table 13 implies also a relatively positive weak relationship between access to digital marketing and export growth, this means as the expectation for access to the digital market increased the export growth also increased.

Table 14: Matrix of correlation Export Growth & Access _Digital Marketing

Variables	(1)	(2)
(1) Impact_digital	1.000	
(2) Export_Growth	0.437	1.000

Table 14 indicate also a positive strong relationship between digital marketing strategies and export growth, this means as the expectation for digital market strategies increased the export growth also increased

Table 15: The correlation among all the variables of data

Variables	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
(1) Experience	1.000									
(2) commodity	-0.076	1.000								
(3) Access	0.250	0.131	1.000							
(4) Impact digital	-0.086	0.215	0.314	1.000						
(5) Sales	-0.168	0.084	0.109	0.734	1.000					
(6) Export Growth	-0.078	-0.063	0.008	0.431	0.596	1.000				
(7) Email marketing	0.012	0.063	0.101	0.241	0.210	0.179	1.000			
(8) Website and social media marketing	-0.047	0.235	0.224	0.505	0.275	0.047	0.326	1.000		
(9) Google search	-0.214	-0.112	0.038	0.300	0.140	0.202	0.218	0.610	1.000	
(10) online advertising	-0.016	0.043	0.229	0.391	0.470	0.467	0.431	0.337	0.241	1.000

Table 15 reveal interesting facts that some variable has a strong positive correlation, for instance, there is a positive weak relationship between access to digital marketing and sales at the coefficient of 0.109, in addition, there is also a positive strong correlation between Sales and impact of digital marketing with a coefficient of 0.734. For Export Growth, our main variable the correlation between access to digital marketing and the impact of digital marketing is positive with 0.008 and 0.431 coefficients respectively.

The table also indicates a positive correlation between email marketing, Website, and social media marketing, google search engine, and online advertising with sales and export growth. However, the correlation between Google search engine and online advertising with Export growth was positive and strong which is supported by the theoretical framework too.

3.5. Regression Analysis Results

Table 16: Impact of digital marketing on Export Growth

Export Growth	Coef.	St.Err.	t-value	p-value	[95% Conf	Interval]	Sig
Access	.311	.288	1.08	.285	-.889	.267	
Digital Marketing	.472	.125	3.77	0	.221	.723	***
Constant	1.384	.35	3.95	0	.683	2.086	***
Mean dependent var	1.772		SD dependent var		0.866		
R-squared	0.208		Number of obs		57.000		
F-test	7.112		Prob > F		0.002		
Akaike crit. (AIC)	137.073		Bayesian crit. (BIC)		143.202		
*** $p < .01$, ** $p < .05$, * $p < .1$							

The results of Table 16 implies that there is a significant contribution of digital marketing strategies to export growth, the coefficient is positive at 0.472 (t-value 3.77 and p-value 0.05). moreover, the result is significant with a p-value of 0.02 and 95% confidence.

However, there is no sufficient evidence at 95% confidence, to support the impact of access to digital marketing impact on Export Growth, therefore we cannot conclude the output for this variable.

Table 17: Impact of digital marketing on Sales

Sales	Coef.	St.Err.	t-value	p-value	[95% Conf	Interval]	Sig
Access	.267	.242	1.11	.274	-.752	.218	
Digital Marketing	.803	.102	7.87	0	.598	1.007	***
Experience	-.081	.108	-0.76	.453	-.298	.135	
Constant	.98	.332	2.95	.005	.314	1.647	***
Mean dependent var	1.772		SD dependent var		0.926		
R-squared	0.563		Number of obs		57.000		
F-test	22.774		Prob > F		0.000		
Akaike crit. (AIC)	112.801		Bayesian crit. (BIC)		120.973		
*** $p < .01$, ** $p < .05$, * $p < .1$							

Table 17 shows the impact of digital marketing on sales of business, the regression analysis result implies that there strong positive contribution of digital marketing to business sales at the coefficient of 0.803 (t-value 7.87, p-value 0), the result is statistically significant at 95% confidence

interval. However, the result for Access to marketing and experience of business is not statistically significant at (95% confident interval) therefore we cannot conclude the output for this variable.

