

# E-Commerce Strategies and Performance of Small and Medium Enterprises in Makurdi Benue State Nigeria

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## ABSTRACT

The overall purpose of this study was to examine the effect of e-commerce strategies such as social media marketing, online advertisement and electronic payment on performance of Small and Medium Enterprises (SMEs) in Makurdi Benue State Nigeria. The problem was to ascertain the effect of social media marketing, online advertisement and e-payment system on performance of SMEs. The study was anchored on Resource-Based View Theory by Birger Wernerfelt, (1984). This theory is appropriate for the study because it portrays the various the resources such as e-commerce strategies that SMEs can adopt so as to achieve greater and improved performance. A survey research design was adopted and primary data of well-structured questionnaires were used to elicit information from the respondents. The study population comprised of 1711 selected SMEs in which Taro Yamane formula was used to select the sample size of 324. Data were analysed using descriptive statistics and percentages. The hypothesis were tested using multiple regression analysis and the results show that all the dimensions, social media-marketing (.000<0.05), online-advertisement (.002<0.05) and e-payment system (.000<0.05) has positive significant effect on performance of SMEs. The study concluded that e-commerce strategies have positive significant effect on performance of SMEs in Makurdi Benue State Nigeria.

**Keywords:** E- commerce, Performance, Social Media-marketing, Online-advertisement, E-payment system

## INTRODUCTION

Electronic commerce has facilitated the emergence of new strategies and business models in several industries in developing countries, Nigeria inclusive. Significant changes are happening in small and medium enterprises with the introduction of online shopping, especially in terms of channel development and coordination, business scope redefinition, the development of fulfillment center model and core processes, new ways of customer value creation, and online partnerships. The electronic commerce segment of the retail market has witnessed tremendous growth in terms of participation in the Nigerian economy in the last one year. According to Johnson, (2012) over 100 firms both local and foreign have shown greater interest in the sector alleged to worth over \$50 billion annually. She said the industry has no doubt opened doors for the coming generation of young Nigerian entrepreneurs. Electronic commerce industry has no doubt increased the percentage of local content in products and services as well as increased utilization of local capacity. Trade between businesses and consumers that takes place entirely inside the virtual realm is known as "e-commerce" or "electronic commerce" (Andrew, 2022). E-commerce, or electronic commerce, is a kind of business that facilitates transactions using digital communication channels, most notably the Internet. In an electronic market, sellers (suppliers, firms, or shops), middlemen (brokers), and buyers (consumers) all interact and transact in the same way, except everything happens in real time and takes place in a digital

format. There are many different kinds of markets served by the e-commerce industry, and transactions may be made using any number of different smart devices, including desktop computers, laptops, tablets, and smartphones. E-commerce transactions allow for the purchase of almost anything or any service imaginable, from books and music to airline tickets and monetary services like stock trading and online banking. This makes it a potentially game-changing innovation (Andrew, 2022). Although most of the retail in the ICT industry occurred in predominantly informal, fragmented marketplaces like the Banex market in Abuja and the computer village in Lagos, the wholesale and retail trade sector accounted for 20 per cent of GDP in 2012; making it the second largest contributor to GDP (Johnson, 2012). Tunde (2014) also noted that online retail market in Nigeria has significantly impacted nation's economy. In the same vein, Mary-Anne (2018) affirmed that e-commerce offers a level playing ground for large businesses, as well as small and medium enterprises (SMEs) to operate in the global market-place; and for regional businesses and communities to participate in social, economic and cultural networks seamlessly across international boundaries.

Small and Medium Enterprises (SMEs) have been recognized as driving force for economic growth in Nigeria due to their innovativeness. Empirical evidences like that of Adam and Alarif, (2021) and Ullah, (2020) have shown that they contribute to employment generation, poverty alleviation and increase productivity level in a nation. In recognition of the role of SMEs in the economic growth process of Nigeria, government has taken concerted efforts to foster the growth of SMEs and also develop entrepreneurship. Estimates from the World Bank (2021) indicate that 600 million jobs will be required to satisfy the global demand for jobs by 2030, which is why the development of SMEs should be prioritized by governments around the globe. The adoption of e-commerce strategies have the potential of helping SMEs to achieve 600 million jobs going by the World Bank estimates. This is because social media-marketing, online-advertisement and e-payment system have the potential of attracting customers to transact business at their convenience thereby helping SMEs to maximize profit and improve performance.

