

e-ISSN:2829-6192, p-ISSN: 2829-6184

DOI: <https://doi.org/10.38035/ijam.v2i4>

Received: 27 January 2024, Revised: 19 February 2024, Publish: 22 March 2024

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Digital Marketing in Facing Business Competition in the Digital Era: A Conceptual Study as a Reference for Researchers

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Abstract: The development of digital technology has significantly transformed the business competition landscape, compelling companies to adapt to more innovative and efficient strategies. Digital marketing has emerged as an effective approach to address these challenges, allowing companies to expand their market reach, enhance consumer interaction, and measure marketing performance in real-time. The application of digital marketing strategies has become an effective solution in achieving these goals. This research examines how digital marketing can be utilized to strengthen consumer trust, build a strong corporate image, and increase customer loyalty. The study consists of several sections. First, a literature review focuses on digital marketing. Second, the research model and propositions developed in this study are based on a literature review of previous research, and the relationship between digital marketing, trust, corporate image, and customer loyalty is discussed in-depth. The results of the study show that an integrated digital marketing strategy not only helps companies survive in the competition but also builds long-term relationships with customers, ultimately enhancing trust and strengthening the corporate image in the market. The proper implementation of this strategy is a key factor in business success in the digital era.

Keywords: Digital Marketing, Trust, Corporate Image, and Customer Loyalty.

INTRODUCTION

The digital era has drastically changed the way businesses operate and interact with customers. Advances in information technology, especially the internet, have created new opportunities for businesses to optimize business operations through the implementation of digital marketing strategies. According to Kotler and Keller (2016) digital marketing offers the unique ability to create more targeted, personal, and attractive communication strategies that cannot be done in conventional marketing. Digital marketing also allows businesses to reach a wider audience in a more efficient way, as well as personalize the customer experience which can increase customer loyalty.

In today's increasingly competitive business environment, businesses must be able to adapt to changing consumer behavior, which is increasingly dependent on digital platforms for transaction processing. According to Chaffey and Ellis-Chadwick (2019), "Consumers' increasing reliance on digital platforms requires businesses to develop strong digital marketing strategies to remain competitive. As a result, businesses must implement effective digital marketing strategies to increase visibility, engagement, and conversion rates.

Furthermore, digital marketing also provides flexibility and the ability to measure campaign effectiveness in real-time. This provides a competitive advantage because it allows companies to immediately adjust their strategies based on accurate data and analysis. As stated by Ryan (2016), Real-time data and analytics provided by digital marketing tools allow businesses to make informed decisions and optimize their marketing efforts on the fly.

Thus, implementing a digital marketing strategy is not just an option, but a necessity for companies that want to remain relevant and excel in business competition in this digital era.

METHOD

This study uses a conceptual qualitative descriptive approach used to assess the extent to which this concept has developed by observing digital marketing as a relevant and superior strategy in business competition in today's digital era. By describing the types, designs, or research designs that are often used to analyze natural research objects or in real-world situations but are not controlled as experiments. According to Sugiyono (2019), qualitative research methods derived from postpositivism philosophy are used to explore people in natural situations (actual conditions, not those set, or experimental), with researchers acting as the main tool. To support the existing findings, a literature review was conducted in accordance with methodological assumptions. This shows that this strategy must be used inductively to avoid questions asked by researchers directly. The exploratory component of this study is one of the main reasons for conducting qualitative research (Ali, H., & Limakrisna, 2013).

RESULT AND DISCUSSION

Konsep Digital Marketing

Digital marketing is a form of effort to market and promote a brand or product through the digital world or the internet. With the aim of reaching consumers and potential consumers quickly and on time (Sabila, 2019). Simply put, digital marketing is a way to market and promote a particular product or brand through digital media. It can be through internet advertising or social media that is widely used by business people such as Facebook, Youtube, Twitter, Instagram, and other social media.

