

Analysis of the Current Marketing Strategies of Micro Small and Medium Enterprises (MSMEs) in Carcar City, Cebu, Philippines: Towards a Comprehensive Marketing Framework

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Abstract

This study examines the marketing strategies employed by Micro, Small, and Medium Enterprises (MSMEs) in Carcar City, Cebu, Philippines, with an emphasis on combining traditional and digital marketing strategies. The research involved surveys and interviews targeting MSMEs across diverse sectors including food, retail, manufacturing, and services. The analysis highlights the various challenges and opportunities faced by these enterprises in both traditional methods such as print advertising and outdoor advertising, alongside digital techniques like social media marketing and content marketing. Findings reveal that while traditional strategies maintain local trust and credibility, digital methods significantly expand market reach and engagement. The proposed comprehensive marketing framework synergizes these approaches, aiming to enhance the competitiveness and sustainability of MSMEs in Carcar City. This framework is designed to be adaptable, addressing the dynamic needs of businesses in the digital era while preserving the cultural and community-centric values integral to Carcar City's commercial landscape. The study's insights are intended to guide MSMEs, policymakers, and stakeholders in fostering adaptable marketing practices that ensure long-term growth and resilience.

CHAPTER 1 THE PROBLEM AND ITS RESEARCH DESIGN INTRODUCTION

Rationale of the Study

Known for its historical landmarks, exceptional culinary offerings, and flourishing local industries, Carcar City has emerged as a promising focal point for micro, small, and medium enterprises (MSMEs). The city presents a unique blend of tradition and modernity, particularly evident in its MSME sector (Philstar.com, 2016). From the traditional pot makers to the renowned producers of chicharon, lechon, and ampao, quality footwear craftsmen, to the hardworking farmers of the mountainous barangays supplying fruits and vegetables, Carcar City's MSME landscape is as diverse as it is dynamic.

The diversity goes beyond that, covering different business types such as food and restaurant industry, retailers/wholesalers, refreshments, manufacturers and services. Also emerging are other business models like 'ukay-ukay' (second-hand clothing stores), coffee shops, milk tea businesses, baking businesses, computer shops and printing services all of which have added to the city's vibrant economic fabric. Moreover, cooperatives and financing establishments contribute to Carcar's distinct identity and financial



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resilience which emphasizes the significance of MSMEs in molding the city's economic landscape.

The Philippines uses two main criteria to define MSMEs: employment and asset size. According to the Philippine Statistics Authority (PSA), a micro enterprise has fewer than 10 employees, a small enterprise has 10-99 employees, a medium enterprise has 100-199 employees, and a large enterprise has 200 or more employees. Meanwhile, the Magna Carta for MSMEs classifies a micro enterprise as having up to Php 3,000,000 in assets, a small enterprise as having Php 3,000,001–15,000,000 in assets, a medium enterprise as having Php 15,000,000–100,000,000 in assets, and a large enterprise as having over Php 100,000,001 in assets.

Republic Act 10644, or the Go Negosyo Act, mandates the creation of negosyo centers across the country to help grow the micro, small, and medium enterprise (MSME) sector, which accounts for around 99 percent of registered businesses in the Philippines (Philstar.com, 2016). Thus, the establishment of a Negosyo Center by the Department of Trade and Industry in Carcar has proven to be a significant development, showcasing the government's commitment to promoting the growth of micro, small, and medium enterprises (MSMEs) and providing substantial support for local entrepreneurs. This initiative has not only facilitated easier access to business registration and support services but has also underscored the potential for MSMEs to drive Carcar's economic future. Additionally, Republic Act No. 9501, or the "Magna Carta for Micro, Small, and Medium Enterprises (MSMEs) Amendment Act," further reinforces support for MSMEs by enhancing their access to financing, markets, and technology.

The rationale for this study is rooted in the unique characteristics of Carcar City's business environment. Carcar City is emerging as a growing economic zone with significant potential for MSME development, as demonstrated by recent real estate developments and investment opportunities (Camella, n.d.; PropertyList.cc, n.d.). The city's strategic location, combined with its rich cultural and historical assets, offers a distinct value proposition for local enterprises. Additionally, the recognition of Carcar's cultural and economic significance by the Artes de las Filipinas Research Team underscores the city's potential as a hub for MSME growth and innovation (Artes de las Filipinas, n.d.).

Nonetheless, as the business landscape continues to change, therefore also should the marketing strategies have utilized by Carcar's MSMEs. The beginning of digital technology has transformed the marketing landscape, offering new ways and methodologies for reaching consumers. However, in a city deeply rooted in tradition, the utilization of digital methods with conventional marketing methods presents both challenges and opportunities. While Carcar's entrepreneurial spirit booms, challenges persist, particularly to sustain business in the long run. An observable trend exposes that despite initial optimism, some businesses inevitably close their operations after mere months or years. This phenomenon prompts questions about the effectiveness of marketing strategies in retaining and attracting customers. Indeed, alongside the city's evolution, shifts in consumer behavior and the marketing landscape necessitate a reevaluation of traditional approaches in light of digital advancements.

With that said, this study will explore the existing marketing strategies employed by MSMEs in Carcar, examining how traditional methods have sustained businesses across generations. It will then explore the digital marketing landscape, considering how emerging technologies and platforms can be utilized to reach wider audiences and foster engagement. The essence of this study lies in identifying the current marketing strategies and proposing a comprehensive marketing framework that harnesses the strengths of each to drive MSME growth in Carcar City.

By doing so, this study will not only contribute to the academic discourse on MSME marketing strategies but will also provide practical insights for Carcar's entrepreneurs, policymakers, and stakeholders. By



embracing the integration of traditional and digital marketing, Carcar City's MSMEs can navigate the complexities of the modern marketplace, ensuring their legacy and success for generations to come.

The future of marketing for MSMEs in Carcar City lies in the successful utilization of traditional and digital approaches. This study endeavors to map out this future, providing a blueprint for MSMEs to follow as they navigate the evolving marketing landscape. Through a comprehensive examination of current practices, challenges, and opportunities, this study will contribute valuable insights into the potential of combining the old with the new marketing strategies, ensuring that Carcar City's MSMEs not only endues success but also flourish in the digital age.

Theoretical Background

The theoretical framework for this study provides a comprehensive foundation for understanding the marketing strategies of MSMEs in Carcar City, Cebu. It incorporates several key theories that offer understandings into different aspects of marketing strategy and two significant legislative acts further support this theoretical foundation of this study. These theories and legislative acts collectively to guide the study, aiming a comprehensive framework for analyzing the marketing strategies of MSMEs and understanding the impact of traditional and digital marketing approaches on business performance in the context of Carcar City.

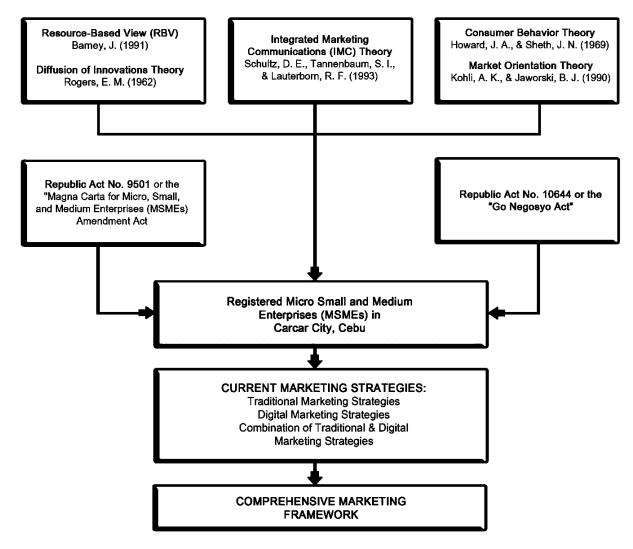


Figure 1. Theoretical Framework



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The theoretical framework diagram synthesizes essential theories and legislative acts that form the basis for understanding the marketing strategies of MSMEs in Carcar City, Cebu. First, the Resource-Based View (RBV), introduced by Barney (1991), underlines the importance of a firm's internal resources, such as technology, budget, and expertise, in achieving a strategic advantage. This theory is particularly relevant to MSMEs, as their resource capabilities significantly influence their marketing strategies. Complementing this, Rogers' (1962) Diffusion of Innovations Theory delves into how innovations, such as digital marketing strategies, are adopted and diffused among businesses. This theoretical perspective helps give understanding the factors affecting the adoption rates of digital marketing within Carcar City's MSMEs.

Further, the Integrated Marketing Communications (IMC) Theory by Schultz, Tannenbaum, and Lauterborn (1993) highlights the need for consistent messaging across multiple marketing channels. This theory is essential for MSMEs as it provides a framework to combine traditional and digital marketing strategies effectively. Additionally, the Consumer Behavior Theory, developed by Howard and Sheth (1969), explores consumer preferences and behavior, providing insights into how these aspects influence MSME marketing strategies. Finally, the Market Orientation Theory from Kohli and Jaworski (1990) underscores the importance of aligning business operations with customer needs, which is crucial for MSMEs in adapting their marketing approaches to the local market conditions of Carcar City.

Two significant legislative acts further support this theoretical foundation. Republic Act No. 9501 (Magna Carta for MSMEs Amendment Act) which aims to enhance MSMEs' access to financing, markets, and technology, aligning with the study's focus on developing and enhancing marketing strategies. Republic Act No. 10644 (Go Negosyo Act) mandates the establishment of negosyo centers across the country, providing the necessary infrastructure and support for MSMEs to succeed and optimize businessmen marketing efforts.

This framework comprehensively integrates these theories and legislative acts to understand the marketing strategies currently employed by MSMEs, focusing on traditional and digital methods and their combination. The ultimate goal is to establish a Comprehensive Marketing Framework that guides MSMEs in Carcar City to successfully combine traditional and digital marketing strategies, fostering enhanced competitiveness and sustainability in today's evolving market landscape generation.

Conceptual Framework of the Study

The conceptual framework for this study offers an organized approach to understand the marketing strategies employed by MSMEs in Carcar City, Cebu. It is being studied upon foundational data and variables that guide the analysis and lead to actionable insights and understandings. The framework begins with demographic information, encompassing the business type, position, years of operation, annual revenue, and number of employees. This demographic data helps classify MSMEs, providing a contextual background to analyze their marketing strategies effectively.

Next, the framework transitions to examining the current marketing strategies of MSMEs, which are classified into traditional marketing strategies, digital marketing strategies, and a combination of the two. By distinguishing between these categories, the study aims to discover which strategies are predominantly used and their effectiveness in meeting business objectives. The framework also identifies the factors that influence business owners and managers in choosing specific marketing strategies. Understanding these factors provides insight into the decision-making processes that drive marketing strategy adoption, reflecting the various challenges and opportunities faced by MSMEs.



Additionally, the framework examines the impacts of traditional and digital marketing strategies. This section is crucial as it highlights the concrete outcomes of marketing practices, providing a degree of understanding of how these strategies influence business performance in terms of reach, engagement, and return on investment.

Furthermore, the framework culminates in the comprehensive marketing framework, which integrates insights from the preceding elements to propose a cohesive marketing approach tailored to MSMEs in Carcar City. This final outcome aims to blend traditional and digital marketing strategies effectively, ensuring MSMEs remain competitive and sustainable in a rapidly evolving market. Overall, the conceptual framework is meticulously designed to capture the interplay between demographic factors, marketing strategies, influencing factors, and their impacts, providing a structured path towards a comprehensive marketing strategy tailored to the unique needs of MSMEs.

Finally, the provided conceptual framework diagram depicts the relationships between various variables in the research focused on MSMEs in Carcar City. The antecedent variables include demographic factors like business type, position, years in operation, annual revenue, and the number of employees, which together offer insights into the diversity of MSMEs in the area. The independent variables detail the marketing strategies in use, distinguishing between traditional strategies, digital strategies, and a combination of both, while also considering the impacts of these strategies on business performance. Finally, the dependent variable is the development of a proposed comprehensive marketing framework, which integrates these insights to offer practical recommendations for effective marketing strategy adoption in MSMEs. The diagram ultimately aims to map out how different marketing approaches influence MSMEs, guiding the creation of a marketing framework that harnesses both traditional and digital marketing strategies.

INPUT	P	ROCESS	Ουτρυτ
DEMOGRAPHIC INFORMATION • Business Type • Position • No. of years business operation • Annual Revenue • No. of employees	 MAF STR Tra Str Dig Stra Col Tra Ma FAC busin mark IMP/ and 	RRENT RKETING ATEGIES additional Marketing rategies gital Marketing ategies mbination of ditional & Digital arketing Strategies CTORS that influence nessmen to choose keting strategies. ACTS of traditional digital marketing egies.	COMPREHENSIVE MARKETING FRAMEWORK

Figure 2. Conceptual Framework



THE PROBLEM

Statement of the Problem

This research aims to guide the study in understanding how micro, small, and medium enterprises (MSMEs) in Carcar City, Cebu, Philippines, utilize traditional and digital marketing strategies to enhance their business performance. The research objectives are carefully crafted to address the multifaceted aspects of the problem statement, ensuring a thorough exploration of the topic. The general and specific research objectives are as follows:

General Objective:

To analyze the Current Marketing Strategies of Micro Small Medium Enterprises (MSMEs) in Carcar City Cebu, Philippines.

Specific Objectives

Specifically, it provided answers to the following questions:

- 1. Identify the demographic characteristics of businesses in Carcar City, Cebu, as to their:
- 1.1 type;
- 1.2 position/designation;
- 1.3 tenure of operation;
- 1.4 estimated annual revenue; and
- 1.5 number of employees.
- 2. Identify the current marketing strategies of MSMEs in Carcar City, Cebu.

3. Assess the factors that influence businessmen to choose traditional, digital, and or combination of traditional and digital marketing strategies.

- 4. Assess the impacts of traditional and digital marketing strategies in Carcar City, Cebu.
- 5. Develop a comprehensive marketing framework that serves as a guide for policymakers, academic scholars, and practitioners on the effective implementation of an effective marketing strategies.

These objectives are structured to systematically address the challenges and opportunities faced by MSMEs in Carcar City in integrating traditional and digital marketing approaches. By achieving these objectives, this research aims to offer a thorough understanding that can aid MSMEs in improving their marketing strategies and overall business success.

Statement of Null Hypotheses

These research hypotheses are formulated to guide the empirical investigation. It is designed to test the relationships between the utilization of traditional and digital marketing strategies and various outcomes relevant to MSMEs' performance and competitiveness.

These hypotheses are designed to achieve the dynamics of marketing strategy utilization in MSMEs, addressing both the potential benefits and the challenges of adopting digital technologies alongside traditional marketing methods. By empirically testing this hypothesis, these studies will contribute valuable insights into the strategic marketing practices of MSMEs in Carcar City, offering evidence-based recommendations for enhancing their growth and sustainability in the digital era. Here is the research hypothesis.

Hypothesis (H1):

There is no significant relationship between the estimated annual revenue and number of employees of MSMEs in Carcar City and the adoption of digital marketing strategies.

Significance of the Study

This study holds significant value for multiple stakeholders, including MSMEs in Carcar City, policymak-



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ers, academic scholars, and the broader community of small and medium enterprises globally. The significance of this research is multifaceted, reflecting its potential to influence theoretical frameworks, practical applications, and policy formulation. Below are the detailed aspects of the study's significance:

1. Micro Small Medium Enterprises in Carcar City

Enhanced Competitive Edge. By unveiling effective strategies for integrating traditional and digital marketing, the study provides MSMEs in Carcar City with insights to enhance their market presence and competitiveness both locally and in the province of cebu.

Informed Decision-Making. The findings will equip local entrepreneurs such as local business owners with data-driven insights and practical recommendations, enabling them to make informed decisions about adopting digital marketing strategies alongside traditional methods.

Resource Optimization. Identifying efficient ways to integrate digital and traditional marketing could help MSMEs optimize their limited resources, achieving better outcomes with lower investments in an effective way.

2. Policymakers and Government Entities

Policy Formulation and Support Programs. Insights from the study can inform the development of targeted policies and support programs in the city council that encourage digital adoption among MSMEs, ensuring these policies are culturally sensitive and economically feasible.

Economic Development Strategies. Understanding the marketing challenges and opportunities for MSMEs can guide the formulation of broader economic development strategies that enahnce Carcar City's unique cultural and business landscape.

3. Academic and Scholarly Contributions

Theoretical Advancements. The study contributes to the academic discourse on marketing by exploring the connection of traditional and digital strategies in the unique context of MSMEs, potentially offering new theoretical insights or frameworks.

Cross-Disciplinary Insights. It offers a cross-disciplinary perspective that connects marketing, cultural studies, and technology adoption, enriching the literature and providing a basis for future research in these areas.

4. Global MSME community

Scalable and Adaptable Strategies. Although focused on Carcar City, the study's findings on the integration of marketing strategies may offer measurable and adaptable insights for MSMEs in similar contexts nationally, particularly in developing economies in the country.

Digital Transformation Roadmap. By providing a clear framework for integrating digital and traditional marketing, the study can serve as a blueprint for MSMEs worldwide looking to navigate the digital transformation landscape effectively.

5. Broader Social and Economic Impacts

Job Creation and Economic Stability. Enhancing the performance and competitiveness of MSMEs can lead to job creation and greater economic stability within Carcar City and similar communities.

Preservation and Innovation. The study underscores the importance of balancing tradition with innovation, offering pathways for MSMEs to preserve their cultural heritage while embracing technological advancements.

Consumer Benefits. Improved marketing strategies can lead to better consumer engagement and satisfaction by providing consumers with more accessible, relevant, and engaging content and interactions.





6. Cebu Technological University

Research and Innovation. This research can contribute to the university's body of knowledge, encouraging further research and innovation in the field of marketing within MSMEs. It can inspire business administration students and faculty to explore related topics, such as digital transformation in traditional businesses, consumer behavior in digital economies, and the effectiveness of various digital marketing tools.

Curriculum Development. The insights gained from this study can inform curriculum development at CTU Campuses, especially in programs related to business, marketing, and technology management. Incorporating findings about the integration of traditional and digital marketing strategies into course content could ensure that students are prepared with up-to-date information and skills applicable to the evolving business landscape.

In essence, this study is poised to offer comprehensive insights that not only share to the academic information and knowledge but also provide actionable strategies for MSMEs, inform policy development, and potentially inspire a broader dialogue on the utilization of traditional and digital marketing strategies within the context of global MSME development.