The need to adopt e-commerce for survival of business organizations in the global competitive environment is imperative. An awareness of the critical success factors of e-commerce implementation also becomes essential for business organizations to appropriately address the relevant issues that retard performance such as lack of social media-marketing, online-advertisement and e-payment system, since failed implementation may have severe repercussions on business performance. Many studies such as the study of Nurfirda, et al. (2021) and Ariesty and Sari (2021) have been carried out to investigate the factors influencing the adoption of e-commerce in both small and large business organizations. The outcome of these studies shows that e-commerce has significant effect on organization performance. However, there is no or little empirical research that examined the influence of e-commerce strategies on SMEs performance. Base on this fact, this research paper intends to examine the influence of e-commerce strategies on performance with particular reference to selected SMEs in Makurdi Local Government Area of Benue State.

## 1.2 Statement of the Problem

Before now large companies have adopted the use of e-commerce strategies and have achieved improved performance. SMEs especially in Makurdi are behind in the adoption of e-commerce and this has affected their performance greatly. The theory used in this study was the Resource-Based View which provides guidelines and explanations for the understanding of the effect of e-commerce strategies on performance. The theory explains the fact that SMEs adoption of resources such as social media-marketing, online-advertisement and e-payment system improves performance. Due to the dynamism of the market and ever developing technology, e-commerce implementation from the small companies is becoming necessary. The natural process of transition toward collaboration exchange and customer-centered business which large companies firstly understood can now be seen as a tendency in the small companies. E-commerce strategies such as social media-marketing, online-advertisement and e-payment system creates possibilities of better connections with customers and partners, extensive information exchange and unique customer's solutions. Customers can make purchases at their convenient. However, small and medium size companies are still behind in adopting new technologies due to different motives, vision and resources. For example, while for the big companies the leading driver for e-commerce adoption can be expected improved efficiency, small companies can have different motives – customer demands or to improve competitiveness (Xu and Quaddus 2019). Very important for the small companies is the ability to benefit from that new strategy. Obviously, many different barriers for

adoption will be faced by the managers within the small firms. In Makurdi, Benue State, many SMEs are yet to adapt the use of e-commerce, this explains the low performance of these SMEs hence the backwardness of the State. This is a very big challenge as it seems they do not know the importance of e-commerce, it is on this premise that the researcher wants to investigate the effect of e-commerce strategies on the performance of SMEs in Makurdi Local Government Area of Benue State.

### 1.3 Objectives of the Study

The main objective of this study is to examine the effect of e-commerce on the performance of SMEs in Makurdi Local Government Area of Benue State. The specific objectives of the study are to:

1. Determine the effect of social media marketing on the performance of SMEs in Makurdi Local Government Area of Benue State.
2. Examine the effect of online advertisement on the performance of SMEs in Makurdi Local Government Area of Benue State.
3. Ascertain the effect of electronic payment system on the performance of SMEs in Makurdi Local Government Area of Benue State.

## THEORETICAL FRAMEWORK

### 2.1.1 Resource-Based View Theory

The theoretical foundation upon which this work is built on is Resource-Based View Theory. The proponent of this theory Birger Wernerfelt, (1984) provided a better understanding of user's intention to use resources for business performance. The RBV holds that firms are bundles of productive resources with different bundles of these resources being either very costly to copy or inelastic in supply. Resource-based is defined as the resources and capabilities possessed by competing firms that may be long lasting, while a firm's resources are those tangible and intangible assets that are tied semi-permanently to the firm (Barney, 1991; Ichrakie, 2013). No business enterprise has all the resources it requires. Thus, business enterprises need to either obtain the "bought" or "support" resources they need from other entrepreneurs or business enterprises in their business environment (Moliterno & Wiersema, 2007; Premaratne, 2002). The resources that contribute to a firm's success are valuable, rare, inimitable, non-substitutable, appropriable and specialized capabilities that bestow competitive advantage on firms. In this study these resources are the e-commerce strategies which include social media marketing, online-advertising and e-payment system which SMEs adopt to improve performance. Resource-based view has helped firms to look inward into the resource heterogeneity in a market and their connections to each firm's competencies over other market players. It has also given support to the explanation on the link between firm resources and firm performance and survival (Ichrakie, 2013; Newbert, 2007, 2008). Zizile & Chimucheka, (2018) argued that firms need resources and capabilities such as e-commerce strategies (social media-marketing, online-advertisement and e-payment system) to attain competitive advantage and to survive. These strategies can be formulated, selected and implemented by the organizational elements (i.e., entrepreneur, managers and/or employees) (

