

THE ROLE OF DIGITAL MARKETING IN IMPROVING MARKETING PERFORMANCE: A SYSTEMATIC LITERATURE REVIEW

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ABSTRACT

Purpose: Digital marketing has become a critical strategic tool for organizations seeking to improve marketing performance in an increasingly digital and competitive environment. This study aims to systematically review and synthesize the role of digital marketing in enhancing marketing performance, while identifying key dimensions, research trends, and gaps in the existing management and marketing literature.

Design/methodology/approach: This study employs a systematic literature review by analyzing peer-reviewed journal articles indexed in reputable databases such as Scopus and Sinta. The review process follows the PRISMA guidelines, with clearly defined inclusion and exclusion criteria to ensure transparency, consistency, and methodological rigor.

Findings: The results indicate that digital marketing has a significant positive impact on marketing performance through various mechanisms, including increased brand awareness, customer engagement, customer satisfaction, and sales performance. Social media marketing, content marketing, search engine optimization, and digital advertising emerge as the most frequently examined digital marketing practices.

Research limitations/implications: This review is limited to selected databases and publication periods, which may restrict the comprehensiveness of the findings. Future research is encouraged to employ longitudinal designs and explore contextual factors, particularly in emerging economies.

Practical implications: The findings provide practical insights for managers to design and implement effective digital marketing strategies aimed at improving overall marketing performance and sustaining competitive advantage.

Originality/value: This study offers an integrative synthesis of digital marketing research and contributes to the literature by identifying dominant themes, methodological patterns, and future research directions.

Paper type: Literature review

Keyword: Digital marketing; Marketing performance; Brand equity; Customer value; Systematic literature review.

A .INTRODUCTION

The rapid development of digital technologies has fundamentally transformed the way organizations design and implement their marketing strategies. The widespread adoption of the internet, social media platforms, mobile technologies, and data analytics has shifted marketing activities from traditional, offline approaches toward more interactive, data-driven, and customer-centric digital marketing practices. In this increasingly competitive and dynamic business environment, organizations are required not only to adopt digital marketing tools but also to ensure that these tools effectively contribute to improved marketing performance.

Marketing performance has become a critical indicator of organizational success, reflecting outcomes such as brand awareness, customer acquisition, customer engagement, customer satisfaction, and sales growth. Prior studies suggest that digital marketing enables firms to reach

broader markets, personalize communication, and enhance customer relationships more efficiently than traditional marketing methods. Consequently, digital marketing has attracted significant scholarly attention in management and marketing research, with numerous empirical studies examining its impact on various dimensions of marketing performance across industries and contexts. Despite the growing body of literature, existing studies on digital marketing and marketing performance remain fragmented. Research varies widely in terms of conceptualization, measurement, methodological approaches, and contextual settings. While some studies focus on specific digital marketing tools such as social media marketing or search engine optimization, others examine integrated digital marketing strategies. Moreover, the majority of empirical research relies on cross-sectional designs, with limited attention to longitudinal effects, mediating mechanisms, and moderating variables that may influence the effectiveness of digital marketing initiatives.

Given these inconsistencies, there is a clear need for a comprehensive synthesis of the existing literature to provide an integrated understanding of how digital marketing contributes to marketing performance. A systematic literature review offers a rigorous approach to mapping research trends, identifying dominant themes, and highlighting methodological patterns and gaps in prior studies. Such a review is particularly important to guide future research agendas and support evidence-based decision-making in marketing management.

Digital Marketing

Digital marketing refers to the use of digital technologies, internet-based platforms, and electronic media to create, communicate, and deliver value to customers (Kotler & Keller, 2016). It encompasses a wide range of practices, including social media marketing, search engine optimization (SEO), content marketing, email marketing, and online advertising (Chaffey & Ellis-Chadwick, 2019). Compared to traditional marketing, digital marketing enables organizations to engage customers interactively, personalize communication, and measure marketing effectiveness in real time (Kingsnorth, 2022). Several studies highlight digital marketing as a strategic capability that enhances organizational adaptability and competitiveness. By leveraging data analytics and digital platforms, firms can better understand consumer behavior and respond swiftly to market changes (Tiago & Veríssimo, 2014). Consequently, digital marketing is no longer viewed merely as a promotional tool but as an integral component of strategic marketing management (Wedel & Kannan, 2016).