Scope and Limitations of the Study

This study aims to analyze the marketing strategies of Micro, Small, and Medium Enterprises (MSMEs) in Carcar City, Cebu, with the objective of developing a comprehensive marketing framework. The study will focus on five barangays, namely Poblacion I, Poblacion II, Poblacion III, Perrelos, and Valladolid, as these commercial hubs host a high concentration of business establishments. These include food and restaurants, retailers, wholesalers, refreshments and beverages, manufacturers, and services. The study will gather data on registered MSMEs in these sectors from the Business Licensing Office (BPLO) of the Local Government Unit of Carcar City, with consent from the Department Head of the BPLO Office. This will ensure a comprehensive list of respondents for the study. The research aims to understand how MSMEs blend traditional and digital marketing strategies to stay competitive in a rapidly changing market. Limitations of the Study

This research is geographically limited to Carcar City, specifically focusing on five selected barangays. This limitation may affect the generalizability of the findings to other cities, municipalities, and provinces in the country that have different economic and cultural environments. The study's time frame restricts the ability to observe long-term marketing trends or the evolution of digital technologies and consumer behavior. Resource constraints like time, budget, and accessibility may also limit the data collection's comprehensiveness. The reliance on self reported data from stelepholders might introduce bias

ability to observe long-term marketing trends or the evolution of digital technologies and consumer behavior. Resource constraints like time, budget, and accessibility may also limit the data collection's comprehensiveness. The reliance on self-reported data from stakeholders might introduce bias, as respondents may present their businesses more favorably. Additionally, the rapid evolution of digital marketing technologies could quickly render the study's findings outdated unless periodically updated. The challenge of integrating quantitative and qualitative data requires careful methodological considerations to ensure research validity and reliability. Despite these limitations, the study endeavors to offer significant insights into the marketing strategies of MSMEs in Carcar City, contributing valuable knowledge for both academic and practical applications.

RESEARCH METHODOLOGY

This study used a mixed-methods research methodology to comprehensively understand how MSMEs in Carcar City utilized traditional and digital marketing strategies. This approach combined quantitative and



qualitative methods to collect, analyze, and interpret data from various sources, enabling a multidimensional exploration of the research objectives. The methodology was structured as follows:

Research Design

This study adopts a concurrent triangulation mixed-methods research design, effectively blending qualitative and quantitative approaches to comprehensively explore the marketing strategies employed by Micro, Small, and Medium Enterprises (MSMEs) in Carcar City. The concurrent triangulation design facilitates simultaneous data collection from qualitative and quantitative sources, allowing each to contribute independently to the research findings.

The qualitative component comprises in-depth interviews with business owners and key stakeholders to capture MSMEs' insights and lived experiences in their marketing endeavors. These qualitative insights are crucial for understanding marketing practices' contextual and subjective dimensions, especially regarding integrating traditional and digital strategies.

Quantitatively structured survey questionnaires provide a statistical overview of marketing strategies, adoption levels, and perceived effectiveness among MSMEs. This quantitative data allows for a systematic examination of relationships between variables such as business size, marketing strategy adoption, and perceived outcomes, offering a macro-level understanding of marketing dynamics in Carcar City.

Qualitative and quantitative findings are integrated at the interpretation stage, ensuring a holistic view of the research problem. The mixed-methods design enhances the validity and reliability of the findings, addressing both the depth and scale of marketing strategy adoption and its impacts on MSMEs in Carcar City.

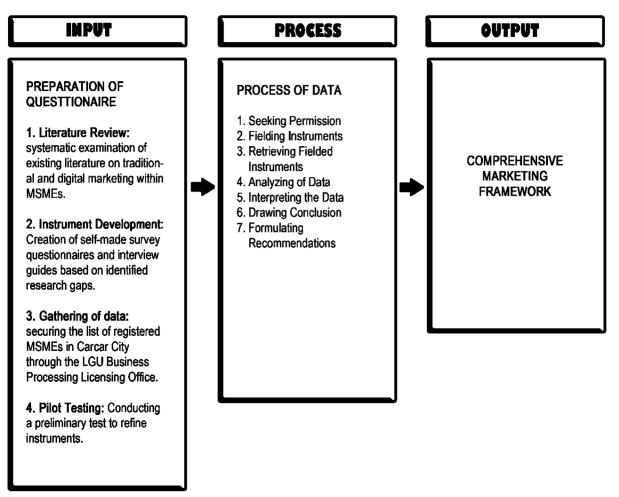
Flow of the Study

The study flow was designed to systematically explore the current marketing strategies among micro, small, and medium enterprises (MSMEs) in Carcar City, focusing on how these strategies are adopted, implemented, and perceived within the local business context.

This structured approach ensures a comprehensive knowledge of the dynamics at play, enabling the research to uncover actionable insights that could significantly contribute to the literature on marketing strategies in MSMEs and offer practical recommendations for stakeholders. By meticulously navigating through the phases of literature review, data collection, analysis, and conclusion, this study seeks to bridge the gap between theoretical frameworks and real-world applications by highlighting how traditional and digital marketing can be combined to improve the competitiveness and sustainability of MSMEs in the digital era.



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The flow of the study employs a structured Input-Process-Output model that systematically progresses towards developing a comprehensive marketing framework for MSMEs in Carcar City, Cebu. The Input **phase** begins with collecting essential demographic information about the businesses, including type, position, years of operation, annual revenue, and employee count, offering foundational insights into the nature and scale of MSMEs in the city. This phase involves meticulous preparation through a systematic literature review to understand the current landscape of traditional and digital marketing within MSMEs. The study then focuses on instrument development, creating tailored survey questionnaires and interview guides based on identified research gaps. Securing a list of registered MSMEs from the LGU Business Processing Licensing Office ensures accurate targeting of respondents, while pilot testing refines the research instruments for clarity and effectiveness.

The Process phase consists of several critical steps. Seeking permission from relevant authorities and respondents ensures ethical data collection. The fielding of instruments involves distributing the survey questionnaires and conducting interviews to collect comprehensive data, which is then retrieved for analysis. Data analysis involves statistical and thematic examination to uncover insights from the quantitative and qualitative data, followed by data interpretation to understand the findings in the context of the research objectives. Conclusions are drawn from these insights, synthesizing the effectiveness of traditional and digital marketing strategies in MSMEs, and recommendations are formulated to guide MSMEs and stakeholders.



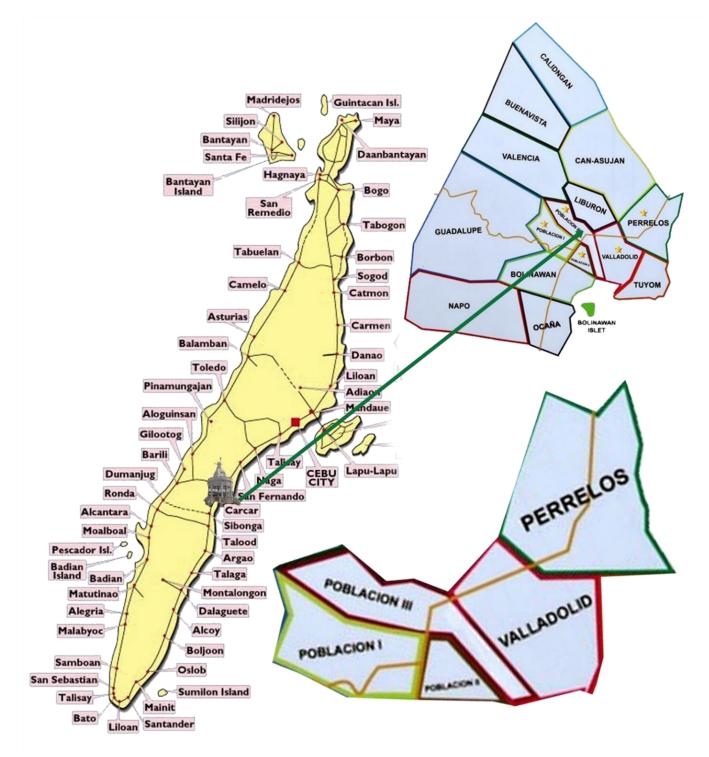
Ultimately, the **Output** is the proposed Comprehensive Marketing Framework Model, which serves as a strategic guide for MSMEs to effectively blend traditional and digital marketing strategies. This framework is designed to enhance their competitiveness and sustainability in a rapidly evolving business environment. The systematic flow, from input to output, ensures that the study is thorough in data collection, analysis, and the development of actionable insights for the marketing practices of MSMEs in Carcar City.

Environment

The study took place in Carcar City, Cebu, focusing on micro, small, and medium enterprises (MSMEs) across various sectors, such as crafts, food production, financial services, medical services, and retail. This environment was chosen for its rich cultural background and the presence of a Negosyo Center, indicative of an active MSME scene. The research specifically concentrated on five barangays: Poblacion I, Poblacion II, Perrelos, and Valladolid, selected for their rich cultural background and high concentration of diverse business establishments, including food and restaurants, retailers, wholesalers, refreshments and beverages, manufacturers, and services.

The data for this study were obtained from the Business Licensing Office (BPLO) of the Local Government Unit of Carcar City, with the consent of the Department Head of the BPLO Office, ensuring a comprehensive list of respondents for the research. All of these establishments were issued with a business permit in the City of Carcar. The population included MSME owners, managers, supervisors, and marketing officers involved in various industries in Carcar City. The study aimed to understand how MSMEs in these key sectors blended traditional and digital marketing strategies to stay competitive in a rapidly changing market, with the ultimate goal of developing a comprehensive marketing framework.





Respondents

Participants in the study included owners, managers, supervisors, marketing officers, and business partners of micro and small enterprises in Carcar City. The stratified purposive sampling technique was employed to ensure diverse sector representation. Aiming for 200 to 250 respondents, with representation from each identified stratum including food and restaurants, retailers, wholesalers, refreshments and beverages, manufacturers, and services providers to ensure diversity and depth of insight. Respondents were selected based on their involvement in marketing activities and willingness to participate. The data for this study were sourced from the Business Licensing Office (BPLO) of the Local Government Unit of Carcar City,



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with the consent of the Department Head of the BPLO Office, ensuring a comprehensive list of respondents for the research.

TOTAL ENTERPRISES POPULATON				
No.	Participants	Micro	Small	Medium
1	Food & Restaurants	37	12	3
2	Retailers	98	5	7
3	Refreshments/Beverages	90	8	0
4	Manufacturing	11	5	2
5	Service Providers	85	14	0
	Total	321	44	12

Table 1 Total Number of Respondents Micro Small Medium Enterprises

The table provides a detailed breakdown of the total population of enterprises across five business types, categorized by their sizes (Micro, Small, and Medium). Among the respondents, micro-enterprises constitute the majority, totaling 321 out of 377 enterprises, which is approximately 85.1% of the total. This majority emphasizes the significant presence of micro-businesses within sectors such as Retailers and Refreshments/Beverages, which account for 98 and 90 micro-entities, respectively. The small enterprise category includes 44 entities, representing about 11.7% of the total, with Service Providers and Food & Restaurants being the primary contributors with 14 and 12 small enterprises, respectively. Medium-sized enterprises represent the smallest group, encompassing only 12 entities or about 3.2% of the total, with Retailers having the largest subset within this category, accounting for 7 businesses. This distribution highlights a market dominated by micro and small enterprises, particularly predominant in the Retail and Service sectors, reflecting the structural characteristics of the regional economy and the unique challenges these smaller enterprises face in their marketing strategies.

DIST	DISTRIBUTION OF RESPONDENTS			
No.	Participants	Total Population	Sample Size	
1	Food & Restaurants	52	49	
2	Retailers	110	63	
3	Refreshments/Beverages	98	60	
4	Manufacturing	18	6	
5	Service Providers	99	61	
	Total	377	239	

Table 2Respondent-Groups Profile

The table illustrates the distribution of participants across five business sectors, highlighting the total population and corresponding sample size for each. With a total population of 377 enterprises, a sample size of 239 was utilized to achieve a 99% confidence level and a margin of error of $\pm 5\%$, ensuring that the



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sample is representative of the population. In the Food & Restaurants category, 52 enterprises were identified, with 49 being sampled. Retailers were represented by 110 enterprises, of which 63 were sampled. The Refreshments/Beverages sector had all 60 enterprises included in the sample, while the Manufacturing sector had all 6 of its enterprises sampled. Service Providers had 99 enterprises in total, with a sample size of 61. The selection process ensures that the sample accurately reflects the distribution of the total enterprise population in each sector, which is vital for drawing meaningful and generalizable conclusions about the marketing strategies and challenges of micro, small, and medium-sized enterprises in Carcar City, Cebu, Philippines. This data is determined using the Universal Sampling Method computed and extracted from online calculator of net sample size.

Research Instrument

The self-made survey questionnaire is developed based on the literature review and theoretical framework, focusing on marketing strategies, digital adoption, and barriers. A semi-structured interview guide was also crafted to ensure consistency across interviews while allowing for spontaneous exploration of topics that emerge. The survey questionnaire designed for this study is segmented into seven (7) comprehensive sections, each aiming to capture a distinct aspect of marketing practices and strategies among MSMEs. Here's a brief description of each section:

Section 1: Demographic Information - This section collects essential information about the business and its management. It begins by identifying the business type, distinguishing between food and restaurants, retailers/wholesalers, refreshments, manufacturing, or services to categorize responses based on industry-specific characteristics. The respondent's position within the company is also noted to understand how their role may influence their perspective on marketing. Understanding the duration of business operation provides insights into market experience and stability. Annual revenue, segmented into broad ranges, helps gauge business size and economic impact, while the number of employees further indicates business size, crucial for understanding how marketing resources are allocated.

Section 2: Current Marketing Practices - This section investigates the current marketing strategies of MSMEs, with a focus on how they perceive the importance of marketing in their business success. Respondents are asked to identify the traditional marketing strategies they use, such as print advertising or face-to-face interaction, alongside social media marketing and other digital marketing strategies. The section then measures the perceived effectiveness of these marketing strategies using a rating scale, providing insights into how businesses view the success of their marketing efforts. An open-ended question on challenges faced in implementing these strategies allows for a nuanced understanding of barriers MSMEs encounter in their marketing practices.

Section 3: Traditional Marketing - This section is dedicated to traditional marketing strategies, exploring whether MSMEs currently utilize such approaches. Factors influencing the decision to adopt traditional marketing, like local market preferences and competition in traditional channels, are outlined to understand why businesses choose these strategies. The effectiveness of traditional marketing is gauged through a rating scale, providing a clear picture of how well these strategies perform in the eyes of business owners and managers.

Section 4: Digital Marketing - Focusing on digital marketing, this section assesses whether MSMEs have adopted digital strategies in their marketing mix. The section explores factors influencing the decision to adopt digital marketing, including measurable results, cost-effectiveness, and competitive pressure. Respondents are asked to rate the effectiveness of their digital marketing strategies, offering insights into



how well these strategies work for MSMEs. Additionally, the section identifies barriers to digital marketing adoption, such as technical challenges and budget constraints, to highlight the obstacles MSMEs face in this area.

Section 5: Impact of Traditional Marketing Strategies - This section explores into the positive and negative impacts MSMEs have experienced from traditional marketing strategies. Positive impacts like stronger local brand presence and improved customer trust are contrasted with negative impacts such as high advertising costs and limited reach. This comprehensive view provides insights into the real-world effects of traditional marketing on MSMEs.

Section 6: Impact of Digital Marketing Strategies - Here, the survey investigates the impacts of digital marketing strategies on MSMEs. Positive impacts include increased customer reach and higher online sales, while negative impacts might include the high costs of online advertising and difficulty measuring ROI. This section seeks to highlight the tangible effects of digital marketing, both beneficial and challenging, on MSMEs.

Section 7: Combination of Traditional and Digital Marketing - This section examines the combination of traditional and digital marketing approaches. It explores the willingness of MSMEs to adopt integrated marketing strategies and the factors influencing this decision, like cost-effectiveness and changing consumer behavior. Respondents are asked whether they believe integration would benefit their business, with open-ended questions allowing them to elaborate on perceived benefits and barriers. This helps paint a comprehensive picture of the perceived value and challenges of integrating traditional and digital marketing strategies.

Each section is meticulously crafted to gather data that will shed light on the dynamics of marketing strategies within Carcar City's MSME sector, providing a holistic view of current practices, challenges, and future directions.

Validity of the Questionnaire

The validity of the survey questionnaire for this study was rigorously ensured through a comprehensive approach. The Director of Research at Carcar City College thoroughly checked and validated the research instrument in consultation with research experts at the college. Initially, content validity was established through an extensive literature review and consultations with marketing and business management instructors' experts, focusing on the relevance and comprehensiveness of the questions in covering all pertinent aspects of marketing practices within MSMEs. The questionnaire was further refined based on feedback from potential respondents and subject matter experts to enhance face validity, ensuring the items were perceived as relevant and appropriate for measuring the intended constructs. Construct validity was affirmed by aligning each item with theoretical frameworks identified in the literature, while criterion-related validity was evaluated by correlating questionnaire responses with external benchmarks where available. The triangulation process, comparing survey responses with qualitative data from interviews, validated the quantitative findings, ensuring a solid and accurate measure of marketing strategy among MSMEs in Carcar City. This multi-faceted approach to establishing validity ensures that the questionnaire accurately captures the distinctions of marketing practices, challenges, and outcomes experienced by MSMEs.

Reliability of the Questionnaire

Ensuring the reliability of the questionnaire in the dissertation was achieved through a meticulously plan-



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ned and executed multi-step process that prioritized accuracy and consistency in data collection. First, the questionnaire underwent pilot testing with a sample representative of the MSME population in Carcar City. This phase allowed for refining any ambiguous or unclear questions based on respondent feedback, which enhanced the questionnaire's reliability and clarity. The researchers further ensured internal consistency by grouping related questions and evaluating the alignment of responses across these groups. Statistical tools such as Cronbach's alpha were utilized to confirm the consistency of the responses, verifying that the questions accurately assessed the intended constructs. The reliability coefficient of the instrument was determined to be 0.720001345, indicating that the instrument is considered acceptable.

To establish test-retest reliability, a subset of respondents completed the survey a second time after a brief interval. The consistency of their responses between the two instances was examined, and any discrepancies were used to refine the questionnaire further. Additionally, the questionnaire underwent expert validation, with Master of Business Administration instructors from Carcar City College thoroughly reviewing it. Their insights were instrumental in ensuring that the questions were logically structured and aligned with the study's objectives.

Finally, statistical analyses, such as factor analysis, were conducted post-data collection to assess the consistency of questions in grouping similar constructs. This analysis ensured that the responses consistently reflected the marketing strategies, challenges, and outcomes being measured. Through these rigorous steps, the reliability of the questionnaire was firmly established, ensuring that the data collected would accurately represent the marketing strategies and practices of MSMEs in Carcar City.

Ethical Considerations

In conducting this research, utmost attention to ethical considerations is paramount. This part outlines the ethical guidelines and principles adhered to throughout the study, ensuring respect, confidentiality, and integrity in data handling from participants. Our commitment to ethical research practices involves obtaining informed consent from all respondents, guaranteeing anonymity and privacy in disseminating findings, and ensuring accuracy and honesty in reporting results. By adhering to these ethical standards, this research aims to contribute meaningful insights into the marketing strategies of MSMEs while upholding the dignity and rights of all participants involved.

Informed Consent: All participants received an informed consent form that outlined the study's purpose, their rights as participants, and the confidentiality measures in place.

