E-marketing Strategy and its Effect on Revenue and Customer Loyalty

Eliyanti Agus Mokodompit, Bahtiar Efendi, Ervana Chyrinne, Robbikal Muntaha Meliala, Silvina Mayasari

Universitas Halu Oleo, Indonesia
Universitas Sains Al-Qur'an (Unsiq) Jawa Tengah di Wonosobo, Indonesia
Universitas Insan Pembangunan Indonesia (UNIPI), Indonesia
Universitas Bina Sarana Informatika, Indonesia
Universitas Bina Sarana Informatika, Indonesia

eliyantagusmokodompit@uho.ac.id, bahtiarefd@unsiq.ac.id, echyrinne@gmail.com, robbikal.rtl@bsi.ac.id, silvina.svm@bsi.ac.id

ABSTRACT

In the rapidly evolving digital era, businesses and organisations must adapt to technological changes and changing consumer behaviour. One important aspect in dealing with these changes is the use of e-marketing strategies. The purpose of this study is to analyse e-marketing strategies and their effect on revenue and customer loyalty. This research is a literature review that adopts a qualitative method approach, which means it will analyse and interpret data by relying on information and text from various sources. The study results show that electronic marketing, or e-marketing, is a key element in the marketing strategy of modern companies. It is supported by advances in information and communication technology that have changed the way businesses operate. E-marketing has a significant influence on a company's revenue by increasing visibility, attracting new customers, and retaining existing customers. In addition, this strategy can also strengthen customer loyalty and help companies make smarter decisions through data analysis.

Keywords: E-marketing, Revenue, Customer Loyalty

INTRODUCTION

In the rapidly evolving digital age, businesses and organisations must proactively adapt to technological developments and changing consumer behaviour (Verhoef et al., 2021). One very important aspect in dealing with these dynamics is the ability to utilise e-marketing strategies wisely. E-marketing, also known as electronic marketing, encompasses a wide array of techniques and tools used to promote products or services through various online platforms such as websites, social media, email, and various other digital platforms (Dwivedi et al., 2021). By properly utilising the potential of e-marketing, businesses can expand their reach, interact more closely with customers, and increase their marketing success in this competitive digital world. In other words, e-marketing is the key to staying relevant and competitive in today's rapidly changing business landscape.

Online marketing has transcended geographical boundaries and has evolved into one of the key elements in business strategy for many companies (Teo, 2005). Not only does it provide greater access to the global market, but it also opens the door to abundant opportunities to interact more closely with potential as well as existing customers. This means that companies can more deeply understand customer preferences and behaviour, while providing more personalised and relevant solutions (Lemon & Verhoef, 2016). However, while the potential offered by e-marketing strategies
is huge, its effectiveness and impact on revenue and customer loyalty are still issues that need further attention. More research needs to be done to understand how certain online marketing tactics affect revenue generation and to what extent the use of digital platforms can strengthen the bond between brands and customers. With a deeper understanding of these aspects, companies can optimise their e-marketing strategies, making them a more powerful tool in achieving long-term business success.

On the other hand, changes in consumer behaviour related to online purchases and interactions with brands have created new challenges that require serious attention from companies (Daroch et al., 2021). Diving into the digital world, companies must deeply understand how customers behave online, what they are looking for, and the purchase decision-making process they go through. This requires a deeper understanding of customers’ evolving preferences, behaviours and needs in the highly dynamic digital realm. Moreover, with competition getting fiercer in the ever-evolving online marketplace, companies are also faced with the daunting task of differentiating themselves from the rest of the competition. Establishing a strong brand identity and building customer loyalty is of paramount importance (Zulfikar, 2023). This involves not only the wise use of e-marketing strategies, but also a focus on exceptional customer experiences and the value provided to them. Companies that successfully navigate these challenges and pursue innovation when it comes to online marketing will have a strong competitive advantage in this ever-changing digital world.