### 2.2 Conceptual Framework

Based on the studies of Onyango (2016); Akyuz and Ibrahim (2020), E-commerce strategies were disintegrated into specific indicators for ease of assessment, namely: social media marketing, online-advertising, and electronic payment. Whereas the dependent variable (performance) was decomposed into specific marketing performance indicators, namely: customer patronage, and customer retention as adapted from the studies of Anne (2020). In the context of this study, social media marketing is the adoption and use of social media platforms and networks (such as Face book, Twitter, and WhatsApp) by SMEs to promote their offerings with the objective of encouraging customer patronage and retention. Online advertising is the deliberate process whereby SMEs utilize internet solutions and channels such as (display advertisement, websites, and banner advertisements) to advertise their offerings in order to create awareness and influence consumers to patronize them. On the other hand, Customer patronage is the financial support given by customers to SMEs each time they buy their products or pay money to use their services. Customer retention is the ability of SMEs to

convert first-time or new customers to repeat customers who will patronize them dedicatedly in the long term. The conceptual framework is depicted in fig. 1 below:

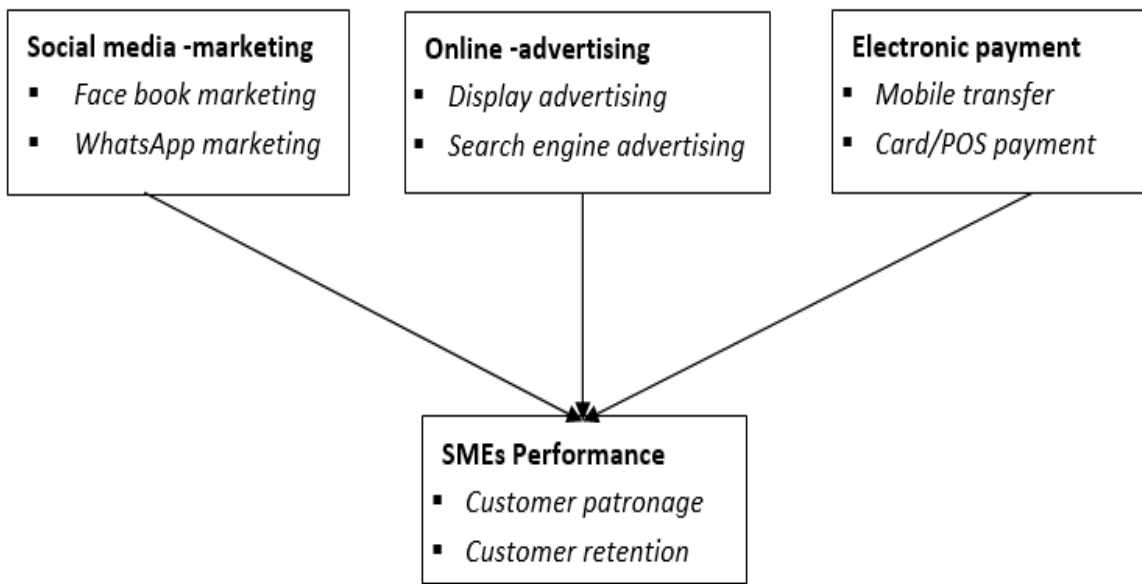


Fig 1: Conceptual model of the study

Source: Independent Variable measures adapted from Akyuz and Ibrahim (2020); while dependent variable measures are adopted from Anne (2020).