Table 18: Impact of digital marketing strategies on Export Growth

Export Growth	Coef.	St.Err.	t-value	p-value	[95% Conf	Interval]	Sig
Email marketing	.003	.125	-0.02	.983	-.254	.248	
Website_social media marketing	.21	.123	1.71	.094	.456	.037	*
Google search	.181	.108	1.68	.1	-.036	.397	*
online advertising	.374	.099	3.76	0	.174	.573	***
Constant	.961	.335	2.87	.006	.29	1.632	***
Mean dependent var	1.772		SD dependent var		0.866		
R-squared	0.278		Number of obs		57.000		
F-test	5.013		Prob > F		0.002		
Akaike crit. (AIC)	135.811		Bayesian crit. (BIC)		146.026		
*** $p < .01$, ** $p < .05$, * $p < .1$							

Table 18 shows the impact of digital marketing strategies on Export Growth, for email marketing, the regression analysis result implies that there is no strong contribution of email marketing to export growth the coefficient is 0.003 (t-value 0.02, p-value 0.983), and the result is statistically insignificant at 95% confidence interval. For Website and social media marketing, the regression analysis result suggests that there is a strong contribution of Website and social media marketing to export growth with a coefficient is 0.21 (t-value 1.71, p-value 0.09), the result is statistically significant at 95% confidence interval. Similarly, the result for the google search engine is positive with coefficients of 0.181 (t-value 1.68, p-value 0.1) and the result is statistically significant at a 95% confidence interval. Moreover, the result for online advertising also is positive with coefficients of 0.374 (t-value 3.78, p-value 0.1) and the result is statistically significant at a 95% confidence interval. The overall result suggests the positive contribution of digital marketing strategies to export growth.

Table 19: Impact of digital marketing strategies on Sales

Sales	Coef.	St.Err.	t-value	p-value	[95% Conf	Interval]	Sig
Email marketing	.021	.136	0.16	.875	-.295	.252	
Website and social media marketing	.15	.134	1.12	.27	-.119	.418	
Google search	.05	.118	0.43	.67	-.287	.186	
online advertising	.347	.109	3.20	.002	.129	.565	***
Constant	.755	.365	2.07	.044	.022	1.487	**
Mean dependent var	1.772		SD dependent var		0.926		
R-squared	0.248		Number of obs		57.000		
F-test	4.290		Prob > F		0.004		
Akaike crit. (AIC)	145.750		Bayesian crit. (BIC)		155.966		
*** $p < .01$, ** $p < .05$, * $p < .1$							

Table 19 shows the impact of digital marketing strategies on sales of companies, for email marketing, the regression analysis result implies that there is no strong contribution of email marketing to export growth the coefficient is 0.02 (t-value 0.16, p-value 0.875), the result is statistically insignificant at 95% confidence interval. For Website and social media marketing, the regression analysis result suggests that there is a weak contribution of Website and social media marketing on sales with a coefficient is 0.15 (t-value 1.12, p-value 0.27), the result is statistically insignificant at a 95% confidence interval.

Similarly, the result for the google search engine is positive but very weak with coefficients of 0.05 (t-value 0.43, p-value 0.67) and the result is statistically insignificant at a 95% confidence interval. However, the result for online advertising is also positive with coefficients of 0.374 (t-value 3.2 p-value 0.002) and the result is statistically significant at a 95% confidence interval. This result implies that for Afghan traders exporting to India, online advertising has a more concrete impact compared to email, Website, social media, and google search engines. The overall result suggests that there is a positive correlation between sales and digital marketing strategies but this model cannot conclude the causal effect due to the limitation of data, except for online advertising the results which is statistically significant.

4. Discussions

With this study, the researchers aimed at determining the effect of digital marketing on the growth of Afghan traders' exports to India. First and foremost, the study looked at the impact of digital marketing on sales and export. Second, the study evaluates how each of the digital marketing techniques affects Afghan traders' sales and export growth to India in the second section of its report.

The first regression equation investigated the relationship between access to digital marketing and export growth. Based on the findings, it appears that digital marketing strategies have a significant impact on the growth of Afghan traders' exports to the Indian market. However, there are no solid statistically proven results that indicate the impact of access to digital marketing on the growth of Afghan traders' exports to India, which is discouraging.

The findings are consistent with those of Onyango (2016) and Yasmin et al. (2015), who found a positive relationship between digital marketing and an increase in export as a result of digital marketing.

The second equation looked at the impact of having access to digital marketing and digital marketing strategies on the sales of a company's products or services.

Equitation suggests that digital marketing strategies have a positive impact on the increase of sales for businesses, and the results of the analysis show that this is statistically true.

These findings were also reached by Hoag, Ascough, and Frasier (1999), who discovered that firm size and sales output have a positive impact on farmers' use of computers and the internet.

This study is consistent with the findings of Smith, A., Richard, W., Kemey, M., and Catherine J. M.P. (2004). which found a positive relationship between firm gross sales and the adoption of new technology.

To improve Afghan traders' performance and increase exports to India, we discovered they were utilizing a variety of digital marketing strategies, including e-mail marketing, social media, digital displays, mobile applications, Website and social media s, online advertising, and short text messages.