In this context, this study aims to investigate the different e-marketing strategies used by companies, and the extent to which these strategies affect their revenue. In addition, this research will also explore the impact of e-marketing strategies on customer loyalty. As such, this research will provide a better understanding of how companies can optimise the use of e-marketing to increase their revenue and build stronger relationships with customers. In this increasingly digitally connected era, research on e-marketing strategies and their impact is highly relevant and can provide valuable insights for companies looking to remain competitive in an ever-changing market.

LITERATURE REVIEW

E-Marketing

E-Marketing, or Electronic Marketing, refers to the use of technology and digital media to conduct marketing and promotional activities for products or services (Umami & Darma, 2021). It is a crucial component of digital marketing that encompasses all marketing efforts carried out through online platforms and channels. E-Marketing includes various strategies and techniques designed to reach target audiences, build brand awareness, influence purchases, and establish online customer relationships (Pratama & Kusumawardhani, 2021). Here are some key components of E-Marketing:

1. Website: Having a professional and informative website is a cornerstone of E-Marketing. The website serves as the starting point for potential customers to understand your products or services and can be used for direct product sales or redirecting customers to other sales channels.

2. Search Engine Optimization (SEO): SEO is the practice of improving your website's visibility on search engines like Google. This is done by optimizing content and website structure to make it easier for people searching for relevant information to find.

3. Social Media: The use of social media platforms such as Facebook, Twitter, Instagram, and LinkedIn to interact with customers, share content, and build a community is a crucial part of E-Marketing. Social media can also be used for targeted paid advertising.

4. Email Marketing: This involves sending marketing messages to a list of subscribers through email. Email marketing can be used to send promotions, news, product updates, and more to customers who have given permission.

5. Online Advertising: This includes various forms of digital advertising such as banner ads, search ads (e.g., Google AdWords), video ads, and more. Online ads are typically used to increase brand awareness, drive traffic to websites, and generate sales.
6. Digital Content: Creating high-quality content such as blog articles, videos, infographics, and more is a way to provide added value to your audience. This content can be used to educate, entertain, and influence customers.

7. Analysis and Tracking: E-Marketing is often supported by robust data analysis. By collecting and analyzing data, companies can understand the performance of their marketing campaigns, identify trends, and make better decisions for continuous improvement.

   E-Marketing is crucial in the digital age because of the vast number of people interacting online. It allows companies to reach a broader audience, measure results more accurately, and adapt to changes in consumer behavior more efficiently than traditional marketing methods.

**Revenue**

Revenue refers to the amount of money or resources earned by individuals, businesses, or other entities as a result of economic activities conducted within a specific period (Suryahadi, 2018). Revenue can come from various sources and forms, including salary, business income, investments, and more (Iskandar, 2017). Here are some common examples of revenue:

1. **Personal Income**: This is the amount of money earned by individuals from various sources such as salary from employment, bonuses, commissions, as well as income from side businesses or personal investments.
2. **Business Revenue**: Business revenue refers to the total receipts earned by a company or business as a result of selling their products or services to customers. This includes product sales, service revenue, rentals, and various other forms of business income.
3. **Investment Income**: This is income earned from financial investments such as dividends from stocks, interest from bonds, rental income from properties, and so on.
4. **Passive Income**: Income earned without the need for active involvement in activities. This may include royalties from copyrights or patents, income from third-party-managed investment properties, or income from businesses with passive ownership.
5. **Fixed Income**: Income received regularly over a specific period. Examples of fixed income include monthly job salaries, monthly rental income from properties, or periodic dividend payments.
6. **Variable Income**: Income that can fluctuate from period to period. This may occur in jobs with variable commissions, seasonal businesses, or investments with varying returns.

Revenue is a crucial indicator in measuring the economic capability of individuals or entities. It allows them to meet daily needs, pay off debts, invest for the future, and achieve various financial goals. Additionally, in the business context, revenue is one of the key parameters used to measure company performance and evaluate business growth.