Confidentiality. Participant anonymity was preserved, and data were securely stored. Identifiable information was removed or altered in the presentation of findings.

Ethical Approval. The research proposal was submitted to the institutional review board (IRB) or equivalent ethics committee for approval before commencing data collection.

Data-Processing Procedure

The data processing procedure was carefully crafted to ensure that the collected data from MSMEs in Carcar City was accurate, comprehensive, and insightful. The process began with data collection and verification, where survey questionnaires were distributed to a representative sample of MSMEs across different business sectors in five chosen barangays in Carcar City. This ensured a broad capture of diverse business perspectives. Upon collection, the surveys were meticulously reviewed for completeness and consistency, guaranteeing that only reliable data was used for analysis.

Following data verification, the data cleaning and organization phase involved transcribing the collected



data into digital spreadsheets, a step that facilitated subsequent analysis. To maintain data integrity, each entry was thoroughly checked for errors, including missing values or duplicates. Data transformation and coding were essential in standardizing the data for analysis. Quantitative data, such as ratings on marketing strategy effectiveness, were formatted for statistical evaluation, while qualitative data from open-ended responses were coded thematically for deeper analysis.

Data analysis included descriptive statistics to elucidate the characteristics of the surveyed MSMEs, crosstabulation to identify relationships between variables, and correlation analysis to uncover significant links between marketing strategies and business outcomes. The thematic analysis of qualitative data revealed patterns in the challenges MSMEs face in adopting digital marketing strategies and integrating traditional and digital approaches.

Data interpretation and synthesis involved a comparative analysis of traditional and digital marketing strategies to assess the effectiveness of each approach among MSMEs. The insights from both the quantitative and qualitative analyses were combined to offer a thorough understanding of the marketing landscape and the challenges faced by MSMEs in Carcar City. This integration guided the development of an extensive marketing framework tailored to the unique needs of these businesses.

Finally, the findings and recommendations were compiled into a detailed report, offering actionable insights for MSMEs and stakeholders. This report was reviewed and refined based on stakeholder feedback to ensure the proposed framework aligned with real-world needs. This systematic and rigorous data processing procedure ensured that the research was grounded in the marketing realities of MSMEs, providing a solid foundation for actionable insights and practical recommendations.

Data Gathering Procedure

The data gathering procedure for this research was designed to systematically collect information essential for understanding the traditional and digital marketing strategies used by MSMEs in Carcar City. This process was organized to ensure the collection of reliable and relevant data, reflecting the real-world marketing practices and challenges faced by these enterprises. Through a combination of quantitative and qualitative methods, the procedure aimed to capture a comprehensive picture of the marketing landscape, the effectiveness of various strategies, and the perspectives of MSME owners and managers. This approach enabled the identification of patterns, insights, and understandings critical to exploring the synergistic potential of combining traditional and digital marketing efforts.

Preparation. The researcher secure necessary approvals or consent from participants. Firstly, the researcher obtained consent from the office of the mayor of the local government unit (LGU) of the City of Carcar and the department head of business processing licensing office (BLPO). Secondly, a letter of consent was sent to various MSMEs establishments.

Distribution and Collection. Surveys distributed in person, with follow-up to maximize response rates. Interviews scheduled at respondents' convenience, conducted in person, and recorded with consent. Before the survey questionnaires administered, the researcher discussed the privacy issues and other terminologies on the options and choices of answers. The respondent's answers were treated with utmost confidentiality.

Data Entry and Analysis. Quantitative data was encoded digitally and checked for accuracy, while qualitative data was transcribed verbatim. The results were tabulated from the original data and these data were computes statistically that generated empirical findings and results. Interpretation and analysis of the



gathered facts had shown explicitly that answered the queries and the other sub-questions which were reflected in the statement of the problem.

Data-Analysis Procedure

For qualitative data, a thematic analysis was conducted. Initial codes were generated from the data, themes were identified and reviewed for coherence, and then defined and named. Quantitative data scoring involved calculating mean scores for Likert-scale questions to examine overall attitudes and perceptions. To analyze the number of employees categorized into micro, small, and medium enterprises, the researcher used the interpretation from PSA, in which the Philippines employed two criteria for operationally defining MSMEs, namely employment and asset size. The PSA classified an enterprise as micro if it had fewer than 10 employees, small if it had 10–99 employees, medium with 100–199 employees, and large if it had 200 or more employees. Additionally, to analyze the data collected through the survey questionnaire, a detailed approach involving both quantitative and qualitative methodologies was used.

1. Data Cleaning and Preparation

First, responses were reviewed to ensure completeness and accuracy. Any inconsistencies, missing values, or irrelevant data were addressed to maintain the integrity of the dataset. Responses were then categorized based on the demographic information provided (business type, designation, business tenure, annual revenue, and number of employees) for better segmentation.

2. Quantitative Analysis

Descriptive Statistics: Basic statistical methods were used to summarize the data, including measures like frequency counts, percentages, means, and standard deviations. These provided an overview of the data distribution, particularly regarding the importance of marketing strategies (Section 2.1), effectiveness ratings (Sections 2.4, 3.3, and 4.3), and the frequency of marketing strategies used.

Cross-tabulation: Cross-tabulation helped understand relationships between variables such as business type, position, and marketing strategy usage. For example, it revealed which traditional or digital marketing strategies were preferred based on business type.

Comparative Analysis: The comparative analysis measured the effectiveness of traditional versus digital marketing strategies based on responses in Sections 3.3 and 4.3. This included the perceived impact and the challenges faced in implementing these strategies.

Correlation Analysis: To explore relationships between marketing strategies and business outcomes, correlation analysis was used to identify significant relationships, such as the link between specific strategies and revenue growth.

To determine the degree of importance and effectiveness, a rating scale was developed along with interpretations for each rating level. These scales were applied to questions assessing the importance of marketing strategies to business success and the effectiveness of current marketing strategies, both traditional and digital. These scales allowed respondents to provide feedback on how critical different marketing strategies were to their operations and how well these strategies performed in practice, facilitating a deeper analysis of the data collected through the survey.

Degree of Importance Scale

Not Important (1): The strategy has no noticeable impact on business operations or success. It is not considered a priority.



Somewhat Important (2): The strategy has a minor influence on business operations and might be used on an ad-hoc basis, depending on circumstances.

Moderately Important (3): The strategy is useful and provides average benefits to business operations, contributing to certain aspects of business success.

Important (4): The strategy greatly improves business operations and is crucial in driving business success.

Very Important (5): The strategy is crucial and central to the business's success. It is fundamental to operational effectiveness and achieving business goals.

Effectiveness Rating Scale

Not Effective (1): The strategy does not achieve any of its intended outcomes and might detract from overall business performance.

Somewhat Effective (2): The strategy achieves some of its intended outcomes, but not consistently and only to a limited extent.

Moderately Effective (3): The strategy achieves its intended outcomes to a satisfactory degree, delivering moderate benefits to the business.

Effective (4): The strategy consistently achieves its intended outcomes and is reliable in enhancing business performance.

Very Effective (5): The strategy exceeds expectations in achieving its intended outcomes, significantly boosting business performance and providing a strong competitive advantage.

3. Qualitative Analysis

Thematic Analysis: The open-ended responses regarding marketing challenges, barriers in digital marketing adoption, and barriers to combining marketing strategies were analyzed through thematic analysis. This involved identifying recurring themes, patterns, and insights that highlighted the subjective experiences of MSMEs in implementing marketing strategies.

4. Integration of Quantitative and Qualitative Findings

The findings from the quantitative and qualitative analyses were integrated to provide a holistic view of MSMEs' marketing strategies. Quantitative data offered measurable insights, while qualitative data provided context and depth.

These findings were used to develop a comprehensive marketing framework tailored to MSMEs in Carcar City, capturing the interplay between traditional and digital marketing approaches. By using this data analysis procedure, the study provided insights into the marketing strategies of MSMEs, ensuring that the findings were both statistically sound and contextually rich.

Definition of Terms

These definitions provide a foundation for understanding the key components and strategies in the marketing efforts of MSMEs, especially within the context of Carcar City, Cebu. They are particularly relevant for analyzing how traditional and digital marketing strategies are integrated in developing a comprehensive marketing framework. Below are definitions for the key terms essential to this study.

Consumer Behavior. The study focuses on individuals, groups, or organizations and examines the processes they use to select, acquire, utilize, and dispose of products, services, experiences, or ideas to



meet their needs, as well as the effects these processes have on consumers and society.

Digital Marketing. It involves marketing efforts that use digital channels to reach and engage consumers. This includes strategies like social media marketing, search engine optimization (SEO), email marketing, content marketing, and pay-per-click (PPC) advertising, among others.

Digital Adoption. The process by which individuals and organizations begin to accept and fully utilize digital technologies and tools in their operations and strategies.

Food and Restaurants. This category includes MSMEs that prepare and serve meals, snacks, and beverages for consumption on the premises or for takeout such as bakeries, restaurants and carenderias. They can vary from small street food stalls to family-owned restaurants in Carcar City, Cebu.

Micro, Small, and Medium Enterprises (MSMEs). Businesses characterized by their size, which includes the number of employees, annual revenue, assets, or capital. MSMEs are often defined differently across countries but generally represent a significant portion of the business population, contributing to innovation, employment, and economic growth.

Marketing Strategies. Are plans of action designed to promote and sell a product or service. A marketing strategy combines the product's target market, marketing mix (product, price, place, and promotion), and positioning within the market.

Manufacturers. These MSMEs engage in the production and processing of goods. They transform raw materials into finished products, which can be sold locally or to wholesalers and retailers. Their range includes carcar city delicacies makers, sandals and shoes makers, local crafts, textiles, and processed foods.

Pay-Per-Click (PPC) Advertising. An online advertising model where advertisers pay a fee each time their ad is clicked. This method involves purchasing visits to your site rather than trying to earn them organically.

Retailers. MSMEs engaged in selling consumer goods directly to customers for personal or household consumption. These businesses could include small shops and markets that offer a range of products, from groceries to clothing.

Return on Investment (ROI). A financial metric used to evaluate the efficiency or profitability of an investment. In marketing, ROI measures the return on marketing investments relative to the cost of those investments.

Refreshments. MSMEs in this category primarily sell beverages and light snacks, such as juice bars, coffee shops, and small snack vendors. They often operate as standalone businesses or are part of larger establishments.

Search Engine Optimization (SEO). Refers to the practice of enhancing the quantity and quality of traffic to your website through organic search engine results. It involves optimizing website content and structure to achieve higher rankings on search engine results pages (SERPs) for specific keywords or phrases.

Services. MSMEs that provide non-tangible products, including services like repair shops, beauty salons, consulting firms, financing and other professional services. They offer their expertise to clients and customers in Carcar City.

Synergistic Integration. The process of combining different elements in such a way that they produce an effect greater than the sum of their individual effects. In the context of marketing, it refers to the strategic integration of traditional and digital marketing strategies to enhance overall marketing effectiveness and reach.



Traditional Marketing. Refers to marketing strategies that use traditional channels to reach consumers, such as print (newspapers and magazines), broadcast (TV and radio), direct mail, and outdoor (billboards) advertising. These methods are characterized by their broad reach and physical format.

Wholesalers. Enterprises that supply goods to retailers or other businesses in bulk quantities. They typically operate from distribution centers or warehouses in Carcar City, supplying smaller retailers and manufacturers.

CHAPTER 2

Review of Related Literature and Studies

The utilization of traditional and digital marketing strategies is crucial for Micro, Small, and Medium Enterprises (MSMEs) in Carcar City, Cebu, Philippines. This review aims to provide a comprehensive overview of existing research on marketing strategies that emphasize the blend of traditional and digital approaches. It explores marketing in MSMEs, conventional and digital marketing, and combines both methods. The review is aligned with the study's focus on developing a comprehensive marketing framework.

As businesses worldwide battle with the ever-evolving digital landscape, understanding how MSMEs in specific locations, like Carcar City Cebu, navigate these changes becomes crucial. The literature review below explores the complexities of marketing within MSMEs, dividing the roles, challenges, and potential synergies between diverse marketing approaches. It aims to offer a comprehensive overview of existing research on the topic, emphasizing the significance of marketing in SMEs, the unique characteristics of traditional and digital marketing strategies, and the theoretical foundations that support their integration. This literature review sets the stage for an exploration that contributes to the academic discourse and offers practical insights for MSMEs striving to adapt and thrive in an increasingly digital marketplace. Through a thorough examination of current practices, this review seeks to illuminate the pathways toward a harmonious blend of tradition and innovation in marketing, ensuring the growth and sustainability of MSMEs in a fast-changing economic landscape.

Marketing in MSMEs

Marketing strategies are crucial for MSMEs to reach their target audience and achieve business goals. Traditional marketing includes physical advertising, direct sales, and word-of-mouth promotions, which still hold value, especially in culturally rooted societies. On the other hand, digital marketing, comprising social media, SEO, and email marketing, has gained prominence due to its broader reach and cost-effectiveness. The role of marketing within micro, small, and medium enterprises (MSMEs) is pivotal for their success, driving customer engagement, expanding market share, and boosting revenue growth (Gilmore, Carson, & Grant, 2001). However, MSMEs encounter unique challenges, such as constrained resources, limited marketing expertise, and difficulties gauging marketing efforts' effectiveness (Reijonen, 2012). The adaptability and flexibility of MSMEs, leveraging personal networks and community ties, emerge as significant strengths, enabling rapid responses to market shifts (Gilmore et al., 2007; Bresciani & Eppler, 2010).

Traditional Marketing Approaches

Traditional marketing approaches significantly influence MSMEs' success, particularly in terms of local engagement and brand loyalty. Traditional marketing has been foundational for MSMEs, utilizing print media, direct mail, television, and radio advertising to achieve local reach and brand recognition (Keller, 2001). These methods are particularly effective in building customer trust and loyalty within local or niche



markets (Leeflang et al., 2014). Nevertheless, the limitations of traditional marketing, including its confined reach and prohibitive costs, along with challenges in measuring ROI, pose significant hurdles for SMEs (Brassington & Pettitt, 2006).

Digital Marketing Approaches

Digital marketing has transformed MSMEs' ability to reach a broader potential customer efficiently. Taiminen and Karjaluoto (2015) highlighted how digital marketing channels, such as social media and email marketing, have helped MSMEs overcome budget constraints and achieve higher ROI. The emergence of digital marketing has revolutionized the marketing landscape, offering MSMEs cost-effective tools to access broader, targeted audiences. Digital channels, notably social media, email marketing, and SEO, are celebrated for their interactive customer engagement and real-time capabilities (Chaffey & Ellis-Chadwick, 2019). Despite the advantages of digital marketing, such as its measurability, flexibility, and personalization potential (Kotler & Armstrong, 2010), MSMEs often struggle with digital skill shortages, the pace of technological evolution, and maintaining visibility in a saturated online space (Taiminen & Karjaluoto, 2015).

Challenges and Opportunities in MSME Marketing

MSMEs often encounter noteworthy challenges in adopting effective marketing strategies due to resource constraints, inadequate technological expertise, and evolving consumer behavior. Traditional marketing presents challenges primarily due to the high costs associated with campaigns, which can be prohibitive for MSMEs. Reijonen (2012) found that these resource limitations often prevent MSMEs from executing large-scale marketing campaigns, thereby restricting their reach and impact.

Similarly, digital marketing adoption is not without its challenges, as MSMEs often struggle with inadequate technical expertise and the rapidly evolving digital landscape. Leeflang et al. (2014) highlighted that the lack of digital marketing skills among MSMEs frequently hampers their competitive advantage in the market. Further compounding this issue, a study by Golden Ratio (n.d.) emphasized that the absence of a clear digital marketing strategy often results in ineffective campaigns, leading to suboptimal use of digital platforms. Despite these challenges, there are opportunities for MSMEs through integrated marketing strategies and government support, which can help them navigate and overcome these hurdles.

Combination of Traditional and Digital Marketing

The combination of traditional and digital marketing strategies presents a promising avenue for enhancing marketing efficacy within SMEs. The concept of integrated marketing communications (IMC) underscores the importance of a cohesive marketing strategy that unifies both traditional and digital methods, optimizing customer engagement and campaign effectiveness (Kitchen & Burgmann, 2010). Research indicates that this synergistic integration can amplify marketing messages, bolster brand consistency, and leverage the unique advantages of each approach (Kannan & Li, 2017). Nonetheless, empirical evidence on the effective integration of these marketing strategies in SMEs is sparse but growing, suggesting a need for further investigation (Smith, 2011; Zahay, Peltier, & Schultz, 2014).

Legislative and Institutional Support

Legislative and institutional support is critical in empowering MSMEs to adopt effective marketing strategies. Republic Act No. 10644, also known as the Go Negosyo Act, mandates the establishment of negosyo centers to bolster MSMEs' growth and competitiveness by offering them comprehensive business support services. Similarly, Republic Act No. 9501, or the Magna Carta for MSMEs Amendment Act,



aims to enhance MSMEs' access to financing and technology, ensuring they have the necessary resources to develop robust marketing strategies.

Government initiatives such as the negosyo centers provide essential support for MSMEs, helping them navigate the complex landscape of business development. Philstar.com (2016) emphasized the pivotal role these centers play in facilitating access to vital services that boost MSMEs' marketing capacities, effectively enabling them to thrive in a competitive market environment. Through these legislative measures and institutional frameworks, MSMEs can better leverage the resources and support necessary to overcome their marketing challenges.

Relevance to Carcar City MSMEs

Studies suggest that digital marketing is transforming how MSMEs compete in Southeast Asia, helping them reach broader markets (Golden Ratio, n.d.). However, MSMEs in Carcar City face resource limitations that challenge the integration of digital strategies (Journal of Business and Economics, n.d.). Social media marketing is proven to foster customer loyalty and brand awareness, critical for MSMEs seeking to expand their market presence (Journal of Web Systems and Sciences, n.d.). The adoption of e-commerce is influenced by technological readiness and market orientation (Kasetsart Journal of Social Sciences, n.d.).

A study by researchers from the Golden Ratio outlines the effectiveness of digital marketing strategies in enhancing SME competitiveness in Southeast Asia. The research emphasizes the transformative role of digital tools in enabling SMEs to reach broader markets and involve with customers more successfully than traditional methods alone (Golden Ratio, n.d.).

Another critical analysis, presented in the Journal of Business and Economics, investigates the challenges and opportunities faced by MSMEs in integrating digital marketing practices. The study highlights resource limitations as a significant barrier while also noting the potential for digital platforms to level the playing field between small and large enterprises (Journal of Business and Economics, n.d.).

Further research in the Journal of Web Systems and Sciences discusses the role of social media marketing in SMEs, particularly focusing on its capacity to foster customer loyalty and brand awareness. This study provides empirical evidence supporting the notion that a strategic approach to social media can yield substantial benefits for MSMEs in terms of customer engagement and market penetration (Journal of Web Systems and Sciences, n.d.).