On the basis of the conceptual model developed for the study, the following null hypotheses were formulated and tested over the course of the study:

1. Social media-marketing has no significant effect on SMEs performance in Makurdi Benue State Nigeria.
2. Online-advertising has no significant effect on SMEs performance in Makurdi Benue State Nigeria.
3. Electronic payment has no significant effect on SMEs performance in Makurdi Benue State Nigeria.

### 2.2.1 Concept of E-commerce/Strategies

E-commerce is often used to refer to the sale of physical product online, but it can also describe any kind of commercial transaction that is facilitated through the internet. Kumar (2018) in his report mentions that tremendous growth in e-commerce is expected to rise 4 times by year 2022 in comparison to 2015. Major contributors to this growth are going to be smart phones and internet users, rise in awareness among general public, better internet services, digitalization of most of the initiatives with the support of government, entry of foreign investors and business players, advanced payment options available to consumers but Government need to take steps to provide proper legal framework and minimize obstacles in growth. E-commerce strategies are those online, wireless, or internet-based tools or channels which could be adopted by companies to create and deliver promotional content to customers; and interact with them more effectively (Papadopoulos, Baltas & Balta, 2020). These strategies are numerous, dynamic, and constantly evolving as the internet and digital technologies also evolve. They generally include email marketing, search engine marketing, website marketing, affiliate marketing, social media marketing, online advertising, mobile marketing, viral marketing, content marketing, e distribution, banner advertising, pay-per-click advertising, sticky advertising, or pop-up advertising among others.

### 2.3 Concept of Performance

SMEs performance is a measure of efficiency and effectiveness of the sales, marketing, financial and managerial activities and strategies of small and medium enterprises (Lin & Lin, 2016). The performance of SMEs is a critical factor determining the economic growth of most developing African countries because SMEs dominate the economies of most developing countries (Papadopoulos, Baltas & Balta, 2020). This



entails that as SMEs perform more effectively and efficiently, the overall national economy is improved as well as jobs are created, domestic demands are satisfied, standards of living rise, cost of living declines, and foreign trade through exportation grows. This is why governments of some developing African countries such as Nigeria, Ghana, Angola, and South Africa are investing in support programs and initiatives targeted at helping SMEs grow, understanding their links with the broader national economy (Igwe, Ogundana, Egere & Anigbo, 2018). However, to improve the performance of SMEs, there is a need to first gain insights into the actual dimensions or indicators of SMEs performance. According to Wang, Pauleen, & Zhang (2016), SMEs performance could be broadly categorized into financial indicators and non-financial indicators. Financial indicators relate directly to the financial health of SMEs; they are concerned with financial metrics such as revenue, return on investment, equity, profitability, liquidity, financial assets, capital base, and earnings before tax, earnings after-tax, and others (Nasiri, Ukko, Saunila, Rantala & Rantanen, 2020). The non-financial indicators are marketing and managerial metrics such as employee recruitment, satisfaction, motivation, and retention; corporate image; customer patronage; new customer acquisition; customer retention; market share; sales volume; new market acquisition; and customer demand (Onyango, 2016; Njoroge, 2017). The driving force for improvements and innovations of any company is the aim to increase the revenue. Theoretically, e-commerce can improve the performance by two ways: first, by increasing the customer base and number of purchases, and second, with cost reduction by implementing e-commerce. Cost reduction like material savings, decrease of transport, storing cost, or by reduction of personal expenses.

#### **2.4 Social media marketing and performance of SMEs:**

Social media marketing is, therefore the adoption and utilization of social networks and platforms such as Twitter, Facebook, Instagram, and YouTube to run advertisements or other promotions; interact with target customers; deliver customer services; carry out sales and build harmonious relationships with the target market (Leung, Bai & Stahura, 2015). It is the integration of social media into the marketing mix of companies and the deployment of social networks and sites as channels for executing marketing campaigns and strategies. The effectiveness of social media marketing at enhancing the performance of business organizations intensifies rapidly as social media proliferates and penetrates deeper into consumer populations. Consequently, customers rely on social media to obtain information on potential purchases, while companies use social media to promote their brands, interact with potential and existing customers; and enhance their sales and marketing performance (Anne, 2020). This premise is supported by the study of Onyango (2016), which revealed that social media marketing had a strong correlation with the performance (revenue, market share, and profitability) of flower firms in Kenya. The premise is also supported by the study of Akyuz and Ibrahim (2020), which revealed that social media marketing had a significant positive effect on the performance of SMEs in Nasarawa State. Similarly, the foregoing premise finds backing in the study of Anne (2020), which revealed that social media had a significant influence on the marketing performance of SMEs.