We then examined the impact of these marketing strategies on export growth and sales in the second section of the research. Email marketing was the first digital marketing technique to be analyzed. According to the findings, email marketing is not widely adopted by Afghan traders, even though it had a positive effect on sales. However, the results are not statistically significant.

According to empirical research, more businesses are utilizing personalized emails and email signatures to communicate with their current and prospective clients. However, in the case of Afghan traders, this may not be the case, as data indicates that a comparatively small proportion of Afghan traders used email for business purposes. This could also be a result of language barriers and a lack of internet access.

As Social media and website marketing are widely used by businesses as digital marketing techniques, and the results indicate that they have a significant impact on export growth. The popularity of websites and social media is due to the low cost of digital marketing and the ability to reach a large number of potential customers who use social media.

The findings are consistent with those of Adegbuyi et al. (2015), and Jagongo and Kinyua (2013), who concluded that social media increases brand awareness, which has a significant effect on customer acquisition and retention.

The regression analysis results for website and social media marketing indicate that they contribute significantly to export growth and are also statistically significant. This demonstrates that Afghan merchants are more comfortable with social media or a website as a digital marketing strategy than with email marketing.

Search engine optimization is a digital marketing technique indicated a limited use by businesses and a moderate effect on export growth. The extent to which it is used may be limited due to its technical nature and lack of comprehension by Afghan businesses.

The findings and results contradict those of Yasmin et al. (2015), who concluded that digital marketing techniques have a significant impact on export. The result for the Google search engine is positive but marginally significant statistically.

The final digital marketing technique used by businesses was online advertising, which the study found was used to a moderate extent and had a significant impact on export.

The findings corroborated those of Njau and Karugu (2014), Yasmin et al. (2015), and Kithinji (2014).

5. Conclusion

Based on the findings of the study, conclusions were drawn about the adoption of digital marketing by Afghan traders and the impact of this adoption on the growth of Afghanistan's exports to India. According to the findings of the study, digital marketing has a positive impact on the growth of Afghan traders' exports to India. Moreover, there is evidence to suggest that digital marketing has a positive impact on Afghan traders' sales in their home country.

The purpose of this study is to ascertain the effect of digital marketing on Afghanistan's export growth to India, we have created the simple linear regression model below to better understand how digital marketing affects export growth and sales, and Primary data for the study was acquired through a survey form made especially for it

The study also found that social media, websites, and online advertising are widely used by traders and have a positive and significant impact on export growth and sales growth. Following this conclusion, it is recommended that businesses make greater use of social media, websites, and online advertising to improve their export and sales. The study also recommends that Afghan traders

begin utilizing social media, websites, and online advertisements, which would be less expensive than niche marketing through traditional media.

The study's findings also revealed that Afghan traders use email marketing to a limited extent and that it has had a minimal impact on their export growth and sales. The study also concluded that it has not resulted in greater export growth for Afghan traders, as would be expected. This could be because Afghan traders do not use email as much as they should. After all, their managers are uneducated or do not understand the English language.