Lastly, an investigation into the adoption of e-commerce among MSMEs, published in the Kasetsart Journal of Social Sciences, reveals the critical factors influencing MSMEs' move towards online platforms. It underscores the importance of technological readiness and market orientation in successfully leveraging e-commerce for business growth (Kasetsart Journal of Social Sciences, n.d.).

These studies collectively underscore the significance of digital marketing in the contemporary business landscape, highlighting its synergistic potential when combined with traditional marketing approaches. It integrates various studies to present a comprehensive overview of marketing in MSMEs, distinguishing between traditional and digital marketing, and exploring the benefits, challenges, and importance of their integration. They reaffirm the notion that for MSMEs, particularly those in developing cities in Cebu like Carcar City, the integration of digital strategies alongside traditional marketing can enhance visibility, competitiveness, and sustainability.

In conclusion, research gaps identified in the literature call for more empirical studies on the integration of marketing strategies in MSMEs, particularly in specific developing cities' contexts like Carcar City. There is also a pressing need for research exploring how MSMEs can overcome digital adoption barriers



and effectively measure the ROI of integrated marketing strategies. It also highlights the necessity for additional research to comprehend how MSMEs can navigate the integration challenges and leverage both approaches' strengths to achieve sustainable growth. This study aims to address these gaps, offering insights into the practicalities of implementing integrated marketing strategies within the context of MSMEs in Carcar City.

CHAPTER 3

PRESENTATION, DATA ANALYSIS, AND INTERPRETATION

This chapter carefully unfolds through the systematic explanation of the collected data, providing a detailed presentation of the results accompanied by rigorous analysis and scholarly interpretation. The primary objective of this chapter is to thoroughly explore the application and effectiveness of traditional and digital marketing strategies within the MSME sector. By employing advanced statistical techniques and interpretive methodologies, this section not only presents the quantitative data but also investigates into the underlying patterns and emergent trends, thus enhancing our understanding of the marketing dynamics prevalent within Carcar City's strong economic environment.

DEMOGRAPHIC INFORMATION

Table 3Business Type

	71	
Business Type		Total
Food & Restaurants		49
Refreshments/Beverages		63
Service Providers		60
Retailers/Wholesalers		61
Manufacturing		6
Total		239

Table 3 provides a detailed breakdown of the distribution of business types among the surveyed enterprises within Carcar City. The table categorizes businesses into five distinct groups: Food & Restaurants, Refreshments/Beverages, Service Providers, Retailers/Wholesalers, and Manufacturing. This categorization is essential for understanding the diversity and sectoral composition of the local market, which is crucial for developing effective marketing strategies.

From the total of 239 enterprises surveyed, the Refreshments/Beverages sector emerges as the most populated category with 63 businesses, indicating a strong market segment likely driven by high consumer demand for these products. The Service Providers and Food & Restaurants categories follow closely with 60 and 49 businesses, respectively. These sectors collectively reflect significant consumer engagement with services and dining experiences, which are integral to the socio-economic fabric of Carcar City.

The Retailers/Wholesalers sector, with 61 businesses, highlights a substantial presence in the city's commercial activities, contributing significantly to the distribution of goods and retail services. This sector's strong representation indicates a thriving market for retail and wholesale trade, which plays a significant role in the local economy by simplifying consumer access to a wide range of products. In contrast, the Manufacturing sector, with only 6 businesses, represents the smallest group among the



surveyed enterprises. This smaller number could suggest either a niche market focused on specific manufacturing outputs or potential growth opportunities for industrial expansion within Carcar City. The limited representation of manufacturing businesses may also highlight a need for targeted policies and support to encourage industrial development and diversification.

Overall, the distribution of business types illustrated in Table 3 underscores the varied commercial activities within Carcar City and provides a foundational understanding of the market dynamics. This diversity is crucial for policymakers, business leaders, and marketers to design strategies that are comprehensive and tailored to the specific needs and challenges of each sector. The data suggest potential areas for further investigation into market saturation, consumer behavior, and growth opportunities within these key sectors, ultimately contributing to a more nuanced understanding of Carcar City's economic and commercial environment.

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Position/Designation	Total	
Owner	73	
Manager	25	
Supervisor	13	
Marketing Officer	128	
Total	239	

Table 4 Highest Designation or Position Currently Held in the Company

Table 4 provides a comprehensive breakdown of the roles held by respondents in a survey conducted among businesses in Carcar City, delineating their positions as Owners, Managers, Supervisors, and Marketing Officers. The total of 239 respondents comprises a diverse array of company roles, offering varied insights into the businesses' marketing strategies and operational dynamics. Marketing Officers, who make up the majority with 128 respondents, offer frontline perspectives on the day-to-day challenges and successes of marketing initiatives. Their insights are crucial for understanding the practical implementation of marketing tactics. Owners, who are 73 in number, provide strategic insights reflecting the all-encompassing goals and directions of their businesses. They are key to understanding broader business strategies and operational implementation, offering a crucial perspective on how strategies are executed on the ground. Lastly, the 13 Supervisors included in the survey give focused insights into the supervisory aspects of marketing execution, particularly how strategies translate into day-to-day activities within specific teams or departments. This varied participation ensures a rich, multi-layered understanding of the business landscape in Carcar City, crucial for crafting effective, comprehensive marketing strategies.

Business Type	Total
Less than 1 year	43
1-5 years	116
11-15 years	14
6-10 years	26



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Total	239

Table 5 provides an insightful indication of the longevity and stability of businesses operating within Carcar City by categorizing them based on the duration of their business operations. This data is critical for understanding the economic dynamics of the city, as well as the potential sustainability and growth paths of its enterprises.

From the table, it is apparent that the majority of businesses surveyed have been operational for 1-5 years, with a total of 116 enterprises falling within this range. This suggests a significant influx of new businesses, indicating a vibrant or potentially growing market environment where new entrants are common and possibly booming. However, the sustainability of these businesses beyond the initial years will be critical to monitor, as this period often defines the establishment's ability to adapt and thrive.

The category with the second highest number of businesses is those operating for less than one year, totaling 43. This further emphasizes the dynamic nature of Carcar City's market, showcasing a strong entrepreneurial spirit and a continuous entry of new businesses. This sector may benefit from targeted support to improve their survival rate and ensure long-term contributions to the local economy.

On the other end of the spectrum, businesses that have been operational for 6-10 years and 11-15 years are comparatively fewer, with 26 and 14 businesses respectively. This notable decrease might point to challenges that prevent businesses from sustaining operations beyond the initial years. It may also reflect market saturation, changing consumer preferences, or other economic pressures that affect business longevity.

Overall, the distribution seen in Table 5 highlights the young and potentially transient nature of businesses in Carcar City, suggesting a need for more strong support mechanisms to aid in the survival and growth of businesses beyond the critical five-year mark. The insights derived from this table are crucial for stakeholders aiming to devise strategies to enhance business sustainability and support the growth of longer-term enterprises in the locality.

Business Type	Total No. of Respondents
Less than ₱500,000	149
₱500,000 - ₱1,000,000	46
₱1,000,001 - ₱5,000,000	17
₱5,000,001 - ₱10,000,000	10
More than ₱10,000,000	17
Total	239

Table 6Estimated Annual Business Revenue

Table 6 provides a comprehensive analysis of the estimated annual business revenue across different categories of enterprises in Carcar City. This table is instrumental in understanding the financial landscape of micro, small, and medium enterprises (MSMEs) within the city, offering insights into their economic activities and scaling potential.

The majority of the enterprises surveyed, totaling 149, reported an annual revenue of less than \clubsuit 500,000. This indicates a significant presence of micro enterprises within the city's economic structure, underscoring a vibrant entry-level business environment where small-scale operations predominate. These



businesses, while numerous, may face struggles in scaling their operations due to the scarcity financial throughput.

Moving up the revenue scale, 46 enterprises reported earnings between P500,000 and P1,000,000 annually, suggesting a transition zone where businesses begin to stabilize and possibly prepare for further growth. This category likely includes both micro and small enterprises that have established their market presence but are still in the process of expanding their reach and capacity.

The subsequent categories represent progressively fewer enterprises but indicate higher levels of business maturity and financial capacity. Seventeen enterprises reported revenues between P1,000,001 and P5,000,000, while ten enterprises earned between P5,000,001 and P10,000,000. These categories reflect small to medium enterprises that have successfully scaled their operations beyond the initial startup phase, showcasing effective business models and possibly benefiting from broader market access and higher operational efficiencies.

At the upper end of the scale, seventeen enterprises reported revenues exceeding ₱10,000,000. This top tier highlights medium enterprises that have substantially grown, likely possessing strong business processes, access to significant market segments, or specialized in high-demand products or services. These businesses are critical to the local economy, contributing significantly to employment and economic stability.

Overall, the distribution of business revenues in Carcar City explains the economic diversity within the MSME sector, with a predominance of lower-revenue businesses suggesting a need for targeted support to foster growth and sustainability. Understanding this revenue distribution is crucial for local government and economic planners to tailor development programs and support services that enhance the capabilities of MSMEs to scale up and increase their revenue thresholds, thereby boosting the overall economic health of Carcar City.

No. of employees	Total No. of Respondents
Less than 10 employees (Micro Enterprise)	206
10-99 employees (Small Enterprise)	29
100-199 employees (Medium Enterprise)	4
Total	239

Table 7Total Number of Employees in the Business Enterprise

Table 7 depicts the distribution of business sizes in Carcar City based on the number of employees, categorized using the Philippine Statistics Authority (PSA) standards for micro, small, and medium enterprises (MSMEs). This classification helps to understand the scale of operations and the unique challenges these businesses face within the local economy.

The data shows that the majority of businesses in Carcar City are micro enterprises, with 206 out of 329 respondents employing fewer than 10 people. This highlights the significant presence of small-scale operations, which play a vital role in the local economy but often face challenges such as limited access to capital and markets, making them susceptible to economic fluctuations. The predominance of micro enterprises is a common feature in the Philippine business sector, where small businesses are a vital part of local economies.



Small enterprises, defined as having between 10 and 99 employees, account for 29 businesses. This group includes businesses that have overcome initial growth challenges and are on a trajectory towards further expansion. These enterprises are important as they often begin to engage more extensively with larger markets and can offer more stable employment compared to micro enterprises.

In Carcar City, medium enterprises, which have between 100 and 199 employees, are represented by only 4 businesses. This segment indicates a critical stage where businesses have scaled up significantly, potentially influencing local economic development through increased employment and production capacity. However, the small number of medium enterprises suggests a bottleneck in growth, where only a few businesses manage to expand to this level.

Overall, the data in Table 7 suggests a dynamic business environment in Carcar City dominated by micro enterprises. This structure implies that while there is substantial entrepreneurial activity, many businesses face challenges in scaling up. Addressing these challenges requires targeted economic policies and development programs that support business growth at various stages, particularly aiding the transition from micro to small and small to medium scale. Such initiatives would help enhance the stability and sustainability of businesses, contributing to the overall economic resilience of Carcar City.

CURRENT MARKETING STRATEGIES

Rating	Total	%
Very important	201	84.1
Important	32	13.4
Moderately Important	4	1.7
Somewhat important	2	0.8
Not important	0	0
Total	239	100

Table 8 Importance of Marketing for Business Success (Rating)

Note. the mean of the ratings is approximately 4.81 and the standard deviation is about 0.6075

Table 8, as part of the exploration into the importance of marketing for business success, reveals a clear consensus among respondents regarding the critical role of marketing within their business strategies. The overwhelming majority, with 201 out of 239 respondents (84.1%), deem marketing as 'Very important' for business success. This significant figure underscores the recognition by business leaders of the essential role that marketing plays in achieving competitive advantage, driving customer engagement, and ultimately ensuring business growth and sustainability.

Additionally, 32 respondents (13.4%) rated marketing as 'Important', further reinforcing the that effective marketing is integral to business operations. Fewer respondents, totaling 6 (2.5%), viewed marketing as 'Moderately Important' or 'Somewhat Important', indicating a smaller segment of the business community that perhaps relies less on aggressive marketing strategies or whose business model does not prioritize marketing to the same extent. Notably, no respondents felt that marketing was 'Not Important', which solidifies the universal regard for marketing's role in business within the context of Carcar City's economic environment.



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The data suggests a strong acknowledgment of the value of marketing, with a calculated mean rating of approximately 4.81 and a relatively low standard deviation of about 0.6075, indicating a high level of agreement among respondents. This consensus may reflect a broader trend in contemporary business strategies where the integration of advanced marketing techniques and customer engagement practices are seen as indispensable. According to Kotler and Keller (2016), effective marketing strategies are essential for understanding customer needs, creating value, and building strong customer relationships, all of which are fundamental to achieving business success in today's competitive landscape.

This table's findings align with current research indicating that strong marketing strategies significantly correlate with business performance, particularly in dynamic and competitive markets (Homburg, Klarmann, & Schmitt, 2010). Furthermore, as digital marketing continues to evolve, businesses increasingly recognize the importance of adapting to digital platforms and tools to reach wider audiences and personalize marketing efforts (Chaffey & Ellis-Chadwick, 2019).

In conclusion, the responses taken in Table 8 illustrate a compelling recognition of the importance of marketing within the business community of Carcar City. This emphasizes a critical need for businesses to adopt and refine marketing strategies that cater to evolving market dynamics and consumer behaviors to maintain competitiveness and foster business growth.

Traditional Marketing Strategies	Responses	Percent of	Percent
	Ν	Responses	of Cases
Print Advertising (newspapers,			
magazines, flyers)	35	10.2	14.6
Broadcast Advertising (TV, radio)	24	7.0	10.0
Outdoor Advertising (Tarpaulins, billboards)	80	23.3	33.5
Flyers, Brochures and Leaflets	32	9.3	13.4
Face-to-Face interaction	187	54.5	78.2
Telemarketing	22	6.4	9.2
Trade Shows/Exhibitions	8	2.3	3.3
Networking & Word of Mouth	86	25.1	36.0
Referrals	69	20.1	28.9
Total	543	100	227.1

Table 9Traditional Marketing Strategies Currently in Use

Table 9 provides a detailed analysis of the traditional marketing strategies currently employed by businesses in Carcar City. This analysis reveals a diverse range of traditional marketing tactics in use, reflecting the diverse methods businesses use to engage with their customer base and market their products or services.

The most prevalent strategy, as indicated by the data, is Face-to-Face interaction, with 187 out of 239 respondents (78.2% of cases) utilizing this approach. This high rate underscores the value placed on personal connections and direct customer engagement, which is often critical in building trust and loyalty, particularly in smaller communities or in industries where personal service is paramount (Gwinner, Gremler, & Bitner, 1998).



Outdoor Advertising, such as tarpaulins and billboards, is used by 80 respondents, making up 33.5% of the total. This strategy's significant presence highlights its effectiveness in reaching a broad audience, especially in high-traffic areas, making it a crucial tool for brand visibility (Keller & Kotler, 2016).

Networking and Word of Mouth are reported by 86 respondents (36%), emphasizing the significance of social interactions and peer recommendations in the marketing mix. This approach is particularly effective in leveraging personal networks to amplify brand presence and credibility (East, Hammond, & Lomax, 2008).

Referrals, mentioned by 69 respondents (28.9%), further highlight the significance of interpersonal relations and customer satisfaction in driving business growth. This method is highly effective as it relies on the endorsement of satisfied customers, which can lead to increased trust and reduced consumer uncertainty (Reichheld, 2003).

Other strategies such as Print Advertising (14.6%), Flyers, Brochures, and Leaflets (13.4%), and Broadcast Advertising (10%) also play roles in the traditional marketing landscape, though they are less dominant. These methods, while traditional, continue to provide value in specific contexts or demographic segments that prefer tangible or mainstream media sources (Kotler & Keller, 2016).

Telemarketing and Trade Shows/Exhibitions, used by 9.2% and 3.3% of respondents respectively, show more limited application but are crucial within certain industries for direct sales efforts and niche marketing (Mei Mei Lau, Cheung, Lam, & Chu, 2013).

Overall, the diverse use of traditional marketing strategies in Carcar City reflects a multifaceted approach to reaching customers. The reliance on more personalized and direct forms of marketing such as face-toface interactions and referrals indicates a marketing environment where personal connections and trust are paramount. This suggests that while digital marketing continues to grow, traditional methods remain vital and effective, particularly in areas where personal business relationships and local visibility are key to business success

Digital Marketing Strategies	Responses N	Percent of Responses	Percent of Cases
Social Media Marketing (Facebook)	183	53.4	76.6
Content Marketing (blogs, articles, videos)	28	8.2	11.7
SEO (Search Engine Optimization)	12	3.5	5.0
Email Marketing	20	5.8	8.4
PPC (Pay-Per-Click) Advertising	2	0.6	0.8
Affiliate Marketing	5	1.5	2.1
Influencer Marketing	16	4.7	6.7
Mobile Marketing (SMS, in-app ads)	28	8.2	11.7
Lazada, Shoppe, Shein	5	1.5	2.1
None	44	12.8	18.4
Total	343	100	143.5

Table 10
Digital Marketing Strategies Currently in Use



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Table 10 showcases the diversity of digital marketing strategies currently employed by businesses in Carcar City, reflecting their adaptation to the digital transformation within the marketplace. With a total of 343 multiple responses from 239 respondents, this table provides critical insights into how different digital marketing tools are being utilized to enhance business growth and customer engagement.

Social Media Marketing dominates as the most utilized digital marketing strategy, with 183 out of 239 businesses (76.6% of cases) leveraging platforms like Facebook. This high percentage underscores the critical role social media plays in modern marketing strategies, offering a cost-effective channel for businesses to increase visibility, involve with consumers, and endorse their products or services extensively (Tuten & Solomon, 2017).

Content Marketing and Mobile Marketing each engage 11.7% of the respondents, highlighting the growing importance of creating relevant content and reaching consumers through mobile devices. Content marketing through blogs, articles, and videos helps businesses establish thought leadership and improve their search engine rankings, thereby enhancing their visibility online (Pulizzi, 2014). Mobile marketing strategies, including SMS and in-app ads, are crucial due to the increasing use of smartphones, allowing businesses to reach customers directly on their devices (Rowles, 2017).

Email Marketing is used by 20 respondents (8.4%), indicating its continued relevance in delivering personalized content to consumers, which can increase conversion rates and customer retention (Chaffey & Ellis-Chadwick, 2019).

Influencer Marketing has been adopted by 16 businesses (6.7%), reflecting its effectiveness in leveraging the credibility of influencers to improve brand trust and extend market reach (De Veirman, Cauberghe, & Hudders, 2017).

Smaller percentages of businesses use SEO (5%), Affiliate Marketing (2.1%), and PPC Advertising (0.8%), which suggests these tactics might be underutilized or perceived as less effective by smaller businesses due to resource constraints or a lack of expertise in these areas.

Interestingly, 44 respondents (18.4%) indicated that they do not use any digital marketing strategies. This significant percentage might highlight a gap in digital skills, resource availability, or possibly due to a lack of awareness about the benefits of digital marketing within certain segments of the local business community.