**Customer Loyalty**

Customer loyalty refers to the level of commitment or dedication a customer has to a particular brand, product, or service (Moretta Tartaglione et al., 2019). It describes the extent to which a customer tends to choose and purchase a specific company's products or services repeatedly, even when there are many alternatives available in the market. Customer loyalty is a critical element in marketing and business, as loyal customers often provide long-term benefits to companies, including repeat sales, referrals, and positive feedback (Fook & Dastane, 2021). There are several signs and characteristics that indicate customer loyalty:

1. **Repeat Purchases**: Loyal customers consistently buy products or services from the same company. They do not frequently switch to other brands or providers.
2. **Referrals and Recommendations**: Loyal customers are more likely to recommend products or services to others, such as friends, family, or business associates.
3. **Active Participation**: They may participate in loyalty programs, provide feedback, or engage with the company's community.
4. **Price Tolerance**: Loyal customers may be more willing to pay a slightly higher price for a product or service they prefer compared to searching for cheaper alternatives.
5. **Loyalty in Crisis**: Even in situations of issues or disruptions in service, loyal customers tend to give the company a chance to resolve problems and stay with them.
6. Resistance to Competition: They are less influenced by promotional offers or advertising from competitors because they have developed strong preferences for a particular brand. The importance of customer loyalty in business lies in the fact that retaining existing customers is often more cost-effective than acquiring new ones. Furthermore, loyal customers tend to generate higher revenue over the long term because they continue to make purchases from the company. Therefore, companies often invest in strategies and programs designed to build and maintain customer loyalty, such as loyalty reward programs, excellent customer service, and ongoing communication.

RESEARCH METHOD

This research embodies a qualitative literature review, which involves the examination and interpretation of data by drawing upon information and textual sources from diverse origins. The primary aim of this qualitative literature review is to gather, evaluate, and amalgamate the existing body of knowledge related to the specific topic of interest, specifically focusing on e-marketing strategies and their impact on revenue and customer loyalty. Throughout this study, data will be sourced from various relevant outlets, including academic journals, books, research reports, and related articles. The data collection period spans from 2005 to 2023, allowing the researcher to monitor developments, trends, and shifts that have occurred during this time frame.

The qualitative approach employed in this literature review enables researchers to comprehensively expound upon intricate and multifaceted issues with greater depth (Elo et al., 2014). Furthermore, this methodology facilitates the inclusion of a multitude of information sources and consideration of diverse perspectives, thereby enriching the analysis and enhancing the credibility of the findings. The data collection process will involve meticulous scrutiny of textual materials, systematic retrieval of information, and the categorization of relevant data pertaining to the research subject. Subsequently, the author will systematically organize this information, draw comparisons, and synthesize insights derived from various sources while identifying discernible patterns, recurring themes, and evolving trends inherent in the amassed data.

A notable advantage of employing a qualitative literature review lies in its adaptability for comprehending and elucidating intricate phenomena, unconstrained by numerical or statistical limitations (Rahman, 2016). This approach also empowers researchers to gain profound insights into the evolution of the subject matter over time, as well as the evolution of conceptualizations and perceptions related to the topic throughout the years. Throughout this research endeavor, it is of utmost importance to scrutinize the reliability and credibility of the utilized sources and subject the gathered information to critical analysis. Embracing a qualitative approach necessitates the presentation of findings in an objective and reflective manner, providing clear and accurate interpretations while acknowledging the inherent limitations of the employed methods and data sources (Bradshaw et al., 2017). The culmination of this research is poised to provide a comprehensive overview of the development of the subject matter under investigation during the period from 1996 to 2023 and may also offer recommendations for future investigations aimed at further enhancing the understanding of topics related to the subject.

RESULTS AND DISCUSSION

Electronic marketing, better known as e-marketing, has transformed into one of the key elements in the marketing strategies of modern companies. Advances in information and communication technology have significantly altered the business landscape, prompting companies to adopt e-marketing strategies as a key pillar in their efforts to reach increasingly diverse target markets and optimise their revenues (Rizvanović et al., 2023). In this in-depth analysis, we will explore the various dimensions of e-marketing strategies that involve the use of online platforms such as websites, social media, email marketing, and other digital techniques. Not only will we discuss the implementation of these techniques, but we will also explore their significant impact on company revenue as well as customer loyalty. By understanding how important e-marketing is in today's business world, we will outline how companies can design effective strategies, focus on
creating value for customers, and utilise ever-evolving technological innovations to achieve long-term success. In doing so, we hope to provide a deep insight into the role of e-marketing in shaping the future of marketing and business.