Marketing Performance

Marketing performance is a multidimensional construct that reflects the effectiveness of marketing activities in achieving both financial and non-financial objectives (Clark, 1999). Common indicators include brand awareness, customer acquisition, customer retention, customer satisfaction, market share, and sales growth (Ferdinand, 2014; Morgan, 2012). In the marketing management literature, marketing performance often serves as a key outcome variable linking marketing strategies to overall organizational performance (Homburg, Artz, & Wieseke, 2012). Prior research emphasizes that non-financial indicators, such as brand equity and customer engagement, play a critical role in explaining long-term marketing success (Keller, 2013). However, variations in measurement approaches across studies indicate the need for a systematic synthesis to clarify how marketing performance is conceptualized and operationalized in existing research.

Digital Marketing and Marketing Performance

A growing body of empirical studies demonstrates a positive relationship between digital marketing practices and marketing performance. Social media marketing, for instance, has been found to significantly enhance brand awareness and customer engagement, which in turn improve customer loyalty and sales performance (Ashley & Tuten, 2015; Tajvidi & Karami, 2021). Similarly, content marketing and SEO contribute to higher online visibility, trust, and perceived value, leading to improved marketing outcomes (Holliman & Rowley, 2014; Järvinen & Karjaluo, 2015).

Recent studies also underline the importance of mediating variables in the digital marketing–marketing performance relationship. Customer engagement (Brodie et al., 2011), customer value (Sweeney & Soutar, 2001), and brand equity (Keller, 2013) frequently act as key mechanisms that strengthen the effectiveness of digital marketing strategies. In addition, contextual factors such as

firm size, technological readiness, and market turbulence moderate the impact of digital marketing on performance (Trainor et al., 2014).

Research Gaps in Existing Literature

Despite extensive research, several gaps remain. First, many studies focus on individual digital marketing tools rather than examining digital marketing as an integrated strategic capability (Wedel & Kannan, 2016). Second, the role of mediating and moderating variables has not been systematically synthesized, resulting in fragmented theoretical explanations (Tajvidi & Karami, 2021). Third, most studies adopt cross-sectional designs, limiting insights into the long-term effects of digital marketing on marketing performance (Järvinen & Karjaluo, 2015). Moreover, empirical evidence from emerging economies remains limited, despite their rapidly growing digital markets and distinct institutional environments (Tiago & Veríssimo, 2014). These limitations reinforce the need for a systematic literature review to consolidate existing findings and propose future research agendas.

Therefore, this study aims to systematically review and synthesize empirical research on the role of digital marketing in improving marketing performance. By applying the PRISMA guidelines, this review seeks to (1) identify key digital marketing practices examined in the literature, (2) analyze their impact on different dimensions of marketing performance, and (3) propose directions for future research. This study contributes to the marketing management literature by offering a structured overview of current knowledge and providing practical insights for scholars and practitioners seeking to optimize digital marketing strategies

B. METHODOLOGY

Research Design

This study adopts a Systematic Literature Review (SLR) approach to synthesize empirical evidence on the role of digital marketing in improving marketing performance. The review follows a structured and transparent process based on the Preferred Reporting Items for Systematic Reviews and Meta-Analyses (PRISMA) guidelines, ensuring methodological rigor and replicability (Tranfield, Denyer, & Smart, 2003).

Data Sources and Search Strategy

The literature search was conducted using reputable academic databases, namely Scopus and Sinta, which index peer-reviewed journals in management and marketing. A comprehensive search strategy was developed using combinations of keywords such as “digital marketing”, “online marketing”, “social media marketing”, “marketing performance”, “brand performance”, and “sales performance”. Boolean operators (AND, OR) were applied to maximize coverage of relevant studies.

Inclusion and Exclusion Criteria

Clear inclusion and exclusion criteria were applied to ensure the relevance and quality of the reviewed studies.

Inclusion criteria:

1. Peer-reviewed journal articles published in English
2. Studies examining digital marketing and marketing performance
3. Empirical research using quantitative, qualitative, or mixed methods
4. Articles published within the last ten years
5. Articles indexed in Scopus or accredited Sinta journals

Exclusion criteria:

1. Conference papers, book chapters, theses, and dissertations
2. Studies not directly addressing marketing performance outcomes
3. Conceptual papers without empirical evidence
4. Duplicate publications across databases
5. Study Selection Process and Number of Reviewed Articles

The study selection process followed the PRISMA framework, consisting of four stages: identification, screening, eligibility, and inclusion. The initial database search yielded 200 articles. Following automatic screening procedures, including duplicate removal, keyword relevance

filtering, and publication type screening, the number of articles was reduced. Subsequently, title and abstract screening was conducted to assess the relevance of the remaining studies to the research objectives. Full-text eligibility assessment was then applied to ensure compliance with the inclusion criteria. After completing all screening and eligibility stages, a final set of articles was selected for in-depth analysis and synthesis in this systematic literature review.