Overall, the data from Table 10 illustrates a landscape where traditional and digital marketing strategies coexist, with a significant emphasis on innovative approaches that leverage technology to enhance business operations and customer interaction.

Rating	Total	%
Very effective	107	44.8
Effective	96	40.2
Moderately effective	28	11.7
Somewhat effective	5	2.1
Not effective	3	1.3
Total	239	100

 Table 11

 Effectiveness Rating of Current Marketing Strategies



Note. the mean of the ratings is approximately 4.25 and the standard deviation is about 0.84

Table 11 explains the perceived effectiveness of current marketing strategies among businesses in Carcar City, as evaluated by a range of responses from "Not effective" to "Very effective." The evaluation presents a crucial insight into how business owners and managers assess the impact of their marketing efforts on business success.

A significant majority of respondents, accounting for 107 out of 239 or 44.8%, rated their marketing strategies as "Very effective," signifying a strong confidence in the methods they employ to reach and engage customers. This high rating reflects a successful alignment of marketing strategies with business goals, likely contributing to tangible growth and competitive advantages in their market sectors.

Additionally, 96 respondents (40.2%) consider their marketing strategies "Effective," suggesting a positive, albeit slightly less robust, impact of their marketing efforts on business operations. This category, combined with the "Very effective" responses, comprises the vast majority (85%) of the participants, underscoring a general satisfaction with current marketing approaches within the local business community.

However, the table also indicates a minority viewpoint, with 28 respondents (11.7%) rating their strategies as only "Moderately effective," and smaller fractions labeling them as "Somewhat effective" (5 respondents or 2.1%) and "Not effective" (3 respondents or 1.3%). These responses might reflect challenges such as insufficient adaptation to digital trends, budget constraints, or a misalignment between marketing strategies and target customer segments.

The distribution of responses highlights the crucial role of continual evaluation and adaptation in marketing practices. It underscores the need for businesses to constantly refine their approaches to stay relevant and effective in a rapidly changing marketplace. According to Kotler and Keller (2016), regular assessment of marketing strategy effectiveness is critical for preserving a competitive edge and adjusting to evolving consumer preferences and technological advancements.

Overall, the mean effectiveness rating is approximately 4.25 with a standard deviation of about 0.84. This indicates that the majority of respondents find their current marketing strategies to be effective to very effective.

Traditional Marketing Strategies	Responses	Percent of	Percent
	Ν	Responses	of Cases
Local market preferences and behavior	137	32.2	57.3
Established brand presence	61	14.4	25.5
Target audience demographics	97	22.8	40.6
Personalized touch and tangible materials	80	18.8	33.5
Competition in traditional channels	46	10.8	19.2
Not Applicable	4	0.9	2.5
Total	425	100	227.1

Table 12Factors Influencing the Adoption of Traditional Marketing Strategies

Table 12 provides an insightful look into the factors influencing the adoption of traditional marketing strategies among businesses in Carcar City. The data, encompassing responses from 239 participants and



a total of 425 responses, highlights the primary drivers behind the preference for traditional marketing avenues over more modern, digital alternatives.

Local Market Preferences and Behavior. This factor, identified by 137 respondents (57.3% of cases), signifies the most influential reason for adopting traditional marketing strategies. This suggests that businesses perceive a significant alignment between traditional marketing methods and the preferences or purchasing behaviors of the local customer base. According to Solomon (2020), understanding local consumer behavior is essential for effective marketing, as it enables businesses to tailor their strategies to meet the specific needs and expectations of their target market.

Target Audience Demographics. Noted by 97 respondents (40.6%), this factor underscores the importance of demographic insights in shaping marketing tactics. Traditional marketing methods such as print media or community events may be more effective in places with certain demographic characteristics, such as an older population or one less engaged with digital platforms (Kotler & Keller, 2016).

Personalized Touch and Tangible Materials. With 80 respondents (33.5%) highlighting the importance of personalized and tangible marketing materials, this factor reflects a continued appreciation for the tactile and personal aspects of traditional marketing. Physical materials like brochures, flyers, and face-to-face interactions can create memorable experiences, fostering a stronger emotional connection with the brand (Levy & Weitz, 2012).

Established Brand Presence. Recognized by 61 respondents (25.5%), this suggests that businesses with a long-standing presence in the market might rely on traditional strategies that have historically proven successful. Maintaining consistency in marketing approaches can reinforce brand recognition and loyalty among existing customers (Aaker, 1991).

Competition in Traditional Channels. This less cited factor, by 46 respondents (19.2%), indicates some businesses might engage in traditional marketing to stand out in an environment where competitors might not be as active, offering a competitive advantage in less digitally saturated markets (Porter, 1985).

Overall, the data from Table 12 highlights the relationship of various factors that drive the adoption of traditional marketing strategies in Carcar City. Businesses continue to influence these strategies based on deep insights into their consumer base, competitive environment, and the inherent benefits of personalized, tangible marketing efforts. This adherence to traditional methods alongside digital strategies suggests a hybrid approach to marketing that caters to diverse consumer preferences and maximizes outreach effectiveness.

Enectiveness Rating of Traditional Marketing Strategies			
Rating	Total	%	
5 Very effective	88	36.8	
4 Effective	108	45.2	
3 Moderately effective	31	13	
2 Somewhat effective	9	3.8	
1 Not effective	3	1.3	
Total	239	100	

Table 13Effectiveness Rating of Traditional Marketing Strategies

Note. the mean of the ratings is approximately 4.13 and the standard deviation is about 0.86



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Table 13 presents the effectiveness ratings of traditional marketing strategies as evaluated by participants in a survey. A total of 239 responses were collected and categorized into five distinct levels of perceived effectiveness. The data reveals that a common of the respondents view traditional marketing strategies favorably. Specifically, 45.2% of the respondents rated these strategies as "Effective," while 36.8% rated them as "Very effective." Together, these two categories account for 81% of the total responses, indicating a strong positive reception towards traditional marketing methods among the surveyed group.

On the other end of the spectrum, fewer respondents consider these strategies less beneficial. Only 13% rated them as "Moderately effective," followed by 3.8% who found them "Somewhat effective," and a mere 1.3% who regarded them as "Not effective." This skewed distribution towards higher effectiveness ratings underscores the continued relevance and utility of traditional marketing approaches in the context being studied.

The high rating of effectiveness, particularly in the top two categories, suggests that traditional marketing techniques remain a critical component of the promotional mix for businesses in the surveyed area. This could be attributed to various factors such as the local market dynamics, the nature of the products or services offered, and the demographic characteristics of the target market, which might still respond well to traditional forms of marketing. Overall, the data strongly supports the notion that despite the rise of digital marketing, traditional marketing still holds significant sway and delivers considerable value to businesses in the surveyed demographic.

Furthermore, these statistical measures indicate a high average rating, which corresponds to a strong perception of effectiveness among the respondents. The standard deviation of 0.86 suggests that the ratings are relatively concentrated around the mean, indicating a general consensus among respondents about the effectiveness of traditional marketing strategies. This further solidifies the notion that traditional marketing techniques are still deemed highly effective in the surveyed context.

Factors influencing the Auoption of Digital Marketing Strategies			
Digital Marketing Strategies	Responses	Percent of	Percent
	Ν	Responses	of Cases
Consumer trends	128	27.2	53.6
Competitive pressure	77	16.4	32.2
Cost-effectiveness	73	15.5	30.5
Broader reach	67	14.3	28
Measurable results	35	7.4	14.6
Recommendations (from peers, consultants)	59	12.6	24.7
Not Applicable	31	6.6	12.9
Total	470	100	196.5

Table 14Factors Influencing the Adoption of Digital Marketing Strategies

Table 14 presents the factors influencing the adoption of digital marketing strategies by businesses, based on a survey of 239 respondents. With a total of 470 multiple responses, the predominant factor is consumer trends, cited by 128 respondents (53.6% of cases), which underscores the importance of adapting to evolving consumer behaviors and preferences in the digital space. Businesses are increasingly recognizing that staying attuned to digital consumer trends is essential for maintaining competitiveness and relevance



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in their markets. This alignment with consumer trends is crucial in harnessing the power of digital platforms to engage effectively with targeted audiences (Kannan & Li, 2017).

Competitive pressure and cost-effectiveness are other significant factors, mentioned by 77 (32.2%) and 73 (30.5%) respondents, respectively. Competitive pressure drives businesses to adopt digital strategies as they strive to match or surpass the digital engagement tactics of their competitors. The aspect of cost-effectiveness is equally compelling, as digital marketing frequently provides more measurable and cost-effective solutions compared to traditional marketing. It allows for precise targeting and more efficient allocation of marketing budgets (Chaffey & Ellis-Chadwick, 2019). Additionally, 67 respondents (28%) highlighted the ability of digital marketing to achieve a broader reach, enabling businesses to access wider and more diverse markets than traditional methods.

The ability to obtain measurable results from digital marketing campaigns, cited by 35 respondents (14.6%), aligns with the growing emphasis on data-driven marketing strategies that allow businesses to track performance and ROI effectively. Recommendations from peers and consultants also play a crucial role, influencing 59 respondents (24.7%) to adopt digital strategies based on successful experiences and expert advice, highlighting the role of social proof and industry expertise in decision-making processes (Bala & Verma, 2018).

The fact that 31 respondents (12.9%) found none of these factors applicable suggests some businesses may still be in transition or evaluating the relevance of digital marketing to their specific contexts. This highlights the diverse stages of digital adoption across different businesses and sectors.

Rating	Total	%
5 Very effective	90	37.7
4 Effective	96	40.2
3 Moderately effective	18	7.5
2 Somewhat effective	8	3.3
1 Not effective	26	10.9
Total	239	100

Table 15Effectiveness Rating of Digital Marketing Strategies

Note. the mean of the ratings is approximately 3.89 and the standard deviation is about 1.25

The table 15 indicates a strong endorsement of digital marketing strategies among the respondents, with 40.2% considering them as "Effective" and 37.7% rating them as "Very effective." Together, these top two categories encompass 77.9% of the responses, suggesting that the majority of participants find digital marketing to be an influential tool. This strong positive reception might be attributed to the increasing penetration of digital platforms and the effectiveness of targeted, measurable, and customizable digital campaigns which resonate well with modern consumers.

At the lower end of the spectrum, fewer respondents find these strategies less beneficial. Only 7.5% rated them as "Moderately effective," 3.3% as "Somewhat effective," and 10.9% considered them "Not effective." The presence of a relatively substantial proportion of respondents (10.9%) who perceive digital marketing strategies as "Not effective" could reflect challenges such as digital saturation, skills gaps, or the mismatch between strategy and target audience behaviors.



The spread of the ratings also indicates a various range of experiences and perceptions regarding the impact of digital marketing, which might be influenced by various factors such as the specific industries of the businesses, the digital literacy of the marketers, or the demographic characteristics of their target markets.

Furthermore, these results above indicate a slightly lower mean rating for digital marketing compared to traditional marketing, suggesting that while digital marketing is generally viewed positively, its perceived effectiveness is not as uniformly high as that of traditional methods. The higher standard deviation of 1.25, compared to that for traditional marketing, reflects a greater variability in responses. This variability could be due to diverse experiences with digital marketing's effectiveness, possibly influenced by factors such as different levels of expertise in digital marketing techniques, the nature of the industry, or varying audience engagement across digital platforms. This analysis underscores the complexity and nuanced impact of digital marketing strategies in the contemporary business environment.

Barriers to Digital Marketing Strategies	Responses	Percent of	Percent
	Ν	Responses	of Cases
Lack of expertise/knowledge	93	27.4	38.9
Budget constraints	61	17.9	25.5
Uncertainty about ROI	19	5.6	7.9
Difficulty in content creation	62	18.2	25.9
Technical challenges	74	21.8	31.0
No Barriers identified	31	9.1	12.7
Total	340	100	141.9

Table 16Barriers to Adopting Digital Marketing Strategies

Table 16 identifies key barriers to adopting digital marketing strategies among businesses surveyed in Carcar City. With a total of 340 multiple responses from 239 respondents, the table explains the challenges businesses face in transitioning to or enhancing their digital marketing efforts.

The most prominent barrier, cited by 93 respondents (38.9% of cases), is the lack of expertise/knowledge. This challenge underscores a significant gap in digital literacy and skills, which hinders the effective implementation and optimization of digital marketing strategies. As noted by Chaffey and Smith (2017), the rapid evolution of digital technologies requires continual learning and adaptation, which can be challenging for businesses lacking the necessary expertise.

Budget constraints are another significant barrier, noted by 61 respondents (25.5%). Limited financial resources can restrict a business's ability to invest in digital marketing technologies and professional services, which are often crucial for launching and sustaining effective digital campaigns (Kiang and Raghu, 2016). Difficulty in content creation, highlighted by 62 participants (25.9%), also reflects a critical challenge. Creating engaging, high-quality content that resonates with audiences is vital for digital marketing success but can be resource-intensive and requires creative and technical skills (Pulizzi, 2014). Technical challenges, reported by 74 respondents (31%), include issues such as inadequate information technology infrastructure or difficulties in integrating new digital tools with existing systems. These



technical hurdles can significantly impede the adoption and efficacy of digital marketing efforts (Kumar et al., 2016).

Despite these obstacles, 31 respondents (12.7%) indicated no barriers to adopting digital marketing strategies, suggesting a segment of the business community that is either well-equipped or perceives digital marketing as inherently advantageous and feasible within their operational context.

In conclusion, while digital marketing presents substantial opportunities for business growth and customer engagement, the transition is not without challenges. Addressing these barriers requires targeted interventions, such as training programs to enhance digital skills, strategic investments to overcome financial and technical limitations, and innovative approaches to content creation to maximize the impact of digital marketing initiatives.

COMBINATION OF TRADITIONAL AND DIGITAL MARKETING

Table 17

Considering the Combination of Traditional and Digital Marketing Strategies

DICHOTOMOUS QUESTIONS	Total No. of
	Respondents
Yes	199
No	6
Unsure	34
Total	239

Table 17 provides a succinct overview of the attitudes of business owners towards the integration of traditional and digital marketing strategies, based on responses from 239 participants. The data revealed in this table is crucial for understanding current trends in marketing strategy formulation among businesses.

A significant majority of the respondents, 199 out of 239 (83.3%), affirmed the importance of merging traditional and digital marketing strategies. This overwhelming response underscores the recognition by businesses of the synergistic potential of integrating these two approaches. As digital platforms continue to evolve, the enduring elements of traditional marketing—such as direct customer interactions, tangible advertising materials, and broad local reach—remain valuable. Combining these with digital strategies can enhance overall marketing effectiveness by broadening reach, increasing engagement, and improving measurement and tracking of marketing efforts. Such an integrated approach is supported by academic literature which suggests that a multi-channel strategy can lead to superior market performance and customer retention (Kannan and Li, 2017).

Conversely, only a small fraction, 6 respondents (2.5%), do not see the value in integrating these strategies, which may reflect a strategic focus on one type of marketing due to specific industry demands or resource limitations. Additionally, 34 respondents (14.2%) remain unsure about the combination, potentially indicating a lack of understanding of the benefits or the challenges involved in effectively implementing such an integrated approach.

The findings from Table 17 highlight the growing acceptance and perceived necessity among businesses for a holistic marketing strategy that leverages both traditional and digital mediums. This trend is indicative of the adaptive strategies businesses must adopt in an increasingly complex marketing

environment where both reach and precision are required to capture and maintain consumer interest and loyalty.

	Responses	Percent of	Percent
Factors	Ν	Responses	of Cases
Cost-effectiveness	109	23.6	45.6
Reach a wider audience	144	31.2	60.3
Keep up with competitors	107	23.2	44.8
Changing consumer behavior	25	5.4	10.5
Technological advancements	76	16.5	31.8
Total	461	100	193

 Table 18

 Factors Influencing the Decision to Combine Traditional and Digital Marketing Strategies

Table 18 provides a detailed look at the factors influencing the decision to integrate traditional and digital marketing strategies, based on a survey of 329 businesses. The findings are indicative of the strategic considerations that drive modern marketing approaches, demonstrating the complexities and dynamic nature of market adaptation.

The factor most frequently cited by respondents is the ability to reach a wider audience, with 144 responses accounting for 60.3% of cases of the total. This reflects the growing recognition among businesses that digital platforms complement traditional media by expanding the potential consumer base geographically and demographically. This approach allows businesses to maximize their visibility and customer engagement across a broader spectrum (Kotler & Keller, 2016).

Cost-effectiveness, noted by 109 respondents (45.6%), is another significant factor. The integration of digital strategies with traditional ones is seen as a cost-effective way to enhance overall marketing efficiency, leveraging the strengths of each approach to optimize spending and maximize ROI. As described by Chaffey and Ellis-Chadwick (2019), digital marketing offers measurable, targeted, and often less expensive options compared to traditional methods, making the combination of the two a financially sound strategy.

Additionally, 107 respondents (44.8%) mentioned the need to keep up with competitors as a driving force for integration. In competitive markets, staying abreast of marketing trends and matching or surpassing the promotional efforts of competitors is crucial for maintaining market share and relevance (Porter, 1985). Technological advancements, recognized by 76 respondents (31.8%), also play a pivotal role, as continual innovations in technology provide new tools and platforms for marketers to enhance their campaigns (Kumar et al., 2016). The least cited factor, changing consumer behavior, with only 25 mentions (10.5%), still highlights the importance of adapting to how consumers are increasingly turning to digital channels for shopping and communication.

These findings underscore the necessity for a flexible and adaptive marketing strategy that incorporates both traditional and digital elements. By combining these approaches, businesses can leverage the unique advantages each has to offer, ensuring a comprehensive marketing strategy that is responsive to evolving market conditions and consumer preferences.



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IMPACT OF TRADITIONAL MARKETING STRATEGIES

Table 19

Tostive impacts Experienced from Using Traditional Marketing Strategies			
Positive Impacts	Responses	Percent of	Percent of
T ostuve impacts	Ν	Responses	Cases
Stronger local brand presence through physical advertisements	101	18.2	42.3
Effective for reaching non-digital audiences	128	23.1	53.6
Improved customer trust through personal interactions	180	32.5	75.3
Higher sales and revenue from local markets	84	15.2	35.1
Proven success through long-established methods	61	11.0	25.5
Total	554	100	231.8

Positive Impacts Experienced from Using Traditional Marketing Strategies

Table 19 details the positive impacts of traditional marketing strategies as reported by businesses surveyed in a study of 239 respondents. This data is invaluable for understanding the enduring relevance of traditional marketing methods in the digital age.

The most significant impact reported is the improved customer trust through personal interactions, with 180 responses (75.3% of cases) affirming its importance. This high percentage highlights traditional marketing's unique ability to foster deeper personal connections through direct interaction, which can significantly enhance customer loyalty and trust. According to Morgan-Thomas and Veloutsou (2013), personal interactions in marketing can significantly influence consumer perceptions and trust, crucial for long-term business relationships.