An e-marketing strategy is an approach that involves using various online platforms and channels to promote a company's products or services (Rosário & Dias, 2023). It includes elements such as social media, email marketing, online advertising, and digital content specifically designed to achieve marketing objectives. One of the key benefits that makes e-marketing so desirable is its ability to reach a larger and more segmented audience than conventional promotional methods (Jaas, 2022). With the right tools, companies can detail relevant and targeted messages to a more specific group of customers, allowing them to capture the attention of more appropriate prospects and build stronger brand awareness. However, the importance of e-marketing does not only lie in the use of various online channels. Rather, it also allows companies to measure results in a more granular and real-time manner, thus facilitating in-depth data analysis to understand consumer behaviour and campaign success rates. With the data obtained from e-marketing strategies, companies can make better adjustments to their approach, optimise marketing investments, and improve their overall operational efficiency. Therefore, an e-marketing strategy is not just about reaching a larger audience, but also about creating a more personalised customer experience, better measuring impact, and improving overall business performance.

In addition, an effective e-marketing strategy has great potential to deliver increased company revenue by utilising a number of sophisticated approaches (Li et al., 2021). One of the most prominent ways is by optimising their website for SEO (Search Engine Optimisation). This involves improving content, the use of relevant keywords, as well as a deep understanding of search engine algorithms. By implementing a strong SEO strategy, companies can improve their website’s ranking in search results, which will ultimately result in a greater increase in organic traffic to their website (Tomasi & Li, 2015). With this traffic growth, the opportunity to attract more potential customers and increase sales becomes even greater. In addition, the use of targeted online advertising is also an important component of a successful e-marketing strategy (Ausat et al., 2023). Through smart and carefully targeted advertising, companies can reach audiences relevant to their products or services, which can lead to higher conversions. In addition, companies can adopt dynamic pricing strategies and online promotions tailored to customer behaviour data to stimulate purchases, increase average order value, and optimise overall revenue. By incorporating these elements in their e-marketing strategy, companies can achieve impressive results in increasing their revenue in an increasingly competitive business ecosystem.

E-marketing not only impacts a company's revenue, but also has great potential to strengthen relationships and increase customer loyalty, which is one of the key factors in a company's long-term success. By communicating regularly through email marketing, social media, or other online channels, companies can maintain a bond with their customers (Maitri et al., 2023). This opens the door to a variety of initiatives that can deepen relationships, such as loyalty programmes that incentivise returning customers, exclusive offers that are only given to loyal customers, and content delivery that is relevant to customers' individual needs and interests. In addition, careful use of customer data also enables personalisation of messages and a more immersive customer experience. By better understanding customer preferences and behaviour, companies can deliver more relevant and engaging messages, which in turn can increase customer loyalty. By investing in strong customer relationships, companies can create more special and memorable experiences, build trust, and open up opportunities for long-term growth through high customer referrals and retention (Sutrisno et al., 2023). Thus, e-marketing is not just about acquiring new customers, but also about retaining them and fostering a solid bond for the future.

Besides being an effective tool to increase revenue and customer loyalty, e-marketing strategies also open the door for companies to conduct in-depth data analysis and make smarter decisions. Customer data and online behaviour become valuable in measuring marketing campaign performance, identifying opportunities for improvement, and optimising marketing budget allocation (Harini et al., 2023). Through monitoring metrics such as conversion rate, click rate, and conversion value, companies can break down the impact of their e-marketing strategies at a very
detailed level. This means companies can identify trends, track developments over time, and measure ROI (Return on Investment) more accurately. In addition, careful data analysis can also help companies identify more in-depth customer profiles, understand their preferences, and predict future trends (Romdhane et al., 2010). By utilising advanced data analysis tools, companies can identify their most valuable customer segments, personalise their messages and experiences, and design more focused e-marketing strategies. Thus, e-marketing becomes not only a tool to achieve marketing goals today, but also a foundation for smart decision-making and more effective strategies in the future.