Digital marketing is an effort to market activities through digital or online media. Usually the media used is through sites or websites, online forums, to the most popular are social media such as Facebook, Instagram, Youtube, and others (Prayitno, 2020). According to Chaffey & Ellis-Chadwick (2019) digital marketing is a form of company effort in marketing its products and services into digital technology online in order to get a global and specific market. Meanwhile, according to Frost & Strauss (2016) states "e-marketing is the use of information technology for marketing activities and a process to create, communicate, provide and exchange value offerings for customers, clients, partners and the public in general.

Coviello et al stated that digital marketing is the use of the internet and other interactive technologies to create and connect dialogues between companies and identified consumers (Fawaid, 2017). Digital marketing uses the internet to convey marketing promotional messages to consumers (Afifah and Najib, 2022). Meanwhile, Purwana et al (2017) said that digital marketing is a promotional activity through digital media online by utilizing various media, such as social networks.

Digital marketing strategy is a strategy used by business actors to maximize the potential of digital marketing activities that are being implemented. Each business actor or company has a different digital marketing strategy, adjusted to the needs and goals they want to achieve. Regarding this (Prayitno, 2020) explains several digital marketing strategies:

1. Digital Assets Development

The first step is to prepare a business's digital identity. Activities carried out include building a website and preparing social media accounts (examples: Facebook, Instagram, YouTube, and others).

2. Increasing Website Visits

The next strategy is to do several things such as optimizing SEO (Search Engine Optimization) and placing CPC ads through Google Ads.

3. Optimizing Social Media Accounts

Social media optimization is trying to increase interaction with social media users by preparing and publishing interesting content. In addition, optimization by advertising on social media is also worth considering.

4. Email Marketing Activities

Email as a digital communication tool that is known to be old-fashioned actually still has the potential to increase sales for a business. It is undeniable that all smartphone users are required to have an email account in order to be able to utilize smartphone features to the maximum. This condition is a very good potential if it can be utilized properly.

5. Broadcast Message

Broadcast messages are part of digital marketing that can still be found. Not infrequently we still get broadcast messages such as short messages (SMS), Whatsapp, to social media direct messages. Even though they are vulnerable to account blocking, broadcast messages still have a fairly good conversion rate.

According to Chaffey & Ellis-Chadwick (2019) there are several indicators that play a role in digital marketing communications, namely: 1) SEO marketing; 2) Online public relations; 3) Content video marketing; 4) Display advertising; 5) Email marketing; and 6) Social media marketing. According to Kotler et al (2019), to determine the success of digital marketing can be measured through its indicators, namely: 1) Level of attraction; 2) Optimization of curiosity; 3) Level of commitment; and 4) Level of affinity. Meanwhile, according to Roger in Purwana et al (2017) stated that to determine the ability of digital marketing can be measured through three indicators, namely: 1) Interactivity; 2) Demassification; and 3) Asynchronous.

Increasing Trust through Digital Marketing

Trust is the belief that one will find what one wants from an exchange partner. Trust involves a person's willingness to behave in a certain way because of the belief that his partner will provide what he expects and an expectation that someone has that the word of promise or statement of another person can be trusted (Barnes, 2009). According to Kotler (2008) trust is a descriptive idea held by someone about something. Trust may be based on knowledge and opinion. Trust is the level of consumer certainty when his thoughts are clarified by repeated recall from market players and friends. Trust can encourage the intention to buy or use a product by eliminating doubts. The implementation of digital marketing strategies plays an important role in building and maintaining customer trust in the digital era. Trust is a fundamental element that determines the success of long-term relationships between companies and customers. In a fast-paced and easily accessible digital environment, customers rely on various digital platforms to obtain information and make purchasing decisions. Therefore, digital marketing strategies must be designed to strengthen customer trust through transparency, consistency, and effective communication.