Effective for reaching non-digital audiences is another critical impact, noted by 128 respondents (53.6%). This underscores the importance of traditional marketing in accessing segments of the population less active or entirely inactive online, thereby ensuring inclusivity in marketing outreach (Keller, 2009). Additionally, stronger local brand presence through physical advertisements is cited by 101 respondents (42.3%), reflecting the effectiveness of tangible marketing materials like billboards and flyers in building brand recognition within local communities (Levinson, 2007).

Less cited but still notable impacts include higher sales and revenue from local markets, reported by 84 respondents (35.1%), and proven success through long-established methods, noted by 61 respondents (25.5%). These impacts highlight traditional marketing's role in driving direct sales and leveraging historical data and methods that have demonstrated success over time (Kotler and Armstrong, 2010).

Overall, the data from Table 19 not only reinforces the value of traditional marketing strategies in various aspects of business success but also highlights their synergy with digital strategies, offering a holistic approach to reaching diverse consumer bases and achieving business objectives.

 Table 20

 Negative Impacts Experienced from Using Traditional Marketing Strategies

Negative Impacts	Responses N	Percent of Responses	
High costs for print and broadcast advertising	78	18.8	32.6
Limited reach beyond the local area	89	21.5	37.2



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Difficulty in tracking and measuring ROI accurately	35	8.5	14.6
Time-consuming and costly to produce traditional marketing materials	83	20.0	34.7
Limited engagement and interactivity with customers	84	20.3	35.1
Declining effectiveness as audiences shift to digital platforms	45	10.9	18.8
Total	414	100	173

Table 20 examines the negative impacts experienced by businesses from the use of traditional marketing strategies, based on responses from 239 respondents. This table sheds light on the challenges and limitations of traditional marketing in a contemporary business environment increasingly dominated by digital platforms.

The most pronounced negative impact cited is the limited reach beyond the local area, noted by 89 responses (37.2% of cases). This highlights a significant limitation of traditional marketing strategies, such as print and billboard advertising, which often fail to penetrate beyond local markets, thereby limiting the expansion potential of businesses into wider, potentially more lucrative markets (Sheth & Sharma, 2008). Additionally, time-consuming and costly production of traditional marketing materials is reported by 83 respondents (34.7%), reflecting the logistical and financial burdens associated with producing and distributing physical marketing materials, a challenge that digital marketing often circumvents with its more agile and cost-efficient platforms (Kotler & Keller, 2016).

High costs for print and broadcast advertising are also a significant concern, affecting 78 respondents (32.6%). The expense associated with these traditional channels can be prohibitive, particularly for small to medium enterprises (SMEs) that might lack the substantial marketing budgets of larger corporations (Levinson, 2007). Limited engagement and interactivity with customers, as cited by 84 respondents (35.1%), points to another critical shortcoming of traditional methods, which typically do not allow for real-time feedback or interactive engagement that digital strategies provide (Holliman & Rowley, 2014). Furthermore, 45 respondents (18.8%) have observed a declining effectiveness as audiences shift to digital platforms, indicating a perceptible shift in consumer attention away from traditional media towards more dynamic and interactive digital content (Edelman, 2010). This trend necessitates a strategic reassessment and potential realignment towards digital tactics to maintain relevance and effectiveness in marketing efforts.

Overall, the challenges highlighted in Table 20 illustrate the growing pains associated with traditional marketing in the digital age, emphasizing the need for businesses to adapt and integrate more flexible, cost-effective, and far-reaching digital strategies into their marketing mix.

IMPACT OF DIGITAL MARKETING STRATEGIES

Table 21

Positive Impacts Experienced from Using Digital Marketing Strategies

Positive Impacts	Responses N	Percent of Responses	
Increased customer reach through online channels	147	27.4	61.5
Enhanced brand visibility on social media	102	19.0	42.7



Improved customer engagement through interactive content	131	24.4	54.8
Higher online sales and revenue	68	12.7	28.5
Cost-effective marketing campaigns via targeted ads	31	5.8	13.0
Better customer insights from digital analytics	57	10.6	23.8
Total	536	100	224.3

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Table 21 presents the positive impacts of digital marketing strategies as experienced by businesses, based on a survey of 239 respondents. The data underscores the effectiveness of digital marketing in various aspects critical to business success in today's technology-driven market.

Increased Customer Reach Through Online Channels. The most significant impact reported, with 147 responses (61.5% of cases), emphasizes the expanded reach digital marketing provides. Online channels transcend geographical boundaries, allowing businesses to access a global audience effortlessly. This broad reach is pivotal for businesses aiming to expand their customer base beyond local markets, as supported by Chaffey and Ellis-Chadwick (2019) who highlight digital platforms' capacity to facilitate widespread customer engagement at a relatively low cost.

Improved Customer Engagement Through Interactive Content. Cited by 131 respondents (54.8%), this impact reflects digital marketing's ability to engage customers more deeply through interactive and personalized content. This engagement is crucial for fostering customer relationships and enhancing user experience, leading to higher brand loyalty (Smith, 2016). Enhanced Brand Visibility on social media, noted by 102 participants (42.7%), further supports this, indicating how platforms like Facebook, Instagram, and Twitter serve as effective tools for increasing brand awareness and customer interaction.

The survey also points out other significant benefits. Higher Online Sales and Revenue (28.5%), reflecting the direct impact of effective digital marketing on sales figures; Cost-effective Marketing Campaigns Via Targeted Ads (13%), highlighting the efficiency of digital ads that target specific demographics, thereby optimizing marketing budgets (Kotler & Keller, 2016); and Better Customer Insights From Digital Analytics (23.8%), underscoring the strategic advantage businesses gain from analytics, which helps in refining marketing strategies and product offerings based on real data (Holliman & Rowley, 2014).

These findings collectively affirm the transformative role of digital marketing in modern business practices. As digital strategies continue to evolve, they offer businesses innovative ways to grow and thrive in competitive markets by effectively leveraging technology to enhance customer experiences and operational efficiency.

Table 22
Negative Impacts Experienced from Using Digital Marketing Strategies

Negative Imposts	Responses	Percent of	Percent of
Negative Impacts	Ν	Responses	Cases
High costs of online advertising and management	66	16.8	27.6
Difficulty in measuring ROI accurately	39	9.9	16.3
Complexities in managing multiple online platforms	59	15.0	24.7
Overwhelming digital noise reducing campaign	28	7.1	11.7
effectiveness	20	/.1	



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Total	393	100	164.4
Difficulty in maintaining online customer trust and loyalty	90	22.9	37.7
Limited staff expertise in digital marketing tools	111	28.2	46.4

Table 22 from the survey captures the negative impacts experienced by 239 businesses when implementing digital marketing strategies. The responses shed light on several critical challenges that can diminish the effectiveness of digital initiatives and increase operational complexities.

Limited Staff Expertise in Digital Marketing Tools. This is the most significant challenge, noted by 111 responses (46.4% of cases). The rapid pace of technological advancement in digital marketing requires continuous learning and skill development. Many businesses struggle with this dynamic, facing a steep learning curve and the need for frequent training updates. As Jones et al. (2018) suggest, the lack of digital literacy and expertise can hinder the adoption and efficient use of innovative marketing technologies.

Difficulty in Maintaining Online Customer Trust and Loyalty. Experienced by 90 respondents (37.7%), this issue highlights the challenges businesses face in building and sustaining trust through digital channels. Unlike traditional methods that often build trust through personal interactions, digital platforms require different strategies to engage and reassure customers. Trust is pivotal for online engagements, and as Chaffey (2020) notes, without it, customer retention and loyalty can swiftly decline.

High Costs of Online Advertising and Management: Indicated by 66 respondents (27.6%), the financial burden associated with running online campaigns can be substantial. While digital marketing is often touted for its cost-effectiveness, the competitive nature of online advertising platforms like Google AdWords and social media can drive up costs, particularly for highly targeted or broad-reaching campaigns (Kiang et al., 2016).

Other notable challenges include Complexities in Managing Multiple Online Platforms (59 responses, 24.7%), reflecting the difficulty in synchronizing campaigns across various channels, and Difficulty in Measuring ROI Accurately (39 responses, 16.3%), which underscores the complications in quantifying the direct impact of digital marketing efforts on sales and other business objectives (Holliman & Rowley, 2014).

These challenges are crucial for businesses to address as they navigate the digital marketing landscape. Strategies to mitigate these impacts include investing in staff training, using integrated digital marketing tools to streamline management, and employing advanced analytics to better track ROI and customer engagement. Overcoming these barriers is essential for leveraging the full potential of digital marketing strategies effectively.

THEMATIC ANALYSIS

Challenges Faced by MSMEs in Implementing Current Marketing Strategies

This thematic analysis examines the personal experiences and challenges faced by micro, small, and medium enterprises (MSMEs) in Carcar City, Cebu, in implementing their current marketing strategies. The survey data is derived from MSME respondents who provided insights into their struggles and challenges, offering a compound basis for identifying frequent patterns and insights based on their answers. This analysis aims not only to enumerate these challenges but also to discuss their implications within the broader marketing and business management literature.



Resource Constraints

Many MSMEs report challenges related to financial limitations, which hinder their ability to conduct extensive marketing campaigns or adopt advanced digital marketing tools.

Respondent 7 mentioned, "Maintaining a sufficient budget is a challenge." Similarly, Respondent 22 noted, "Limited marketing budget," reflecting the broader trend identified by Gilmore, Carson, and Grant (2001) that financial constraints are significant barriers to comprehensive marketing efforts in small businesses.

Competitive Pressure

Respondents frequently cited strong competition within their market areas as a major challenge.

For instance, Respondent 3 stated, "We have several competitors in the industry and people's attention is divided." Respondent 16 emphasized, "Facing competitors," and Respondent 40 mentioned, "Competitors is one of the problems encountered." Porter's (1985) theory of competitive strategy emphasizes the importance of creating a unique competitive position, which many MSMEs find challenging to achieve. **Marketing Skills and Knowledge**

A lack of marketing expertise is evident from the responses, with MSME owners and managers expressing difficulties in effectively using marketing tools or digital platforms.

Respondent 26 stated, "I mostly use traditional methods and I'm not very active in digital marketing," underscoring the gap in digital marketing skills. Respondent 35 mentioned, "Challenges that we face in implementing marketing is inactive posting in social media to be more creative and consistency to attract more customer." This reflects broader trends identified by Reijonen (2012), who found that the marketing knowledge gap in small businesses often leads to suboptimal adoption of marketing practices.

Customer Engagement and Retention

The need to interact and communicate with consumers and establish a strong long-term relationship was also identified as a significant challenge. Respondent 49 noted, "Retaining customers and maintaining a sufficient budget to our beloved customer also good service," illustrating the strategic value of customer relationship management discussed by Payne and Frow (2014). Respondent 54 added, "Competition, Retaining customer, Creating a Marketing Plan," emphasizing the importance of consistent customer engagement.

Technological Adoption

Technological challenges, particularly in adopting new digital marketing platforms, are notable. Respondent 45 stated, "The challenges we encounter in using digital marketing strategies are due to the abundance of competing businesses nowadays," indicating difficulties in technology integration. Respondent 88 mentioned, "In implementing our current marketing strategies, we encounter challenges such as standing out in a competitive market, adapting to social media algorithm changes, creating engaging content, acquiring technological skills, managing budget constraints." Taiminen and Karjaluoto's (2015) study observed that technological advancements often outpace the ability of small businesses to adapt.

The challenges identified in this thematic analysis underscore the complex environment in which MSMEs operate in Carcar City. Resource constraints not only limit the scope and reach of marketing campaigns but also affect the ability to innovate and respond to competitive pressures. The skill gap in marketing, especially digital marketing, further complicates these efforts, necessitating interventions such as training and educational programs to boost digital literacy and marketing acumen among MSME leaders.



In addition, the competitive landscape requires MSMEs to be strategic in their marketing efforts, focusing on differentiation and value creation. As Porter (1985) suggests, understanding the forces shaping industry competition and effectively positioning one's business is crucial for sustained competitive advantage.

The adoption of technology and digital tools presents both a challenge and an opportunity. As digital platforms continue to offer new avenues for customer engagement and market expansion, MSMEs must navigate these options carefully to harness their full potential. Government and institutional support, as well as collaborations with tech providers, could ease this transition, enabling more MSMEs to leverage digital marketing effectively.

This thematic analysis of the challenges faced by MSMEs in Carcar City reveals significant in implementing effective marketing strategies. These challenges span financial, competitive, educational, and technological domains, impacting the ability of MSMEs to compete and thrive. Addressing these challenges requires an effective approach involving education, support, and strategic planning. Future research should explore targeted strategies that could mitigate these barriers, thereby enhancing the marketing success of MSMEs in developing urban environments.

Envisioned Benefits of Combining Traditional and Digital Marketing for the Business

This analysis explores the subjective experiences and perceived benefits of combining traditional and digital marketing strategies among micro, small, and medium enterprises (MSMEs) in Carcar City, Cebu. Drawing from the survey responses provided by MSME owners and managers, this analysis identifies recurring themes, patterns, and insights to highlight how this integrated approach is envisioned to benefit their businesses. The discussion is supported by current scholarly research and citations to contextualize the findings within broader marketing literature.

Enhanced Audience Reach and Engagement

The integration of traditional and digital marketing is consistently seen as a way to enhance audience reach and engagement. Traditional methods, such as print ads and word-of-mouth, combined with digital strategies like social media marketing, allow businesses to interact with a broader and more diverse customer base. This aligns with research by Smith (2012), which emphasizes the complementary nature of traditional and digital marketing in expanding market reach and customer engagement.

"Has real-time feedback and interaction with our audience or customer." Respondent 1

"Our business can reach a wider audience." Respondent 3

"We envision our marketing approach as an opportunity that helps our business grow and due to the advancement of technology, we think everything is possible." Respondent 16

Increased Sales and Revenue

Many respondents highlighted the potential for increased sales and revenue through the combined use of traditional and digital marketing. By leveraging both methods, businesses can effectively target and convert more customers, leading to higher sales volumes. This benefit is supported by the findings of Chaffey and Ellis-Chadwick (2019), who noted that integrated marketing strategies often result in improved financial performance for businesses.

"For me, my envision is it will improve our sales because almost all customers these days use social media." Respondent 135

"To reach a wider audience." Respondent 165

Improved Brand Visibility and Recognition

The combination of traditional and digital marketing is also perceived to enhance brand visibility and recognition. This theme reflects the strategic importance of maintaining a cohesive brand presence across



multiple channels, which can increase brand recall and loyalty. Research by Keller (2013) supports this view, indicating that consistent brand messaging across traditional and digital platforms strengthens overall brand equity.

"Attracted customers and they know the store better." Respondent 12

"To reach a wider customer base, ultimately increasing brand awareness and attracting more clients." Respondent 14

"Increased reach and visibility, enhanced customer engagement, data-driven insights for informed decisions, cost-effectiveness, and brand consistency." Respondent 147

Cost-Effectiveness and Resource Optimization

Respondents often cited the cost-effectiveness of integrating traditional and digital marketing strategies. By utilizing both approaches, businesses can improve their marketing budgets and funds, ensuring a more balanced and efficient allocation of funds. This is corroborated by the work of Taiminen and Karjaluoto (2015), which highlights how integrated marketing strategies can lead to more effective and economical marketing campaigns.

"Both traditional and digital marketing strategies have advantages and disadvantages. Traditional has something digital doesn't have, and vice versa." Respondent 135

"Combining old-school methods like face-to-face chats and flyers with online tools such as Facebook and text messages expands the number of people who know about the brand and how they connect with it. This can help us sell more." Respondent 84

Enhanced Customer Relationships and Trust

Building and maintaining strong customer relationships is another key benefit of combining traditional and digital marketing. This approach enables businesses to engage with customers on a more personal level, fostering trust and loyalty. Payne and Frow (2014) discuss the importance of customer relationship management in achieving business success, noting that integrated marketing efforts can significantly enhance customer engagement and satisfaction.

"In Shoe Moto Footwear, we could leverage the strengths of each channel to maximize our brand's reach and impact." Respondent 19

"Both marketing strategies are very useful in expanding years of service and play a vital role in gaining more profit, or ROI." Respondent 95

The survey responses reveal that MSMEs in Carcar City see significant potential in combining traditional and digital marketing strategies. The primary benefits include enhanced audience reach and engagement, increased sales and revenue, improved brand visibility, cost-effectiveness, and stronger customer relationships. These themes are supported by current marketing research, which underscores the importance of an integrated approach in today's changing business environment.

The integration of traditional and digital marketing allows businesses to leverage the strengths of both methods, creating a synergistic effect that maximizes marketing impact. Traditional marketing provides a tangible, personal touch that can build trust and credibility, whereas digital marketing offers precise targeting and real-time engagement capabilities. Together, these strategies can create a comprehensive marketing framework that drives growth and sustainability for MSMEs.

The analysis of MSME responses in Carcar City highlights the numerous advantages of merging traditional and digital marketing strategies. By embracing this combined approach, businesses can enhance their market reach, boost sales, improve brand recognition, optimize resources, and foster stronger customer relationships. These insights provide a valuable foundation for developing a comprehensive



marketing framework that supports the growth and success of MSMEs in a competitive and rapidly evolving marketplace.

Cross-Tabulation Analysis of Marketing Strategies by Business Type and Position

A detailed cross-tabulation analysis can provide insights into the relationships between business type, position within the company, and the use of traditional versus digital marketing strategies. This analysis aims to uncover patterns in how different types of businesses and positions within those businesses prefer and implement various marketing strategies, thereby informing tailored approaches for more effective marketing outcomes.

Business Type	Marketing Strategy Usage	
	Predominantly rely on traditional marketing strategies such as face-to-face	
Food & Restaurants,	interactions, print advertising, and outdoor advertising to build personal	
and	relationships and enhance local brand presence. These sectors also	
Refreshments/Beverages	integrate digital marketing, mainly using social media platforms like	
	Facebook, to engage a broader, tech-savvy audience.	
	Employ a balanced approach, combining traditional networking and word-	
Service Providers	of-mouth marketing with digital strategies like SEO and email marketing	
	to maintain customer relationships and attract new clients.	
	Although fewer in number, utilize print advertising and face-to-face	
Retailers/Wholesalers	Retailers/Wholesalers interactions for direct sales, alongside digital marketplaces like Lazada and	
	Shopee to reach a broader audience.	
	Focus on trade shows and outdoor advertising for attracting B2B clients	
Manufacturers	and are increasingly using digital marketing strategies like email marketing	
	and influencer collaborations.	

Table 23 Business Type and Marketing Strategy Usage

Business Type and Marketing Strategy Usage

In Carcar City, the adoption and effectiveness of marketing strategies among MSMEs show significant variation based on business type and position within the company. Food & Restaurants and Refreshments/Beverages rely heavily on traditional marketing strategies like face-to-face interactions, print advertising, and outdoor advertising to build personal relationships and enhance local brand presence. However, these sectors also significantly integrate digital marketing, mainly social media platforms like Facebook, to engage a broader, more tech-savvy audience. Service Providers balance traditional networking and word-of-mouth marketing with digital strategies, including SEO and email marketing, to maintain customer relationships and attract new clients. Retailers/Wholesalers, although fewer in number, rely on print advertising and face-to-face interactions for direct sales while also utilizing digital marketplaces like Lazada and Shopee for broader reach. Manufacturers focus on trade shows and outdoor advertising to attract B2B clients, alongside growing digital marketing efforts such as email marketing and influencer collaborations.