Of course, while e-marketing strategies bring many benefits, they also come with a number of challenges that companies need to face. First of all, competition in the online realm can be fierce (Garcia et al., 2013). With so many players in the digital market, it is difficult for companies to maintain consistent online visibility (Pascucci et al., 2023). This requires companies to devise highly competitive e-marketing strategies, which include the creation of engaging content, the use of effective advertising strategies, and a deep understanding of their customers' online behaviour. In addition, algorithm changes on social media platforms, such as Facebook or Instagram, can have a huge impact on reach and interaction with audiences. Therefore, companies must remain flexible and ready to adapt to these changes in order to remain effective in their e-marketing campaigns. In addition to competitive challenges, companies also need to pay attention to customer data protection and compliance with increasingly stringent privacy regulations. In an era where customer data is highly valuable, privacy breaches can damage a company's reputation and lead to serious legal issues. Therefore, companies must take serious measures to protect their customers' data by using sophisticated data security and complying with applicable privacy regulations, such as GDPR in Europe or CCPA in California. This is not only an ethical responsibility, but also a necessity to maintain customer trust and maintain legal compliance in an increasingly stringent and rapidly changing e-marketing environment.

To summarise, e-marketing strategies have a significant impact on revenue and customer loyalty, and can serve as a strong foundation for company growth in this digital age. With the right approach, companies can optimise their visibility in the dynamic online world, which in turn will help attract new customers and retain existing ones. Moreover, it is important to remember that e-marketing success depends not only on strategy execution, but also on careful data analysis and smart decision-making. In-depth data analysis allows companies to better understand customer behaviour and preferences, which can guide them in designing more effective campaigns. Using this data to break down metrics such as conversion rate, click rate, or conversion value allows companies to more accurately measure and monitor the performance of their campaigns. In addition, smart decision-making in terms of marketing budget allocation, selection of the most effective online channels, and optimisation of marketing strategies will help companies achieve better results in the competitive world of e-marketing. Therefore, while e-marketing strategies provide great opportunities for companies, the use of data and smart decision-making will be the key to achieving sustainable success in an ever-changing business environment.

CONCLUSION

Electronic marketing, or better known as e-marketing, has evolved into a very important ingredient in the marketing strategies of modern companies. It is guided by advances in information and communication technology that have fundamentally changed the way businesses operate. E-marketing not only has a significant influence on a company's revenue, but also makes important contributions in various other aspects. By designing and executing an effective e-marketing strategy, companies can increase their visibility in the ever-evolving digital world, attract the attention of new customers, as well as retain existing customers with a more personalised approach. However, the positive impact of e-marketing is not just limited to revenue growth. It also plays an important role in strengthening customer loyalty, which is the foundation of long-term success. Through loyalty programmes, relevant content delivery, and exclusive offers, companies can build stronger bonds with their customers. Moreover, the careful use of customer data in e-marketing strategies allows companies to conduct in-depth data analyses, which in turn helps them make
smarter and more targeted decisions. In other words, e-marketing does not only mean increasing revenue, but also embracing changes in customer behaviour, strengthening customer relationships, and applying data-driven decision-making to achieve success in this increasingly dynamic business landscape. Suggestions that can be given for the results of this study include:

a) Continue to Improve Online Presence: Companies should continue to grow their online presence by maintaining an optimised website, being active on social media, and utilising relevant online advertising. This will help them reach and retain a larger audience.

b) Personalise the Customer Experience: Use customer data wisely to personalise messages and experiences. Loyalty programmes, exclusive offers, and regular communication through email marketing can help strengthen customer relationships.

c) Deep Data Analysis: Continuously collect and analyse customer data and marketing campaign performance. This will help companies make smarter decisions about their marketing budget allocation and e-marketing strategies.

d) Response to Challenges: Always adapt to changes in the fast-changing online environment. Pay attention to online competition and changes in social media algorithms, and be ready to respond quickly.

e) Data Security: Protect customer data with the utmost care and ensure the company complies with all applicable privacy regulations.

By following these suggestions, companies can maximise the benefits of their e-marketing strategies and face the challenges that may arise in the ever-evolving world of digital marketing.

REFERENCES


