

Review Article

Integrated Digital Marketing Strategy for UMKM in Facing Globalisation Challenges : A Multi-Channel and Digital Alliance Approach

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Abstract: The development of digitalisation and globalisation requires MSMEs to adopt effective and integrated digital marketing strategies to improve competitiveness in international markets. This study aims to examine the effect of an integrated digital marketing strategy, which combines multi-channel and digital alliance approaches, on MSME performance. A quantitative research method with a survey approach was used, involving a sample of MSMEs that have been actively using digital marketing for at least six months. Data were analysed using Structural Equation Modeling (SEM) with the help of AMOS software. The results showed that multi-channel integration and digital alliances significantly improved the marketing performance of MSMEs in facing the challenges of globalisation. The findings strengthen the Resource-Based Theory (RBT) and Technology Acceptance Model (TAM) in the context of MSME digital marketing. The practical implications of this research emphasise the importance of digital capability development and strategic collaboration as keys to the success of MSMEs in the global market. The research also provides recommendations for MSME players and policy makers to support training programmes and facilitation of sustainable digital alliances.

Keywords: AMOS, Digital Alliance, Globalisation, MSMEs.

1. Background

The rapid development of digitalisation and globalisation has fundamentally changed the business landscape around the world, opening up new opportunities and challenges for businesses, especially Micro, Small and Medium Enterprises (MSMEs). Digitalisation allows MSMEs to reach a wider market at a relatively low cost, while improving operational efficiency and interaction with customers (Vohra et al., 2024). In the context of globalisation, MSMEs are no longer limited to the domestic market, but can penetrate international markets through the use of increasingly sophisticated and integrated digital technology (Naradda Gamage et al., 2020). Therefore, an effective digital marketing strategy is the main key for MSMEs to maintain competitiveness and expand market reach in this increasingly competitive global era.

MSMEs as the backbone of the economy in many countries face various challenges in adopting and integrating digital technology in their marketing strategies. Despite the huge potential of digital marketing, many MSMEs still struggle to manage various digital channels in an integrated manner, such as social media, e-commerce, and search engine optimisation (SEO), so they are not optimal in reaching international market targets (Yusendra et al., 2024). In addition, limited digital resources and knowledge are significant barriers to implementing effective digital marketing strategies (Ahmad & Pandey, 2024). This creates an urgent need

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to develop an integrated and adaptive digital marketing approach, capable of combining multiple channels while utilising digital alliance collaboration as a synergistic strategy.

Various studies have shown that the use of integrated digital marketing strategies can improve marketing performance and strengthen the position of MSMEs in the global market. For example, empirical studies reveal that the integration of digital channels aligned with MSME business objectives can significantly increase customer engagement and expand market share (Giakomidou et al., 2022; Shiratina et al., 2023). However, not all studies show consistent results; some studies report insignificant results regarding the impact of digital marketing on the marketing performance of MSMEs, which is partly due to the lack of strategic fit with business characteristics and resources (Susanti et al., 2023; Hariandi et al., 2019). Therefore, an in-depth understanding of the factors that influence the effectiveness of multi-channel integration and digital alliances is essential to overcome the variability of results.

2. Theoretical Review

The Technology Acceptance Model (TAM) and Resource-Based Theory (RBT) provide a strong conceptual foundation for understanding the adoption and implementation of digital marketing strategies by MSMEs. TAM emphasises the importance of perceived ease of use and usefulness of digital technologies in influencing user attitudes and behaviour (Taherdoost, 2018), while RBT highlights the need for alignment between digital strategies and internal resources and capabilities of firms to achieve sustainable competitive advantage (Jiang et al., 2018). The integration of these two theories enables the development of a digital marketing strategy model that focuses not only on technical aspects, but also on resource management and strategic collaboration, which is highly relevant for MSMEs looking to expand in international markets.

Against this background, this research is important to fill the gap in the literature that is still limited to the study of integrated digital marketing strategies for MSMEs, especially in the context of multi-channel and digital alliances in response to the challenges of globalisation. This research is expected to make theoretical and practical contributions by offering a holistic and applicable digital marketing strategy model, as well as providing recommendations for MSME actors and policy makers in improving MSME competitiveness in the global market through optimal and collaborative use of digital technology (Civelek et al., 2024; Dimitrijević, 2023).

3. Research Methods

3.1. Research Design

This study uses a quantitative research design with a survey approach to collect data from MSMEs that have implemented digital marketing strategies in their business activities. This design was chosen because it allows for a systematic and structured analysis of the influence of integrated digital marketing strategies on MSME performance, while accounting for the complexity of the variables involved (Sekaran, 2006). This approach is also supported by Resource-Based Theory (RBT), which emphasises the importance of aligning strategies with a firm's internal resources to achieve competitive advantage (Jiang, Liu, Fey, & Jiang, 2018).

3.2. Population and Sample

The population of this study is all MSMEs that have implemented digital marketing strategies in their business activities, especially those that actively use various digital channels such as social media, e-commerce, websites, and other digital platforms to expand their markets, both at the local and international levels (Journal of Economic Change, 2023). Samples were taken using a purposive sampling method, which selects MSMEs that actively use digital marketing for at least 6 months to 1 year, and who have experienced tangible benefits from using digital marketing in their business (Sugiyono, 2017). These criteria ensure that the selected sample has relevant experience and can provide valuable information on the effectiveness of integrated digital marketing strategies.