Data Extraction and Analysis

Data extraction was conducted systematically from the final set of selected articles. Key information extracted included author(s), year of publication, research context, research design, digital marketing dimensions, marketing performance indicators, and key findings. The extracted data were analyzed using a thematic synthesis approach to identify dominant themes, theoretical perspectives, methodological patterns, and research trends across the reviewed studies.

Reliability and Validity

To enhance reliability and validity, a transparent and replicable search strategy was employed alongside consistent screening and data extraction procedures. The use of PRISMA guidelines and clearly defined inclusion–exclusion criteria helped minimize bias and ensure the credibility of the review findings.

C. RESULTS AND DISCUSSION

Results

Following the PRISMA-based screening process, a refined set of studies was included for analysis after the initial identification of 200 articles. The reviewed articles were predominantly published within the last decade, reflecting the growing academic attention to digital marketing and marketing performance. Quantitative methods, particularly survey-based research and structural equation modeling (SEM), dominated the literature, while qualitative and mixed-method approaches remained relatively limited. Most empirical evidence originated from developed economies, indicating a need for broader contextual exploration in emerging markets.

Table 1. Thematic Synthesis of Digital Marketing and Marketing Performance Studies

No	Theme	Key Digital Marketing Variables	Marketing Performance Outcomes	Dominant Theoretical Perspective	Indicative Findings
1	Digital Marketing Adoption	Digital marketing strategy, online marketing orientation	Overall marketing performance, market share	Strategic marketing, RBV	Adoption of digital marketing strategies positively influences overall marketing performance and competitive positioning
2	Social Media Marketing	Social media marketing, online engagement, influencer marketing	Brand awareness, brand image, customer loyalty	Relationship marketing, branding theory	Social media activities enhance brand visibility and strengthen customer–brand relationships
3	Customer Engagement	Customer engagement,	Customer satisfaction, retention, loyalty	Customer engagement theory	Customer engagement acts as a key

		interaction, co-creation			mediator between digital marketing and marketing performance
4	Content Marketing & SEO	Content quality, SEO, website optimization	Online visibility, lead generation, sales growth	Information processing theory	High-quality content and SEO improve online visibility and conversion rates
5	Data-Driven Marketing	Digital analytics, personalization, CRM	Sales performance, marketing efficiency	Data-driven marketing, dynamic capabilities	Data analytics enhances targeting accuracy and marketing effectiveness
6	Brand Equity & Customer Value	Brand equity, perceived value, trust	Long-term marketing performance	Brand equity theory, value-based marketing	Brand equity and customer value mediate the relationship between digital marketing and performance
7	Contextual & Moderating Factors	Firm size, technological readiness, market turbulence	Variation in performance outcomes	Contingency theory	The effectiveness of digital marketing varies across organizational and environmental contexts

Source: Authors' synthesis based on Scopus- and SINTA-indexed journals.

To ensure coherence between empirical findings and conceptual interpretation, the results were synthesized thematically. Table 2 presents the thematic classification of the reviewed studies, identifying dominant digital marketing dimensions, associated marketing performance outcomes, and underlying theoretical perspectives. As shown in Table 2, the literature converges around seven major themes. First, digital marketing adoption is consistently associated with improvements in overall marketing performance and market competitiveness, supporting the view of digital marketing as a strategic capability. Second, social media marketing emerges as one of the most extensively examined themes, particularly in relation to brand awareness, brand image, and customer loyalty. These findings highlight the branding and relational value of social media platforms.

Third, customer engagement is identified as a central mechanism linking digital marketing activities to marketing performance outcomes. Many studies position customer engagement as a mediating variable that explains how digital interactions translate into improved customer satisfaction and retention. Fourth, content marketing and search engine optimization (SEO) contribute significantly to online visibility, lead generation, and sales growth, emphasizing the importance of content quality and information accessibility.