Position in the	Marketing Strategy Usage	
Company	internet solution, couge	
	Tend to favor traditional methods perceived as more reliable, such as print	
Owners	advertising and networking, while cautiously adopting digital strategies that	
	offer clear ROI.	
Managars	Balance traditional advertising with digital approaches like SEO and social	
Managers media marketing, facilitating a data-driven approach to customer engager		
Support the execution of strategies set by higher management, focusing of		
Supervisors	consistent implementation across both traditional and digital platforms.	
	Utilize a wide array of digital marketing tools to optimize engagement, gather	
Marketing Officers	analytics, and adjust strategies in real-time, playing a crucial role in integrating	
	traditional and digital approaches to create cohesive campaigns.	

Position in Company and Marketing Strategy Usage Table 24 Position in Company and Marketing Strategy Usage

Analyzing the data by position within the company also reveals significant insights into the adoption of marketing strategies. The position within the company also influences the adoption of marketing strategies. Owners tend to favor traditional methods perceived as more reliable, such as print advertising and networking, while cautiously adopting digital strategies that offer clear ROI. Managers balance traditional advertising with digital approaches like SEO and social media marketing, facilitating a data-driven approach to customer engagement. Supervisors support the execution of strategies set by higher management, focusing on consistent implementation across both traditional and digital platforms. Marketing officers, being on the frontline, utilize a wide array of digital marketing tools to optimize engagement, gather analytics, and adjust strategies in real-time, playing a crucial role in integrating traditional and digital approaches to create cohesive campaigns.

The cross-tabulation analysis highlights that business type significantly influences the choice and effectiveness of marketing strategies. Service-oriented businesses, such as those in food, beverages, and services, tend to utilize more personal, direct marketing methods, while product-based businesses, like retailers and manufacturers, often incorporate broader advertising approaches and digital strategies to enhance reach and visibility.

Position within the company also plays a critical role in marketing strategy adoption. Owners and managers are pivotal in strategic decision-making, often balancing traditional reliability with digital innovation. Supervisors and marketing officers are essential for the execution and fine-tuning of these strategies, ensuring that the marketing efforts align with overall business goals and market demands.

This analysis highlights that service-oriented businesses in Carcar City favor direct, personal marketing methods, whereas product-based businesses incorporate broader advertising approaches to enhance visibility. The insights suggest that a tailored, hybrid approach, combining the strengths of both traditional and digital methods, can significantly enhance marketing effectiveness, audience engagement, and business growth. Overall, understanding these preferences and strategies is essential for developing effective, sector-specific marketing frameworks that support the diverse commercial landscape of Carcar City.



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CHAPTER 4 SUMMARY OF FINDINGS, CONCLUSIONS, AND RECOMMENDATIONS Summary of Findings

The purpose of this chapter is to provide an analysis of the data collected from micro, small, and medium enterprises (MSMEs) in Carcar City, Cebu, with a focus on their marketing strategies. The study sought to understand demographic distribution, duration of business operations, estimated annual revenue, employee numbers, and the effectiveness and challenges associated with both traditional and digital marketing strategies. Additionally, the chapter explored the envisioned benefits of integrating traditional and digital marketing approaches and conducted a detailed cross-tabulation analysis to uncover relationships between business types, positions within companies, and marketing strategy preferences.

Demographic Distribution and Business Characteristics

The survey data revealed a diverse range of business types, with the Refreshments/Beverages sector being the most populous, comprising 63 businesses. This was followed by Service Providers with 60 businesses, and Food & Restaurants with 49 businesses. The smallest group was Retailers/Wholesalers, with only 6 businesses. This distribution indicates varied commercial activities in Carcar City, which are crucial for tailoring marketing strategies to specific sectors. The majority of businesses (116 out of 239) have been operational for 1-5 years, suggesting a vibrant and potentially growing market environment with many new entrants. However, there is a notable decrease in the number of businesses that have been operating for more than five years, highlighting challenges in long-term sustainability. Furthermore, as for the position and designation it reveals that marketing Officers, the largest group with 128 respondents, provide insights into the daily execution of marketing strategies. Owners (73 respondents) offer perspectives on strategic goals and alignment with marketing efforts. Managers (25 respondents) bridge strategy and execution, while the 13 Supervisors contribute insights into the implementation of marketing strategies within teams. This varied representation offers a comprehensive view of the business landscape in Carcar City, essential for developing effective marketing strategies.

Estimated Annual Revenues and Employee Numbers

The majority of surveyed businesses (149 out of 239) reported annual revenues of less than P500,000, indicating a predominance of micro enterprises. A smaller number of businesses (46) reported revenues between P500,000 and P1,000,000, while 17 businesses earned between P1,000,001 and P5,000,000. Ten businesses reported revenues between P5,000,001 and P10,000,000, and another 17 earned more than P10,000,000 annually. Employee numbers further underscore this trend, with 206 out of 329 businesses employing fewer than 10 people, classifying them as micro enterprises. Small enterprises, employing between 10 and 99 people, accounted for 29 businesses, while medium enterprises, with 100-199 employees, comprised only 4 businesses. This distribution suggests a need for targeted support to help these businesses grow and increase their revenue and employment capacities.

Effectiveness of Marketing Strategies

Both traditional and digital marketing strategies were evaluated for their effectiveness. Traditional marketing strategies, particularly face-to-face interactions (used by 78.2% of respondents) and outdoor advertising (33.5%), were highly rated, emphasizing their role in building personal connections and local brand presence. Digital marketing strategies, especially social media marketing (76.6%), were also viewed positively, highlighting their ability to reach wider audiences and engage customers interactively. However, there were challenges noted, including the high costs of online advertising (27.6%) and the complexity of managing multiple digital platforms (24.7%).



Current Marketing Strategies

Regarding the importance of marketing for business success, a significant majority of respondents (84.1%) rated marketing as "Very important," and 13.4% rated it as "Important." Traditional marketing strategies in use included face-to-face interaction (78.2%), outdoor advertising (33.5%), and networking & word of mouth (36%). Digital marketing strategies prominently featured social media marketing (76.6%), content marketing (11.7%), and mobile marketing (11.7%). Despite the advantages, 18.4% of respondents indicated that they do not use any digital marketing strategies, highlighting a gap in digital adoption.

Factors Influencing the Adoption of Marketing Strategies

For traditional marketing, the primary factors influencing adoption were local market preferences and behavior (57.3%), target audience demographics (40.6%), and the personalized touch and tangible materials provided by traditional methods (33.5%). In contrast, the adoption of digital marketing strategies was primarily driven by consumer trends (53.6%), competitive pressure (32.2%), and cost-effectiveness (30.5%). Other factors included the broader reach (28%) and the ability to obtain measurable results (14.6%).

Positive and Negative Impacts of Traditional Marketing Strategies

The positive impacts of traditional marketing strategies included improved customer trust through personal interactions (75.3%), effectiveness in reaching non-digital audiences (53.6%), and stronger local brand presence through physical advertisements (42.3%). However, there were notable negative impacts, such as limited reach beyond the local area (37.2%), high costs for print and broadcast advertising (32.6%), and the time-consuming and costly nature of producing traditional marketing materials (34.7%).

Positive and Negative Impacts of Digital Marketing Strategies

Digital marketing strategies were reported to increase customer reach through online channels (61.5%), improve customer engagement through interactive content (54.8%), and enhance brand visibility on social media (42.7%). On the downside, businesses faced challenges such as limited staff expertise in digital marketing tools (46.4%), difficulty in maintaining online customer trust and loyalty (37.7%), and high costs of online advertising and management (27.6%).

Envisioned Benefits of Combining Traditional and Digital Marketing

The integration of traditional and digital marketing was seen as highly beneficial by 83.3% of respondents. Key benefits included enhanced audience reach and engagement, increased sales and revenue, improved brand visibility, cost-effectiveness, and stronger customer relationships. The combined approach allows businesses to leverage the strengths of both methods, creating a synergistic effect that maximizes marketing impact. This integrated strategy was supported by current marketing research, emphasizing the complementary nature of traditional and digital marketing in achieving business success.

Cross-Tabulation Analysis

The cross-tabulation analysis revealed significant relationships between business type, position within the company, and marketing strategy usage. Service-oriented businesses favored direct, personal marketing methods, while product-based businesses incorporated broader advertising approaches and digital strategies. Position within the company also influenced marketing strategy adoption, with owners and managers balancing traditional and digital methods, while supervisors and marketing officers focused on execution and optimization.

In conclusion, the findings from this chapter underscore the diverse marketing needs and challenges of MSMEs in Carcar City. Understanding these dynamics is essential for developing effective, sector-specific marketing frameworks that support business growth and sustainability. The integration of



traditional and digital marketing strategies offers a promising approach to enhancing market reach, engagement, and overall business performance. Future research should continue to explore innovative strategies to support MSMEs in overcoming marketing challenges and leveraging both traditional and digital platforms effectively.

Comparative Analysis

This is a comparative analysis on the effectiveness of traditional versus digital marketing strategies. This will include the perceived impact and the challenges faced in implementing these strategies. The data above indicates that traditional marketing strategies are perceived as more effective overall, with a higher mean rating and a lower standard deviation compared to digital marketing strategies. This suggests a more consistent and favorable perception of traditional marketing's effectiveness among respondents. The higher proportion of "Very Effective" and "Effective" ratings for traditional marketing (81%) compared to digital marketing (77.9%) further supports this observation. On the other hand, for positive impact, Traditional marketing excels in building trust and local brand presence through personal interactions and physical advertisements. This is particularly effective for reaching non-digital audiences and maintaining customer loyalty. Digital marketing, on the other hand, offers broader reach, enhanced engagement through interactive content, and significant visibility on social media platforms. The ability to track customer insights through digital analytics provides a strategic advantage in refining marketing strategies. Furthermore, analysis of negative impacts for traditional marketing is limited by its high costs, localized reach, and challenges in measuring ROI accurately. The shift of audiences to digital platforms also reduces its effectiveness over time. Digital marketing faces challenges related to the expertise required, maintaining trust and loyalty in an online environment, and managing the complexities and costs of online advertising. The variability in responses for digital marketing effectiveness (higher standard deviation) indicates diverse experiences and perceptions among respondents. In conclusions, the comparative analysis reveals that while traditional marketing strategies are highly regarded for their effectiveness in building trust and local presence, they are constrained by high costs and limited reach. Digital marketing strategies offer expansive reach and enhanced engagement but require significant expertise and can be complex to manage.

Conclusions

This research has offered an in-depth exploration of the marketing practices and challenges faced by MSMEs in Carcar City. Through detailed demographic analysis, effectiveness assessments, and cross-tabulation studies, this research has illuminated critical insights that can inform the development of a robust marketing framework with respect to the unique needs of these enterprises.

The study revealed a diverse array of business types within Carcar City, with the Refreshments/Beverages sector being the most prominent. This sector, alongside Service Providers and Food & Restaurants, forms the backbone of the local economy, each with distinct marketing needs and challenges. Most of these businesses are relatively young, with most operational for less than five years, highlighting a vibrant but potentially volatile market environment. Financial constraints were a significant theme, with most businesses reporting annual revenues of less than ₱500,000 and employing fewer than ten people, classifying them as micro-enterprises.

Marketing Strategies and Effectiveness

Both traditional and digital marketing strategies play vital roles in the marketing practices of these MSMEs. Traditional strategies such as face-to-face interactions and outdoor advertising remain highly



effective for building personal connections and local brand presence. However, digital marketing strategies, particularly social media marketing, are increasingly favored for their ability to reach broader audiences and engage customers interactively. Despite this, challenges such as the high costs of online advertising and the complexity of managing multiple digital platforms were frequently cited.

Adoption Factors and Impacts

The adoption of traditional marketing strategies is primarily influenced by local market preferences, target audience demographics, and the personalized touch of tangible materials. Conversely, digital marketing adoption is driven by consumer trends, competitive pressure, and cost-effectiveness. The study also highlighted the positive impacts of traditional marketing, such as improved customer trust and effectiveness in reaching non-digital audiences, along with negative impacts like limited reach and high costs. Digital marketing was found to increase customer reach and engagement but faced challenges including limited staff expertise and maintaining online trust and loyalty.

Envisioned Benefits of Integrated Marketing

A significant finding of the research is the perceived benefit of integrating traditional and digital marketing strategies. The majority of respondents believe that a combined approach enhances audience reach, increases sales and revenue, improves brand visibility, optimizes resource allocation, and fosters stronger customer relationships. This integrated approach aligns with contemporary marketing research, which supports the complementary nature of traditional and digital methods in achieving comprehensive marketing success.

Cross-Tabulation Insights

Cross-tabulation analysis revealed that service-oriented businesses prefer direct, personal marketing methods, while product-based businesses adopt broader advertising and digital strategies. Furthermore, the position within the company influences marketing strategy adoption, with owners and managers balancing traditional and digital methods, and marketing officers focusing on execution and optimization.

Null Hypothesis Evaluation

The research tested the null hypothesis: "There is no significant relationship between the estimated annual revenue and number of employees of MSMEs in Carcar City and the adoption of digital marketing strategies." The findings suggest that while there are financial and resource constraints, the adoption of digital marketing strategies is significantly influenced by these factors. The relationship between the scale of the enterprise, as indicated by revenue and employee numbers, and their capacity to adopt and benefit from digital marketing strategies, is evident. Studies by Chaffey and Ellis-Chadwick (2019) and Taiminen and Karjaluoto (2015) support this view, indicating that resource availability and organizational capacity play crucial roles in digital marketing adoption.

Recommendations

The following recommendations are designed to address the identified gaps and influence the opportunities presented by both traditional and digital marketing. By integrating these approaches, enhancing digital marketing capabilities, and addressing barriers to adoption, these recommendations aim to create a comprehensive marketing framework that supports the unique needs of MSMEs in Carcar City. Additionally, the role of policymakers and the Department of Trade and Industry (DTI) is emphasized to provide the necessary support and infrastructure for these businesses to thrive.

1. Integrating Traditional and Digital Marketing Approaches

The data indicates a significant preference for integrating traditional and digital marketing strategies. This



combined approach leverages the strengths of both methods to maximize reach, engagement, and effectiveness. The following are the suggested recommendations:

Develop a Multi-Channel Marketing Plan. Create a cohesive marketing plan that includes both traditional methods (e.g., face-to-face interactions, print advertising) and digital strategies (e.g., social media marketing, email campaigns). This ensures broad audience coverage and addresses the preferences of diverse customer segments.

Consistency Across Channels. Maintain a consistent brand message by utilizing various marketing channels to reinforce brand recognition and trust. Utilize unified branding elements such as logos, taglines, and color schemes in both traditional and digital materials.

2. Enhancing Digital Marketing Capabilities

While digital marketing is highly valued, many businesses face challenges related to expertise, budget constraints, and managing multiple platforms. The following are the suggested recommendations:

Invest in Digital Marketing Training. Offer training programs to enhance digital literacy and marketing skills among business owners and marketing officers. Concentrate on key areas such as social media management, SEO, content creation, and digital analytics.

Utilize Cost-Effective Digital Tools. Encourage the use of affordable digital marketing tools and platforms that offer significant ROI. Tools like Google Analytics, Hootsuite, and Mailchimp can help manage campaigns effectively without substantial financial outlay.

Leverage Social Media Platforms. Considering the high usage of social media marketing, businesses should optimize their presence on platforms like Facebook, Instagram, and Twitter. Regularly updating content, engaging with followers, and using targeted ads to reach specific demographics are essential strategies.

3. Strengthening Traditional Marketing Efforts

Traditional marketing strategies are still effective, particularly for building personal connections and trust. However, they need to be optimized to remain relevant. The following are the suggested recommendations:

Local Community Engagement. Increase engagement with the local community through events, sponsorships, and collaborations. These activities build stronger local brand presence and foster community loyalty.

Enhance Print and Outdoor Advertising. Focus on high-impact traditional advertising methods such as well-placed billboards, engaging flyers, and eye-catching posters. Ensure these materials are professionally designed and align with the overall brand image.

4. Addressing Barriers to Digital Marketing Adoption

Barriers such as lack of expertise, budget constraints, and technical challenges hinder the adoption of digital marketing strategies. The following recommendations are suggested:

Government and Institutional Support. Seek support from local government and business associations for funding and resources to aid in digital transformation. Programs offering grants or subsidies for digital marketing initiatives can significantly alleviate financial constraints.

Collaborate with Digital Marketing Experts. Partner with digital marketing agencies or consultants who can provide tailored advice and strategies. These experts can help find the difficulties of digital marketing and create efficient and effective campaigns.

5. Monitoring and Evaluating Marketing Effectiveness

Regular assessment of marketing strategies is crucial for continuous improvement and adaptation to chan-



ging market conditions. The following are the suggested recommendations:

Implement Key Performance Indicators (KPIs). Define clear KPIs for both traditional and digital marketing efforts. Metrics such as customer engagement rates, conversion rates, and ROI should be tracked regularly.

Utilize Analytics Tools. Utilize digital analytics tools to collect data on customer behavior, campaign performance, and market trends. This data-driven approach enables informed decision-making and allows for strategic adjustments to optimize marketing efforts.

Regular Feedback Mechanisms. Establish mechanisms for gathering customer feedback on marketing initiatives. Use surveys, focus groups, and direct customer interactions to gain valuable insights into the effectiveness of different strategies.

6. Tailoring Strategies to Business Types and Positions

Different business types and positions within the company have distinct marketing needs and preferences. The following are the suggested recommendations:

Sector-Specific Strategies. Develop tailored marketing strategies for different business sectors. For instance, food and beverage businesses can focus on visually appealing social media content, while service providers might benefit from client testimonials and case studies.

Empower Marketing Officers. Provide marketing officers with the autonomy and resources to experiment with innovative marketing tactics. Their frontline experience is invaluable for adapting strategies to real-time market conditions.

Role of Policymakers and the Department of Trade and Industry (DTI)

For Policymakers in the Local Government Unit of Carcar City

Support for MSMEs. Implement policies that provide financial support, training programs, and resources for MSMEs to enhance their marketing capabilities. This can include subsidies for digital marketing tools and grants for marketing campaigns.

Infrastructure Development. Improve local infrastructure, such as internet connectivity and public spaces for advertisements, to support both traditional and digital marketing efforts.

Public-Private Partnerships. Encourage collaborations between the local government and the private sector to develop marketing initiatives that promote local businesses.

For Department of Trade and Industry (DTI)

Training and Workshops. Organize regular training sessions and workshops focused on both traditional and digital marketing strategies. These sessions should cover the latest trends, tools, and techniques in the marketing landscape.