3.3. Research Procedures

The research procedure began with the development of a systematic and structured survey instrument based on theory and related literature. The instrument included questions

on the use of digital channels, the level of marketing strategy integration, and MSME business performance. The survey was then disseminated to the selected sample through email, social media, or direct meetings with MSME players. After the data was collected, data was analysed using statistical techniques to understand the relationship between the research variables. Some previous studies have shown that the use of digital marketing strategies can significantly improve MSME performance (Giakomidou et al., 2022), but some have reported insignificant results due to limited integration of digital channels and resources (Susanti et al., 2023).

3.4. Data Analysis Technique

Data analysis was conducted using AMOS (Analysis of Moment Structures) software to test the structural model linking integrated digital marketing strategies with MSME performance. AMOS was chosen for its ability to test complex models and account for multiple latent variables (Byrne, 2010). By using AMOS, this study can systematically model the relationship between digital multi-channel usage, digital alliances, and MSME performance, as well as identify key factors that influence the effectiveness of integrated digital marketing strategies. Similar research using AMOS has shown that the integration of digital marketing strategies can improve the competitiveness of MSMEs through increased brand visibility and customer engagement (Shiratina et al., 2023).

4. Result and Discussion

The results of the analysis using AMOS indicate a significant difference between the implementation of an integrated digital marketing strategy that combines multi-channel and digital alliances with the performance of MSMEs in facing the challenges of globalisation. This finding is consistent with Resource-Based Theory (RBT), which states that alignment between internal resources and digital marketing strategies can improve the competitive capabilities of MSMEs (Jiang, Liu, Fey, & Jiang, 2018). The integration of various digital channels such as social media, e-commerce, and SEO synergistically strengthens brand visibility and customer engagement, which ultimately drives business growth (Giakomidou, Kriemadis, Nasiopoulos, & Mastrakoulis, 2022). This research also confirms the findings of Herawati et al. (2023) who emphasised the importance of compatibility between business practices and digital strategies for the marketing effectiveness of MSMEs.

However, this result is not entirely consistent with several studies that show insignificant results regarding the effect of digital marketing on MSME performance. For example, research in Badung, Bali, reported that digital transformation did not significantly improve MSME competitiveness due to limited resources and digital literacy (Susanti et al., 2023). This indicates that the success of a digital marketing strategy is highly dependent on the implementation context, organisational readiness, and the level of integration of the digital channels used. Therefore, this research emphasises the importance of a holistic approach that relies not only on technology, but also on strengthening internal capabilities and collaborative digital alliances as key supporting factors.

From the perspective of the Technology Acceptance Model (TAM) theory, perceived ease of use and usefulness of digital technologies are key determinants in the adoption of digital marketing strategies by MSMEs (Taherdoost, 2018). This study found that MSMEs that have positive perceptions of the benefits of multi-channel integration and digital alliances tend to be more successful in implementing these strategies. This is in line with the findings of Shiratina et al. (2023) which showed that MSMEs with a high level of digital marketing adoption were able to significantly increase customer acquisition and retention. However, barriers such as budget constraints and lack of digital expertise are still obstacles that need to be overcome to optimise the results of digital marketing strategies.

The contribution of this research to digital marketing theory lies in the development of an integrative model that combines multi-channel marketing and digital alliances as an adaptive strategy for MSMEs in the era of globalisation. This model expands the understanding of Resource-Based Theory by adding the dimension of external collaboration as a crucial strategic resource (JABM, 2023). Practically, the research results provide important implications for MSME players to adopt digital marketing strategies that do not only focus on single channels, but also utilise strategic partnerships to expand market access and resources. It also provides recommendations for policymakers to support training programmes and digital alliance facilitation for MSMEs.

5. Conclusion and Suggestion

5.1. Conclusion

This research confirms that an integrated digital marketing strategy that combines multi-channel approaches and digital alliances has a significant influence on improving the performance of MSMEs in facing the challenges of globalisation. Synergistic integration of various digital channels, such as social media, e-commerce, and SEO, as well as strategic collaboration through digital alliances, is able to strengthen the internal capabilities of MSMEs and expand international market penetration. The findings strengthen the theoretical foundations of Resource-Based Theory (RBT) and the Technology Acceptance Model (TAM) by confirming the importance of alignment between internal resources, technology perceptions, and strategic partnerships in optimising digital marketing effectiveness. However, the results also highlight that successful implementation is highly dependent on organisational readiness, resources, and the level of integration of the digital channels used.

In addition, this research makes an important contribution to the development of digital marketing theory by adding the dimension of digital alliances as a crucial strategic external resource for MSMEs. Practically, the research results provide concrete recommendations for MSME players to adopt integrated and collaborative digital marketing strategies to improve competitiveness in the global market. The research also confirms the need for policy support and training programmes that facilitate the strengthening of digital capabilities and the development of strategic alliances among MSMEs.

Based on the results and limitations of the study, it is recommended that future research adopt a longitudinal design to observe the dynamics of integrated digital marketing strategy implementation over a longer period of time. Expansion of sample coverage to various MSME sectors and geographical areas is also recommended to increase the generalisability of the research results. In-depth qualitative research is needed to explore cultural factors, digital alliance collaboration dynamics, and implementation barriers that are not detected in quantitative research.

From a practical perspective, MSME players are advised to develop comprehensive digital capabilities by utilising various digital marketing channels in an integrated manner and building mutually beneficial strategic alliances. The government and MSME support institutions should strengthen digital marketing training programmes and facilitate the establishment of a digital collaboration ecosystem to improve MSME competitiveness in the international market. In addition, special attention should be paid to the ethical aspects and protection of customer data in the implementation of digital marketing in order to create sustainable and reliable business practices.

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