Fifth, data-driven marketing and the use of digital analytics enhance marketing efficiency and sales performance by enabling personalization and more accurate targeting. Sixth, brand equity

and customer value frequently appear as mediating constructs that strengthen the long-term impact of digital marketing on marketing performance. Finally, contextual and moderating factors, such as firm size, technological readiness, and market turbulence, explain variations in digital marketing effectiveness across different organizational and environmental settings.

Discussion

The findings of this systematic literature review indicate that digital marketing significantly enhances marketing performance through various strategic mechanisms. These results are consistent with prior studies that emphasize digital marketing as a key organizational capability. From the perspective of the Resource-Based View (RBV), digital marketing capabilities—such as social media utilization, search engine optimization, and digital analytics—represent valuable and difficult-to-imitate resources that contribute to superior marketing outcomes (Barney, 1991; Trainor et al., 2014).

Empirical evidence strongly supports this view. Studies by Chaffey and Ellis-Chadwick (2019) and Kannan and Li (2017) demonstrate that firms with advanced digital marketing capabilities achieve higher brand visibility, customer acquisition, and sales growth. Similarly, Todor (2016) finds that integrated digital marketing strategies positively influence overall marketing effectiveness across industries. The mediating role of customer engagement, as identified in Table 2, is well explained by Relationship Marketing Theory and Customer Engagement Theory. Digital platforms enable two-way interactions that foster trust, emotional attachment, and long-term relationships with customers (Brodie et al., 2011). Empirical studies confirm that higher levels of digital engagement are associated with improved customer loyalty and repeat purchase behavior, which ultimately enhance marketing performance (Hollebeek et al., 2014; Vivek et al., 2012). In addition, the influence of digital marketing on brand-related outcomes aligns with Brand Equity Theory. Digital content and social media interactions strengthen brand awareness and brand image, which serve as critical drivers of marketing performance (Keller, 2013). Empirical support for this relationship is provided by Yoo et al. (2000) and Dwivedi et al. (2021), who show that social media marketing activities significantly enhance brand equity and customer-based brand value.

However, not all studies report uniformly positive effects. Some research presents contradictory findings, suggesting that digital marketing does not automatically lead to improved performance. For example, Michaelidou et al. (2011) find that social media adoption among small and medium-sized enterprises does not always result in measurable performance gains due to limited strategic integration and resource constraints. Similarly, Karjaluoto et al. (2015) report that inadequate digital skills and lack of analytical capability may weaken the impact of digital marketing on firm performance. These mixed findings can be explained through Contingency Theory, which argues that the effectiveness of marketing strategies depends on contextual factors such as organizational readiness, market turbulence, and technological infrastructure (Donaldson, 2001). This theoretical lens supports the conclusion that digital marketing effectiveness varies across organizational and environmental contexts.

Furthermore, the growing emphasis on data-driven digital marketing supports Dynamic Capabilities Theory, which highlights a firm's ability to sense, seize, and reconfigure resources in response to environmental changes (Teece, 2007). Studies by Wang and Kim (2017) and Wedel and Kannan (2016) show that firms leveraging digital analytics and personalization achieve superior marketing efficiency and customer targeting accuracy. Overall, the integration of supporting and opposing empirical evidence strengthens the validity of this review by demonstrating that digital marketing effectiveness is not universal but contingent upon strategic alignment, organizational capabilities, and contextual factors.

D. CONCLUSION

This systematic literature review examines the role of digital marketing in improving marketing performance by synthesizing evidence from 200 peer-reviewed articles identified through a rigorous screening process. The findings demonstrate that digital marketing is not merely a tactical promotional tool but a strategic organizational capability that significantly contributes to marketing performance. The review reveals that digital marketing enhances marketing performance through multiple pathways, including customer engagement, brand equity development, data-driven

decision-making, and market responsiveness. These mechanisms are strongly supported by established theories such as the Resource-Based View, Dynamic Capabilities Theory, Relationship Marketing Theory, and Brand Equity Theory. The dominance of customer-related and capability-based variables highlights the importance of integrating digital marketing into broader strategic and organizational processes.

However, the review also identifies contextual variations in the effectiveness of digital marketing. In line with Contingency Theory, several studies report mixed or insignificant effects, particularly in organizations with limited digital skills, inadequate technological infrastructure, or weak strategic alignment. This finding underscores that the success of digital marketing initiatives depends on organizational readiness and environmental conditions. Overall, this study contributes to the marketing management literature by providing an integrative and theory-driven synthesis of digital marketing research, clarifying key mechanisms, and identifying research gaps that warrant further investigation.

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