Transparency and open sharing of information in digital businesses must be built in building consumer trust. Providing clear and accurate information about products or services is the first step in building trust (Urban et al., 2000). This includes detailed product descriptions, clear pricing, and transparent return policies. In addition, companies must also be able to openly disclose their business practices, including privacy policies, to gain more trust from customers. By explaining how customer data will be used, companies can reduce uncertainty and increase customer security (Martin and Murphy, 2017). Aladwani & Palvia (2002) stated that Transparent communication about delivery processes enhances customer trust. This provides clear information about shipping status, additional costs, and shipping times to help reduce customer anxiety and increase their trust in the company. In increasing trust, companies must also be able to provide consumer reviews of digital platforms with the aim of influencing the trust and purchasing decisions of potential customers. Because presenting honest customer reviews, both positive and negative, shows that the company is open to criticism and committed to improving quality. Cheung and Thadani (2012) stated that Online consumer reviews significantly influence the trust and purchase decisions of potential customers. This means that by allowing negative reviews to be visible, companies show that they are not hiding information and are ready to correct the shortcomings.

Consistency is an important element in digital marketing strategy that directly contributes to strengthening customer trust. In today's fast-paced and information-filled digital world, consistency in messaging, branding, and customer experience across platforms is key to building and maintaining trust. Customers tend to trust brands that demonstrate consistency more, as this reflects stability, reliability, and a commitment to quality. Consistent branding across all digital channels, such as websites, social media, and email marketing, helps build a strong and trustworthy brand identity. Keller (2009) states that Consistency in branding across multiple channels reinforces customer trust. This means that customers who see the same brand messages and visuals across multiple platforms will be more confident that the brand is reliable. In addition, consistency in messaging across digital marketing campaigns creates a perception of stability and trust. According to Aaker (1996), A consistent message across all marketing communications is crucial for building and maintaining trust with consumers. This means that the message delivered must be consistent, both in content and tone, across all customer touchpoints. Consistency on digital platforms also provides an experience for customers to maintain customer trust, as stated by Srinivasan et al (2002) that consistency in customer experience across digital platforms increases trust and loyalty. Then the company's consistency in responding to customers' questions and complaints on digital platforms will also increase a positive reputation in the eyes of customers and increase trust (Parasuraman et al., 1985).

Effective communication is one of the main pillars of a digital marketing strategy that aims to strengthen customer trust. In a digital world full of information, targeted, honest, and clear communication can differentiate a brand from its competitors. Effective communication is not only about delivering messages, but also about listening to customers, responding to their needs, and creating a mutually beneficial dialogue. In addition, timely and effective communication in handling customer problems is essential to maintaining trust and loyalty (Parasuraman et al., 1985). Clear and transparent communication in every interaction with customers helps avoid misunderstandings and creates a sense of security. According to Gamboa and Gonçalves (2014), effective communication in digital marketing fosters trust by ensuring that messages are clear, consistent, and transparent across all channels. In addition, Mangold and Faulds (2009) stated that digital platforms that provide communication dialogues allow brands to engage directly with customers and build trust through responsive communication. Meanwhile, Peppers and Rogers (2016) said that personalized communication builds trust by making customers feel valued and understood. Ultimately

consistency in communication strengthens brand trust by providing a reliable and predictable experience for customers (Keller, 2009).

Based on theory and several previous studies, it appears that digital marketing has a strong relationship with trust. This means that if a company is able to implement the right digital marketing strategy, it can build, strengthen, or restore customer trust in a company. Through digital channels such as social media, email, content marketing, and online reviews, companies have the opportunity to communicate directly with customers, provide transparent information, and demonstrate consistency in service. When done effectively, digital marketing can create a closer relationship between the company and its customers, which in turn increases the level of customer trust in the brand.