#### **2.5. Online advertising and performance of SMEs**

Online advertising is the process of using internet tools like display advertising, search engine optimization, company-owned or affiliated websites, etc., to communicate information about a firm, its products, and services to specific groups of online-based users (customers) in order to enlighten, inform, educate, and persuade positive responses from customers towards a firm and its products and services (Deshwal, 2016). Online advertising is the process of targeting specific sets of customers on the internet using consumer information gathered on them for the purpose of reaching them with information about goods and services they are likely to require and influencing them to patronize. Online advertising is flexible, far-reaching, innovative, less expensive, and has a wider reach, thereby enabling companies, including SMEs to target and promote their offerings to a large audience. A creative and well-executed online advertising campaign can enable company to gain market awareness and amass large sales volumes of its products within a very short period of time (Silas & Junior, 2020). This entails that online advertising could substantially improve a company's marketing performance. This premise is reinforced by the study of Adede, Kibera, & Owino (2017), which revealed that online advertising had a significant positive influence on the performance of telecommunications companies in Kenya. The premise is also backed by the study of Njau & Karugu (2014), which revealed that online advertising had significant positive associations with the performance of SMEs in Kenya. Similarly, the premise is reinforced by the study of Olusegun, Olympus, & Olakunle (2020), which revealed that online

advertising had significant positive effects and correlations with the performance of SMEs in Lagos State, Nigeria.

## 2.6. Use of e- payment system and SME's performance

An e-payment system is also called online payment system and is a way of making transactions or paying for goods and services through an electronic medium, without the use of checks or cash. As this increase, improve, and provide ever more secure online payment transactions the percentage of check and cash transactions will decrease. An online payment helps customers to make quick transfers for purchased goods and services without inconveniencing both the seller and the buyer. It is easy, fast and convenient, such that payment can be made at any time of the day. Admittedly, none of an economy can grow in the international market without emerging a flexible and proper platform for competition, particularly in commerce and trade through electronic business and commerce. Henceforth, SME's in developing countries must move on from paper-based payment systems to a digital payment system, which enables them to compete with multinational companies inside and outside the boundary (Chaffey, Hemphill & Edmundson-Bird, 2019). (Nyaga, 2017) study found the significant influence of mobile money services on SME's performance in Kenya.

## 2.7. Empirical Review

Akyuz and Ibrahim (2020) examined the "Effect of electronic marketing on the performance of SMEs in Karu Local Government Area, Nasarawa State of Nigeria". The study obtained primary data from 400 SMEs in the Nasarawa State of Nigeria with the aid of a structured questionnaire. The hypotheses developed for the study were tested using simple linear regression. Consequently, the findings revealed that social media marketing had a significant positive effect on the performance of SMEs in Nasarawa State, while email marketing had a non-significant effect on SMEs performance in this regard.

Anne (2020) examined "Digital marketing strategies and the marketing performance of top 100 small and medium enterprises (SMESs) in Kenya." The study used a structured questionnaire to obtain primary data from 30 SMEs operating in Kenya. The hypotheses developed for the study were tested statistically using multiple linear regressions. The findings of the study revealed that digital marketing strategies (social media, search engine optimization, websites, blogs, and display advertising) had significant influences on the marketing performance of SMEs. Hence, the study concluded that the adoption of digital marketing strategies by SMEs would undoubtedly enhance their marketing performance.