References

- ABUGAH, K. **Millenium Fundamentals of Research Methods Introduction**. Nairobi: Destiny Logistics Ltd. 2009. [Details for: MILLENNIUM Fundamentals of Research Methods Introduction/ > Koha online catalog \(mu.ac.ke\)](#)
- AYYAGARI, M.; BECK, T.; DEMIRGÜÇ-KUNT, A. Small and medium enterprises across the globe. *Small business economics*, v. 29, 415–434, 2007. <https://link.springer.com/article/10.1007/s11187-006-9002-5>
- BHATTACHARYA, C.B.; BOLTON, R. N. Relationship marketing in mass markets, 2000. In: Handbook of Relationship Marketing(12) (PDF) [Relationship marketing in mass markets \(researchgate.net\)](#)
- EISENMANN, T.; PARKER, G.; VAN ALSTYNE, M. Platform envelopment. *Strategic management journal*, v. 32, n.12, 1270-1285, 2011. <https://doi.org/10.1002/smj.935>
- FREUND, Caroline; WEINHOLD, Dian.a The effect of the Internet on international trade, *Journal of International Economics*, 62, issue 1, p. 171-189, 2004. <https://EconPapers.repec.org/RePEc:eee:inecon:v:62:y:2004:i:1:p:171-189>.
- HALL, B. H; KHAN, B. *Adoption of New Technology*. California: University of California, 2002.
- HERATH, H.M.N.N; DE ZOYSA, M.; KARUNANANDA, A. Application of information and communication technology in floriculture sector: a case study in Bandarawela and Nuwaraeliy. *Proceedings of the Academic Sessions*, University of Ruhuna 2010 Vol. 8.
- HOAG, D.; ASCOUGH, J.; FRASER, W. Farm Computer Adoption in the Great Plains. *Journal of Agricultural and Applied Economics*, vol 31, 1999. p.57-67.
- JAGONGO, A.; KINYUA, C. The social media and entrepreneurship growth. *International journal of humanities and social science*,v. 3, n. 10, p. 213-227, 2013.
- KOTLER, P.; KELLER, K.L. **Marketing Management**. 14th Edition, Pearson Education Inc., publishing as Prentice Hal, 2012.
- KOTHARI, C. R.; GARG, G. (2014). *Research Methodology: Methods and Techniques*. New Delhi: New Age International Publishers.
- NJAU, J.N.; KARUGU, W. Influence of e-marketing on the performance of small and medium enterprises in Kenya: Survey of small and medium enterprises in the manufacturing industry in Kenya. *International journal of business and law research*, v. 2, n. 1, p. 62-70, 2014.
- ONYANGO, K. Influence of digital marketing strategies on performance of cut flowers exporting firms in Kenya. **MBA Thesis**, University of Nairobi. 2016. <https://repository.maseno.ac.ke/handle/123456789/2892>
- PARK, S. Y. An analysis of the technology acceptance model in understanding university students' behavioral intention to use e-learning. *Journal of Educational Technology & Society*, v. 12, n. 3, p. 150-162, 2009.<https://www.jstor.org/stable/jeductechsoci.12.3.150>
- RYAN, D.; JONES, C. *Understanding digital marketing: Marketing strategies for engaging the digital generation*. Replika Press Pvt Limited. 2009. <https://doi.org/10.1057/dddmp.2009.7>
- RODGERS, E. M. *Diffusion of innovations*. New York, Free Press. 1983. [Diffusion of innovations : Everett M. Rogers : Free Download, Borrow, and Streaming : Internet Archive](#)
- RODGERS, E. M. *Diffusion of Innovations*. New York, Free Press. 1995. (8) [Diffusion of innovations, by Everett Rogers \(1995\) | Bakani Ncube - Academia.edu](#)
- RYAN, D.; JONES, C. Digital Marketing: Marketing strategies for engaging the digital generation. Kogan Page, London. (2009). [\[PDF\] Understanding Digital Marketing: Marketing Strategies for Engaging the Digital Generation | Semantic Scholar](#)

SCHARL, A.; DICKINGER A.; MURPHY, J. Diffusion and success factors of mobile marketing. *Electronic commerce research and applications*, v. 4, n. 2, 159-173, 2005.

<https://doi.org/10.1016/j.elerap.2004.10.006>

SCHARL, A.; DICKINGER A.; MURPHY, J. Diffusion and success factors of mobile marketing. *Electronic commerce research and applications*, v. 4, n. 2, 159-173, 2005.

<https://doi.org/10.1016/j.elerap.2004.10.006>

SABUHORU, J. B., WUNSCH, P. Computer Technology Adoption by Canadian Farm Businesses: An Analysis Based on the 2001 Census of Agriculture. Statistics, Canada Agricultural Division, *Working Paper N. 65*, December. 2003.

SCHINDLER, P. *Business Research Methods*. New York: McGraw Hill, 2000.

<https://books.google.com.br/books?id=AZ0cAAAAQBAJ>

SMITH, A.; RICHARD, W.; KEMEY, M.; CATHERINE J. M. P. Computer and Internet Use by Great Plains Farmers. *Journal of Agricultural and Resource Economics*, v. 29, n. 3, p. 481-500, 2004.

OLIVEIRA, T.; MARTINS, M. F. O. Understanding the determinant factors of Internet business solutions adoption: the case of Portuguese firms, *Applied Economics Letters*, v. 18, n. 18, p. 1769-1775, 2011. DOI: 10.1080/13504851.2011.564116

TORNATZKY, L.; FLEISCHER, M. *The process of Technology Innovation*. Lexington, MA, Lexington Books, 1990. <https://books.google.com.br/books?id=EotRAAAAMAAJ>

VENKATESH, V., MORRIS, Davis. User Acceptance of Information Technology: Toward a Unified View. *MIS Quarterly*, v. 27, n. 3, p. 425-478, 2003. <http://dx.doi.org/10.2307/30036540>

YASMIN, Afrina; TASNEEM, Sadia; FATEMA, Kaniz. Effectiveness of Digital Marketing in the Challenging Age: An Empirical Study. *The International Journal of Management Science and Business Administration*, v. 1, p. 69-80, 2015. 10.18775/ijmsba.1849-5664-5419.2014.15.1006.