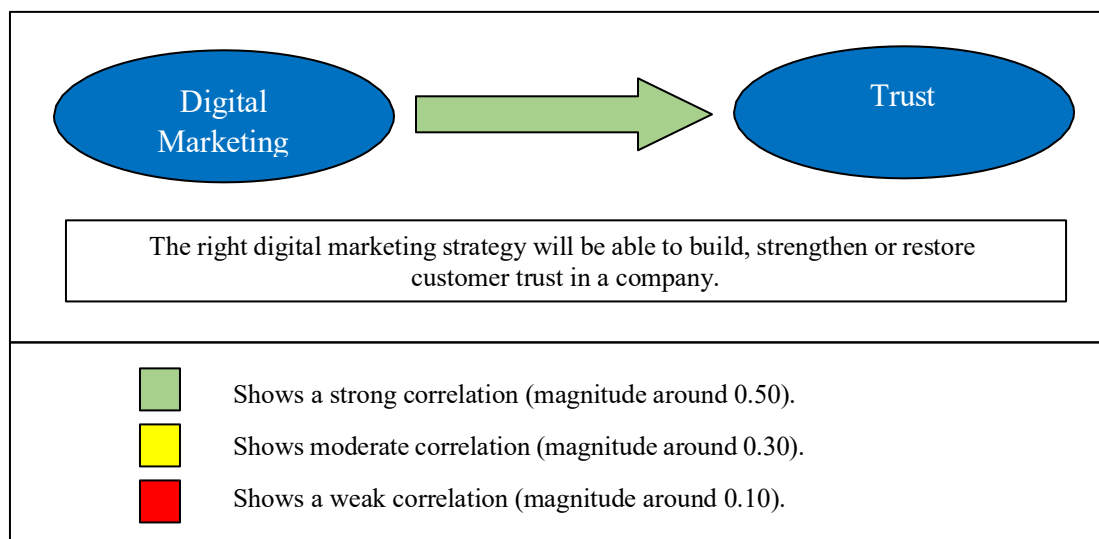


Figure 1. The Relationship Between Digital Marketing and Trust

Improving Corporate Image through Digital Marketing

Corporate image is the customer's thoughts about the image or overall picture of a service provider company based on the experience and understanding of each customer, both regarding its services and the level of reputation and credibility achieved by the company according to customer perception (Maryati et al., 2020). A specific, satisfying and effective corporate image is conveyed consistently through marketing and communication efforts so that the desired image can be realized (Alfian & Wendrita, 2023). Therefore, for service companies engaged in the financial sector, having a good image is very important.

According to Adona, corporate image is a mental impression or image of a company in the eyes of the public that is formed based on their own knowledge and experience (Putra et al., 2015). Meanwhile, Beil argues that corporate image is a collection of perceptions by consumers towards a company that makes a product or service which includes the credibility of the company, the company's distribution network and the company's popularity (Li et al., 2011). Corporate image is a mental image of a company that appears since someone sees the logo or hears it (Gray & Balmer, 1998). Corporate image is related to the general impression of consumers towards a company (Alguacil et al., 2022). This is why it is very important to develop and manage corporate image well since the brand was born.

Corporate image is important for every company because it is the overall impression formed in the minds of the public about the company. Image can be related to the business name, architecture, product variations, traditions, ideologies, and impressions of the quality of communication carried out by each employee who interacts with the company's clients. Corporate image can be perceived as a selective mental image because the overall impression

of the characteristics of a company will later form the company's image in the minds of the public (Indahingwati A., 2019).

The implementation of digital marketing strategies plays an important role in building and improving the company's image in the eyes of customers (Mustika et al., 2021; Lazuardi et al., 2022; Kennis & Octavia, 2024; & Cardoso, 2023). In the digital era, where information can be accessed quickly and easily, the company's image can be formed and changed through various digital channels. An effective digital marketing strategy focuses not only on promoting products or services, but also on how companies can build a positive and strong reputation through interactions with customers in the digital world.

Consistency in branding across digital platforms is key to building a strong and reliable image. When a company's message, visuals, and values are consistently conveyed, customers are more likely to recognize and trust the brand. Keller (2009) states that Consistency in branding across various digital channels enhances the company's image and fosters a strong brand identity. This helps companies build a sustainable positive perception in the eyes of customers.

Social media allows companies to interact directly with customers, building more personal and authentic relationships. According to Mangold and Faulds (2009), Social media acts as a powerful tool for companies to shape their image by engaging with customers and responding to their needs and concerns. Positive and responsive interactions on social media can improve a company's image by showing that the company cares about and is involved with its customers.