Similarly, Korir (2020) conducted a study on E-marketing strategies and performance of registered rated hotels in Nakuru County, Kenya. The study obtained primary data from 63 marketing, ICT, and management staff of 18 hotels in Nakuru County Kenya using a semi-structured questionnaire. The data obtained were analyzed using descriptive statistics while multiple regressions was adopted to test the hypotheses developed for the study. The findings of the study, therefore, revealed that social media, email marketing, mobile marketing, and search engine optimization had significant positive effects on the performance of hotels in Nakuru County, Kenya.

Similarly, Olusegun, Olympus, and Olakunle (2020) conducted a study on "Online marketing and the performance of small-scale enterprises in Nigeria: A study of selected SMEs in Ikeja, Lagos State, Nigeria." A structured questionnaire was used to obtain primary data from 221 operators of SMEs in Ikeja, Lagos State. The data were analyzed using correlation, Analysis of Variance (ANOVA), and simple regression in the Statistical Package for the Social Sciences (SPSS 20). The findings of the study revealed that social media marketing and online advertising had significant positive effects and correlations with the performance of SMEs in Lagos State Nigeria.

Saleh (2020) conducted a study on "Enhance small-medium enterprises (SMEs) family business in Malaysia through E-marketing strategies". The study collected primary data from 140 operators of SMEs in Kuala Lumpur using an online survey (Google forms). Multiple regressions and Pearson's Product Moment Correlation analysis were adopted to test the hypotheses developed for the study. Consequently, the findings revealed that website marketing, social media, email marketing, digital marketing, and viral marketing had

significant positive effects and relationships with the performance of small and medium-sized family enterprises in Malaysia.

Furthermore, Njoroge (2017) examined the relationship between e-marketing strategies and brand performance of large bookstores in Nairobi County. The study obtained primary data from 91 listed large bookstores in Nairobi Country using a structured questionnaire. Descriptive statistics were useful for data presentation and analysis while multiple linear regressions was employed for hypotheses testing. The findings of the study revealed that email marketing, display advertising, social media, company website, and search engine marketing had significant positive influences on the performance (new customer acquisition, sales volume, new market acquisition, sales revenue, profitability, market share, and customer demand) of large bookstores in Kenya.

## METHODOLOGY

This study adopted a cross-sectional survey research design, which enabled the one-time collection of data from operators of SMEs in Makurdi LGA for analysis and findings generation. The target population consists of 1711 registered SMEs in Makurdi LGA according to Benue State Ministry of Trade and Commerce and Industry, 2020. We applied the Taro Yamane formula to determine the sample size for this study as follows:

$$\frac{N}{1+N(e)^2}$$

N = population

1 = unity (a constant)

(e)<sup>2</sup> = level of significance (0.05)<sup>2</sup>

N = 1711

$$\frac{1711}{1 + 1711(0.05)^2}$$

$$\frac{1711}{1 + 4.2775}$$

$$\frac{1711}{5.2775}$$

= 324.21 which is approximated to 324.

We adopted a judgmental sampling technique to select SMEs to participate in the questionnaire survey from the four popular areas which include; modern market, wadata market, wurukum market, North bank market due to its large concentration of SMEs. The instrument used for data collection was a 5-point Likert scale questionnaire which was administered to operators of SMEs to obtain primary data for the study. The instrument was composed of two sections: the demographic section (which obtained respondents' demographic data) and the psychographic section (which contained statements from the study variables: social media marketing, online advertising, electronic payment and SMEs performance). The statements measuring electronic payment and online advertising were adapted from Onyango (2016); the statements measuring social media marketing were adapted from Akyuz and Ibrahim (2020); whereas the statements measuring customer patronage and customer retention as indicators of the dependent variable were adapted from Hidayatullah et al. (2019). The instrument was confirmed for validity through the face and content validity, while reliability was confirmed through Cronbach alpha coefficients. The result of the reliability test revealed that all variable measures on the instrument generated Cronbach's alpha coefficients of 0.7 and above, indicating that the scales were reliable. Therefore the instrument was administered for data collection. The study adopted descriptive

statistics to analyze the data obtained while multiple linear regressions were used to test the hypotheses of the study.