Marketing Assistance Programs. Develop programs that provide marketing assistance to MSMEs, including access to professional marketing services and platforms.

Research and Development. Conduct ongoing research to understand the evolving marketing needs of MSMEs and to develop strategies that address these needs effectively.

Proposed Further Studies

1. Title: "Evaluating the Impact of Integrated Marketing Strategies on the Growth and Sustainability of MSMEs in Carcar City, Cebu"



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Objective: To assess the long-term impact of combining traditional and digital marketing strategies on the growth and sustainability of MSMEs.

Rationale: Understanding how integrated marketing strategies affect business performance will help refine approaches and maximize effectiveness.

2. Title: "The Role of Digital Literacy in Enhancing the Marketing Effectiveness of MSMEs in Carcar City"

Objective: To explore the influence of digital literacy on the adoption and success of digital marketing strategies among MSME owners and employees.

Rationale: Identifying the digital skills gap will inform training and development programs to improve digital marketing capabilities.

3. Title: "Consumer Behavior and its Influence on Marketing Strategy Effectiveness in Carcar City's MSMEs"

Objective: To investigate how local consumer preferences and behaviors impact the effectiveness of various marketing strategies.

Rationale: Tailoring marketing strategies to consumer behaviors can significantly enhance engagement and conversion rates.

4. Title: "Assessing the Role of Government Support in the Marketing Success of MSMEs in Carcar City"

Objective: To evaluate the impact of local government policies and support programs on the marketing capabilities and performance of MSMEs.

Rationale: Understanding the role of government intervention can guide policy

improvements and targeted support for MSMEs.

5. Title: "Barriers to Digital Marketing Adoption Among MSMEs in Carcar City: Challenges and Solutions"

Objective: To identify the main obstacles preventing MSMEs from adopting digital marketing strategies and propose actionable solutions.

Rationale: Addressing these barriers will help increase the adoption of effective digital marketing practices and enhance business growth. MSMEs in Carcar City, Cebu"

CHAPTER 5

OUTPUT OF THE STUDY:

COMPREHENSIVE MARKETING FRAMEWORK

in Carcar City, Cebu, Philippines

In the dynamic and competitive business landscape of Carcar City, Cebu, micro, small, and medium enterprises (MSMEs) are crucial for driving economic growth and employment. To stay competitive and sustainable, it has become essential for these businesses to combine traditional and digital marketing strategies. Recent research underscores the importance of a well-rounded marketing approach. For instance, studies have shown that digital marketing significantly enhances customer engagement and brand visibility, while traditional marketing builds trust and credibility within local communities (Chaffey & Ellis-Chadwick, 2019; Keller & Kotler, 2016).

The data and findings from this study reveal that while MSMEs in Carcar City have embraced various marketing strategies, there still needs to be a significant gap in effectively combining traditional and digital methods to optimize their marketing efforts. The research highlights the challenges these businesses face,

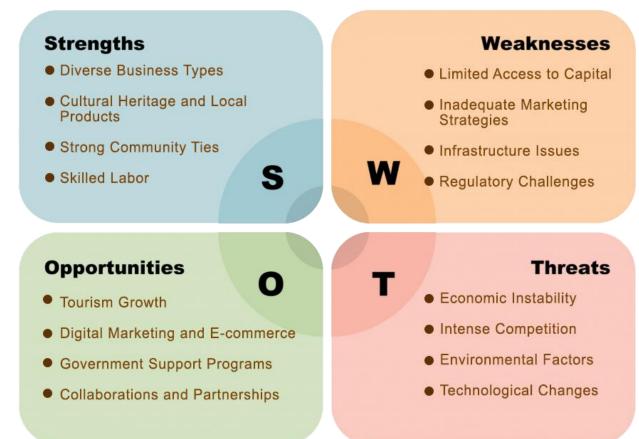


including limited digital literacy, resource constraints, and evolving consumer behavior, which necessitate a more integrated approach to marketing.

Need for a Comprehensive Marketing Framework

The comprehensive marketing framework proposed in this study addresses these challenges by providing a structured approach that integrates both traditional and digital marketing strategies. This framework is designed to enhance the marketing capabilities of MSMEs, enabling them to better compete in both local and broader markets. By leveraging the strengths of each approach, MSMEs can maximize their market reach, engage a broader audience, and foster stronger customer relationships, ultimately driving business growth and success.

The need for such a framework is underscored by the research data, which shows that businesses using integrated marketing strategies report higher levels of customer engagement and satisfaction (Tuten & Solomon, 2017). Moreover, the framework aligns with the findings that emphasize the importance of a cohesive brand message and consistent customer experience across all marketing channels (Pulizzi, 2014). In conclusion, the development of a comprehensive marketing framework is not only supported by current research but also by the empirical data and findings of this study. It provides a necessary tool for MSMEs in Carcar City to navigate the complexities of the modern marketing landscape, ensuring their competitive edge and sustainability in an ever-evolving market environment.



SWOT Marketing Analysis

Figure 5. SWOT Analysis



The figure above presents a SWOT analysis in the context of MSMEs in the City of Carcar to evaluate the internal and external factors impacting Micro, Small, and Medium Enterprises (MSMEs) in Carcar City, Cebu. The SWOT analysis framework—identifying Strengths, Weaknesses, Opportunities, and Threats—offers a comprehensive understanding of the current business landscape. This analysis is crucial for developing strategic initiatives to enhance the competitiveness and sustainability of MSMEs in the locality. By evaluating their strengths and opportunities, and addressing weaknesses while mitigating threats, these enterprises can more effectively navigate the challenges of a dynamic market environment. **Strengths**

- **Diverse Business Types** Carcar City's MSMEs encompass various industries, including food and restaurants, retailers/wholesalers, refreshments, manufacturers, and services. This diversity reduces dependency on a single industry and spreads risk.
- **Cultural Heritage and Local Products** Carcar City is known for its rich cultural heritage and unique local products, such as chicharon, ampao, and handmade shoes. These products provide a competitive edge and attract both local and tourist consumers.
- **Strong Community Ties** Many MSMEs in Carcar City benefit from solid community relationships, fostering loyalty and repeat business. This local support network is crucial for sustaining businesses.
- **Skilled Labor** The presence of skilled artisans and craftsmen, particularly in the manufacturing and food sectors, enhances product quality and helps maintain traditional craftsmanship, appealing to niche markets.

Weaknesses

- Limited Access to Capital Many MSMEs face challenges in accessing sufficient capital for expansion and modernization. This limits their growth potential and ability to compete with larger enterprises.
- **Inadequate Marketing Strategies** Despite the presence of unique products, many businesses lack effective marketing strategies, particularly in digital marketing. This affects their visibility and reach in broader markets.
- **Infrastructure Issues** Inadequate infrastructure, such as poor road conditions and unreliable utilities, hampers business operations and increases operational costs.
- **Regulatory Challenges** Navigating through complex and sometimes bureaucratic regulatory requirements can be challenging for MSMEs, leading to delays and increased costs.

Opportunities

- **Tourism Growth** With increasing interest in cultural and heritage tourism, Carcar City has the potential to attract more tourists. MSMEs can capitalize on this by offering unique local experiences and products.
- **Digital Marketing and E-commerce** The growing accessibility of digital platforms presents an opportunity for MSMEs to expand their market reach. Investing in online marketing and e-commerce can significantly enhance business visibility and sales.
- **Government Support Programs** Various government programs and initiatives aimed at supporting MSMEs can provide financial assistance, training, and infrastructure development, aiding business growth and sustainability.
- **Collaborations and Partnerships** Forming collaborations with other businesses, both local and regional, can lead to shared resources, increased innovation, and improved market access.



Threats

- Economic Instability Economic downturns or instability can significantly impact consumer spending and business revenues, posing a risk to MSME sustainability.
- **Intense Competition** Increasing competition from larger businesses and imported goods can threaten the market share of local MSMEs, especially those with limited marketing and financial resources.
- Environmental Factors Natural disasters and environmental changes, such as typhoons and floods, can disrupt business operations and supply chains, leading to financial losses.
- **Technological Changes** Rapid technological advancements can render existing business practices obsolete. MSMEs must continuously adapt to new technologies to stay competitive, which can be resource-intensive.

Rationale for Comprehensive Marketing Framework

Given the continuous change through digital transformation with both traditional marketing becomes imperative to have a system that can assist MSMEs in Carcar City towards improved competitiveness and sustainability. This framework includes classic and online marketing tactics so as to handle unique business challenges & outcomes for these players. In doing so, MSMEs will not only be able to capture a larger market but can also expand their audience as well as improve customer relations, which in turn ensures business sustainability and increased success.

General Objectives

- 1. To provide a structured approach that integrates traditional and digital marketing strategies tailored to the needs of MSMEs in Carcar City;
- 2. To enhance the marketing capabilities of MSMEs, enabling them to compete more effectively in both local and broader markets; and
- 3. To foster sustainable business growth through improved customer engagement, brand visibility, and optimized resource allocation.

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Table 25 Comprehensive Marketing Framework for MSMEs in the Context of Carcar City Cebu, Philippines



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 Integration SWOT analysis finding into strategy market g decision SWOT to Analysis leverage Integration strengtion , addresses, capitalian e opportaities, a mitigaties, a mitigaties	make informed decisions that c enhanced their strengths, address weaknesse e s, capitalize on es opportunit ies, and z mitigate on threats. in This d componen e t ensures	SWOT- Based Strategic Planning Program		Conduct regular SWOT analysis sessions to update findings. Align marketin g strategies with strengths and opportuni ties identified in the SWOT analysis. Develop action plans to address weakness es and mitigate threats. Monitor the impact of these strategies and adjust as necessary	Business owners, marketin g teams, strategic planners.	5% of the approved Annual Marketin g Budget	Initial 6 months, ongoing annual updates.
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Implementation Steps

By following this comprehensive marketing framework, MSMEs in Carcar City can effectively navigate the complexities of the modern marketing landscape, leveraging the strengths of both traditional and digital strategies to achieve sustainable growth and success.

1. Market Research & Analysis

Conducting comprehensive market research is essential for developing effective marketing strategies. Begin with initial surveys and focus groups to collect data on consumer preferences and behaviors. This primary data collection provides direct insights into the target audience's needs and expectations. Next, analyze market trends and competitor strategies to identify both opportunities and threats within the market landscape. Understanding the competitive environment allows businesses to pinpoint areas for differentiation and potential market gaps. The insights gained from these analyses should inform branding, messaging, and marketing tactics, ensuring that strategies are well-aligned with consumer demands and market conditions. By integrating thorough market research into the marketing process, businesses can create more targeted and effective campaigns that resonate with their audience and capitalize on identified opportunities.

2. Brand Development

Developing a strong brand involves several key steps to ensure it resonates with the target audience and maintains consistency across all marketing efforts. Start by clearly defining the brand's mission, vision, values, and unique selling proposition (USP). These foundational elements guide the overall direction and purpose of the brand, differentiating it from competitors. Next, develop visual identity elements, including logos, color schemes, and typography. These components form the visual representation of the brand and should be designed to appeal to the target audience while reflecting the brand's core values. Finally, create comprehensive brand guidelines to maintain consistency in all marketing materials. These guidelines should detail how the brand's visual and messaging elements should be used across various platforms and touchpoints, ensuring a cohesive and professional appearance. By following these steps, businesses can establish a robust and recognizable brand that effectively communicates its identity and value to consumers.

3. Traditional Marketing

Traditional marketing strategies play a crucial role in reaching diverse audiences and building brand presence within the community. Begin by designing and distributing print advertising materials such as flyers, brochures, and posters. These tangible items can effectively communicate key messages and offers to the local audience. Additionally, sponsoring or participating in local events can significantly boost brand visibility and foster community engagement. Such involvement positions the brand as an active and supportive member of the community. Producing radio and TV commercials tailored to local audiences can further enhance brand recognition, leveraging the broad reach and trusted platforms of these media.



Lastly, outdoor advertising through billboards and signage can capture the attention of passersby and reinforce the brand's presence in high-traffic areas. By integrating these traditional marketing tactics, businesses can create a comprehensive and impactful marketing strategy that complements digital efforts and enhances overall brand awareness.

4. Digital Marketing

Digital marketing strategies are essential for reaching a tech-savvy audience and achieving measurable results. Start by establishing a strong presence on social media platforms that are relevant to the target audience. Regularly posting engaging content, interacting with followers, and utilizing platform-specific features can significantly boost brand visibility and customer engagement. Next, optimize the business website for search engines to increase organic traffic. Implementing effective SEO practices ensures that the website ranks higher on search engine results pages, making it easier for potential customers to find the business. Additionally, develop and execute email marketing campaigns to nurture leads and retain customers. Personalized and targeted email communications can build stronger relationships and drive repeat business. Finally, invest in pay-per-click (PPC) advertising to drive targeted traffic and generate leads. PPC ads allow businesses to reach specific demographics and track the performance of their campaigns in real time. By integrating these digital marketing strategies, businesses can enhance their online presence, attract new customers, and achieve sustainable growth.

5. Content Marketing

Effective content marketing is vital for engaging the target audience and establishing the brand as an industry authority. Begin by creating a content calendar to plan and schedule various forms of content, including blog posts, articles, videos, and infographics. This structured approach ensures consistent content creation and publication, helping to maintain audience interest and engagement. Next, focus on producing high-quality, engaging content that addresses the needs and interests of the target audience. Researching relevant topics and providing valuable insights can attract and retain readers, fostering trust and loyalty. Finally, distribute the content through appropriate channels such as the business website, social media platforms, and email newsletters. Tailoring the distribution strategy to the preferences and behaviors of the target audience maximizes content reach and impact. By implementing these content marketing practices, businesses can effectively communicate their expertise, connect with their audience, and drive sustained engagement.

6. Customer Engagement

Fostering strong customer engagement is essential for building lasting relationships and driving business success. Start by implementing a Customer Relationship Management (CRM) system to efficiently manage customer relationships and interactions. A CRM system helps track customer data, preferences, and purchase history, enabling personalized communication and tailored marketing efforts. Next, offer loyalty programs and incentives to encourage repeat business. Rewarding customers for their loyalty can increase customer retention and lifetime value.

Engaging with customers on social media is also crucial. Actively responding to comments and messages demonstrates attentiveness and builds a sense of community around the brand. Additionally, providing exceptional customer service and support is key to enhancing customer satisfaction. Promptly addressing inquiries, resolving issues, and exceeding customer expectations can turn satisfied customers into brand advocates.

By prioritizing these customer engagement strategies, businesses can cultivate loyal customer relationships, boost satisfaction, and drive long-term success.



7. Integrated Marketing

Integrated marketing involves combining traditional and digital strategies to create a cohesive and impactful approach to marketing. Start by developing a comprehensive marketing plan that incorporates both traditional and digital tactics. This plan should outline specific objectives, target audiences, messaging, and tactics for each channel.

Consistency in messaging and branding is essential across all marketing channels. Ensure that the brand's mission, vision, values, and unique selling proposition (USP) are communicated consistently in both traditional and digital marketing efforts. This consistent messaging helps reinforce brand identity and builds trust with consumers.

Coordinate marketing campaigns across various channels to create a unified and impactful approach. By aligning messaging and timing across traditional and digital channels, businesses can amplify their reach and engagement with the target audience.

Overall, integrated marketing allows businesses to leverage the strengths of both traditional and digital strategies to create a comprehensive marketing approach that effectively reaches and engages the target audience. By following these principles, businesses can maximize the impact of their marketing efforts and achieve their objectives more efficiently.

8. Monitoring & Evaluation

Monitoring and evaluating marketing activities are essential for assessing effectiveness and making informed decisions to optimize strategies. Start by defining key performance indicators (KPIs) for all marketing activities. These KPIs should align with business objectives and provide measurable metrics for tracking success.

Utilize analytics tools to gather data on campaign performance and customer behavior. These tools provide valuable insights into website traffic, engagement metrics, and conversion rates, allowing for data-driven decision-making.

Collecting customer feedback through surveys and reviews is another critical aspect of monitoring and evaluation. Customer feedback provides valuable insights into their experiences with the brand, products, and marketing efforts. Analyzing this feedback helps identify areas for improvement and informs strategic decisions.

Regularly review and adjust marketing strategies based on performance data and feedback. Continuously monitoring KPIs and analyzing results allows for timely adjustments to tactics and resource allocation. By adopting a proactive approach to monitoring and evaluation, businesses can optimize marketing efforts, improve ROI, and achieve long-term success.

9. SWOT-Based Strategic Planning Program

A. Conduct Regular SWOT Analysis Sessions

- Schedule quarterly meetings to perform SWOT analysis.
- Gather data on internal strengths and weaknesses, and external opportunities and threats.
- Involve key stakeholders, including business owners, managers, and marketing teams, to provide diverse insights.

B. Align Marketing Strategies with SWOT Findings

- Review existing marketing strategies in light of the SWOT analysis results.
- Identify areas where strengths can be leveraged and opportunities can be capitalized upon.
- Develop action plans to address identified weaknesses and mitigate potential threats.



C. Develop Action Plans

- Create detailed action plans for each identified area of improvement.
- Assign specific tasks to team members with clear deadlines.
- Ensure resources are allocated appropriately to support these initiatives.

D. Monitor and Evaluate Progress

- Establish key performance indicators (KPIs) to track the effectiveness of the implemented strategies.
- Use analytics tools to monitor progress and gather data on outcomes.
- Conduct regular reviews to evaluate the impact of the strategies and make necessary adjustments.
 E. Adjust Strategies Based on Feedback
- Collect feedback from internal and external stakeholders.
- Analyze the feedback to identify areas for further improvement.
- Adjust marketing strategies based on the insights gained to ensure continuous improvement.

9. Government Support Programs

A. Identify Relevant Government Programs

- Research and compile a list of government grants, financial aid, training programs from the national and local government unit, and infrastructure development initiatives relevant to MSMEs.
- Stay updated on new policies and initiatives through government websites and Facebook page of DTI Go Negosyo Center.

B. Apply for Financial Assistance

- Prepare the necessary documentation and application forms for relevant government grants and financial aid.
- Submit applications in a timely manner, ensuring all requirements are met.
- Follow up on applications to track their status and provide any additional information as needed.
 C. Participate in Training Programs
- Enroll in government-sponsored training and capacity-building programs that align with business needs.
- Encourage relevant staff to attend these training sessions to enhance their skills and knowledge.
- Implement the learned skills and best practices within the business operations.

D. Collaborate on Infrastructure Development

- Partner with government agencies for infrastructure projects that benefit the business, such as improved road access, utilities, and digital infrastructure.
- Actively participate in community discussions and planning sessions for these projects.
- Ensure the business complies with all regulatory requirements to benefit from these developments.
 E. Monitor and Evaluate Program Impact
- Track the benefits received from government support programs, such as financial aid utilization, skill improvements from training, and infrastructure enhancements.
- Evaluate the impact of these programs on business performance and sustainability.
- Provide feedback to government agencies on the effectiveness of their programs and suggest improvements.

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