Content marketing is one of the most effective ways to build a company's image in the digital era. By providing valuable, educational, and relevant content, companies can demonstrate their expertise in the industry and build trust. Pulizzi (2012) stated that Content marketing allows companies to establish themselves as thought leaders, which significantly contributes to a positive brand image. Good content can also increase the credibility of the company in the eyes of customers.

Social media has become a major platform for companies to build relationships with customers. Through consistent and responsive interactions, companies can increase customer engagement and build a more human and trustworthy image. According to Mangold and Faulds (2009), Social media provides companies with the opportunity to engage directly with customers, thereby enhancing the company's image through real-time interactions. By utilizing social media effectively, companies can demonstrate their values, respond to feedback, and strengthen relationships with customers.

Content marketing strategies that provide valuable and educational information to customers help build a company's image as a thought leader in its industry. High-quality content can increase a company's credibility and create positive perceptions among customers. Pulizzi (2012) states that Content marketing allows companies to establish authority and trust, which are critical components in building a strong brand image. Relevant and useful content also increases the likelihood that customers will share that information, which in turn expands the company's reach and influence.

Based on theory and several previous studies, it appears that digital marketing has a strong relationship with the company's image. This means that if the company is able to implement a digital marketing strategy optimally, it will be able to form, improve, or even change customer perceptions of the company's image. In this context, digital marketing not only functions as a tool to reach a wider audience, but also as a mechanism to build trust, reputation, and closer relationships with customers. The impact of an effective digital marketing strategy can be felt directly in improving the company's image, either through increasing brand awareness, customer engagement, or a positive online reputation.

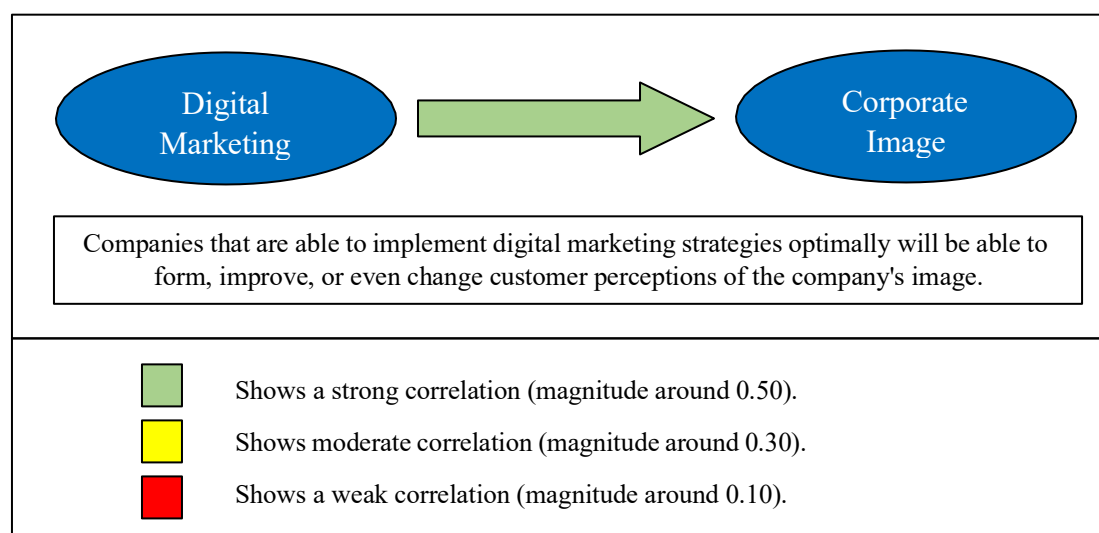


Figure 2. The Relationship Between Digital Marketing and Corporate Image

CONCLUSION

Digital marketing plays a very important role in increasing customer trust and corporate image in the digital era. Through the right strategy, companies can build closer relationships with customers, provide transparent information, and be consistent in conveying brand messages. This not only strengthens customer trust in the company, but also forms a positive and solid corporate image in the eyes of the public. By utilizing various digital channels such as social media, content marketing, and online reviews, companies can effectively strengthen their reputation and trust which ultimately contributes to long-term success.

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