Table 1: Reliability Test Results

Variable	Cronbach's Alpha
Social Media Marketing	0.846
Online Advertisement	0.867
Electronic Payment System	0.986
Customer Patronage	0.965
Customer Retention	0.788
<b>Average</b>	<b>0.896</b>

Source: Researchers' SPSS Output, 2023.

## RESULTS AND DISCUSSION

### 4.1. Test of Hypotheses

Table 2 Model summary of the effect of Social media-marketing, Online-advertisement and E-payment on the Performance of SMEs in the Makurdi LGA.

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.817 <sup>a</sup>	.668	.627	.043	1.824
a. Predictors: (Constant), Electronic payment, Online -Advertisement, Social media- Marketing					
b. Dependent Variable: Performance of SMEs					

Table 3

### ANOVA<sup>a</sup>

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	240.762	4	60.190	972.355	.000 <sup>b</sup>
	Residual	.455	249	.002		
	Total	241.217	253			

### Coefficients<sup>a</sup>

Model		Unstandardized Coefficient		Standardized Coefficients	T	Sig	VIF
		$\beta$	Std Error	Beta			
1	(Constant)	3.015	.010		.000	1.000	
	Social Media Marketing	.147	.009	.687	8.374	.000	.1.254



Online Advertising	.385	.016	.387	5.486	.002	3.021
Electronic Payment	.693	.030	.199	4.312	.000	2.212
a. Dependent Variable: Performance of SMEs						

#### 4.2 Interpretation of Result

The multiple linear regression results of the effect of E-commerce strategies on the performance of SMEs in Makurdi are presented in Tables 2 to 4. The correlation coefficient (R) in Table 2 indicates that E-commerce strategies have 82 percent relationship with the performance of SMEs in Makurdi. This is a very high degree of association between the variables. The coefficient of determination (R<sup>2</sup>) in the same table indicates that up to 67 percent of the variance in the dependent variable (performance of SMEs) can be predicted by the independent variable (E-commerce strategies). This implies that a unit change in the adoption of E-commerce strategies by SMEs will result in a 67 percent change in their performance if other factors remain constant. The F-statistic (972.35) and significance value (0.000 < 0.05) indicate that the variables are jointly significant and the model is a good fit; therefore implying that E-commerce strategies have a significant effect on the performance of SMEs. The Durbin Watson value of 1.824 shows the absence of autocorrelation which is confirmed by the Variance Inflation Factor indicating there is no multicollinearity among the variables. Furthermore, the results in Table 4 indicates that the p-values of all independent variables tested (social media marketing (p-value = 0.000, t = 8.374); online advertising (p-value = 0.002, t = 5.586); and electronic payment (p-value= 0.000, t = 4.312) are less than the error margin of 0.05, with all positive t-values. This indicates that social media marketing, online advertising, and electronic payment have significant positive effects on the performance of SMEs in Makurdi. However, the E-commerce strategy with the highest effect on the performance of SMEs was social media marketing ( $\beta = 0.687$  or 68.7 percent); online advertising had the second-highest effect on the performance of SMEs ( $\beta = 0.387$  or 38.7 percent); while the least contributing strategy was e-payment ( $\beta = 0.199$  or 19.9 percent).

### DISCUSSION OF FINDINGS AND CONCLUSION

From the multiple linear regression tests of the hypotheses developed for the study, we found that social media marketing, online advertising, and e-payment system have significant positive effects on the performance of SMEs in Makurdi and not in line with apriori expectation. These findings are substantiated and reinforced by the studies of Akyuz and Ibrahim (2020); Anne (2020); Njau and Karugu (2014); Olusegun, Olympus, and Olakunle (2020); and Saleh (2020), which revealed that social media marketing, online advertising, and email marketing significantly and positively enhanced the performance of business organizations, including small and medium-sized enterprises. These findings imply that SMEs can enhance their sales and marketing performance by designing and implementing E-commerce strategies such as social media marketing, online advertising, and e-payment system. Therefore, the study provides substantive empirical evidence to definitively conclude that E-commerce strategies have a significant and positive effect on the performance of SMEs in Makurdi Benue State Nigeria. Hence recommendation is that SMEs should adopt and implement the use of social media-marketing, online-advertisement and e-payment system as this will enhance their performance.

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