

# The Impact Of Digital Marketing Strategies On Competitive Advantage In E-Commerce Industry E-Business As A Mediator

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### Abstract

The research aims to identify the impact of digital marketing strategies on competitive advantage through electronic business as a mediating variable. The research used structural modeling and path analysis to test the data. Models were built and tested, and data was collected using an electronic questionnaire for a sample of university teachers. The research reached a set of conclusions, the most important of which is that the mediating effect of electronic business contributes to improving the impact of digital marketing strategies on competitive advantage.

**Keywords**: Digital marketing strategies content marketing , marketing via social media, marketing through search engines-seo, inbound marketing, industrial cluster strategy, retargeting strategy, e-business, competitive advantage.

### Introduction

After the revolution of information and communications technology that the world is witnessing today, which in turn led to the emergence of the importance of electronic business, many economic institutions rushed to integrate this business



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into the functions of the institution (Wu et al., 2018). Perhaps the most prominent example of this came in the marketing function, where electronic marketing is considered the trend of many institutions because it has led to eliminate geographical borders and enable economic institutions to reach the markets of many countries, which increased the degree of competition among economic institutions in an effort to achieve excellence, expectations, and continuity (Ratheeswari, 2018).

(Chaffey, & Ellis, 2019). To accomplish this, businesses can segment their markets and understand the social media used in each country. Professionals in digital marketing believe that if a product or service is not available on the Internet, it does not exist (Kannan, 2017). According to Rodríguez, social media platforms like Facebook, Twitter, LinkedIn, and Instagram are not the only ways to market a product or service. A website and email marketing support are also necessary Rodríguez (2014).

In Iraq, According to a national survey conducted by the General Organization for Communications and Informatics in 2023, some businesses use digital marketing as communication and distribution strategies for their commercial offerings, particularly social networks, which already play an important role in their communication plans. According to the most recent statistics, the number of active social media users has increased significantly this year when compared to previous years. According to the latest statistics from the "We are Social" and "Kepios" institutions, the number of active social media users this year is 28.35 million, up 3 million and 350 thousand from last year (Mallmann et al., 2018). The center reported that there are 18.85 million Facebook users, 15.45 million active Instagram users, 13.8 million Snapchat users, 1.9 million Twitter users, 1.4 million LinkedIn users, and 16.15 million Facebook Messenger users. The center



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confirmed that all platforms, particularly Snapchat and Instagram, are seeing an increase in users, with the exception of Facebook Messenger platforms.

As a result, digital marketing has piqued the interest of many economic institutions, as it enables them to gain numerous competitive advantages that ensure their long-term viability.

Accordingly, the current research aims to identify the impact of digital marketing on competitiveness

Armstrong mentions the following actions to guide these marketing actions:
Selling requires developing actions, sales strategies, and large-scale promotions.
Improve production quality and efficiency, including distribution channels.
The concept of marketing for society involves identifying the needs and desires of the target market and providing better satisfaction than competitors.
To improve job performance, hire individuals with marketing knowledge, ability to use technology, and adaptability to change. (Bricio et al., 2018).

### **Literature Review**

# **Digital Marketing Strategies**

A digital marketing strategy is a comprehensive plan to achieve specific marketing goals and objectives using various online channels, media, and technologies. It involves defining target audiences, setting marketing goals, and leveraging digital platforms and tools to engage, convert, sell, and retain customers (Patrutiu, 2016). Marketing strategies are considered a set of organized steps. These steps are taken to help companies achieve all their goals through a set of implementable marketing methods. When preparing the marketing strategy, your current situation is taken into account, and through it, the most important points that must be available in your company are determined in order to achieve its goal.



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Digital marketing, also known as online marketing, refers to a set of strategies for communicating and marketing products and services electronically. It is one of the most effective ways for businesses to communicate with the public in a direct, personal, and timely manner. Philip Kotler, considered the father of marketing, defines it as "the social process from which people and groups of people satisfy wants and needs through the creation, offer, and free negotiation of value-added products and services with others." However, the methods for accomplishing this vary almost daily (Vieira et al., 2019).

### **Characteristics Of Marketing Strategy**

Each marketing strategy, or e-marketing strategy, has a set of characteristics, and the most important characteristics of the marketing strategy are the following :

1. A specific strategy for the target audience

A good e-marketing strategy should be directed to the target audience, and whoever prepares the strategy must identify the ideal or effective customer who should obtain the service or product provided by the company. Moreover, his needs as well as his qualities - Buyer persona - must be determined.

2. Marketing strategy with a specific goal

One of the most important characteristics of a marketing strategy is that it has a set of goals that the marketer wants to achieve through a set of tools and methods specific to his strategy, and a successful company must keep in mind a clear goal that helps it reach its target customers - the target audience easily.

The marketing strategy must be competitive

### 3. Measurable

One of the most important characteristics of electronic marketing strategies is that they are measurable. This is because it is necessary for any company to know its



success rate, and companies can know this through a set of effective and appropriate analytical tools (Fifield, 2012).

## **Digital Marketing Objectives**

We can conclude that digital marketing has multiple objectives, which vary depending on the company and the specific strategy being implemented. Some of the most common include (Ištvanić et al., 2017):

1. Create brand awareness

This involves making the brand, its products or services known to a wide audience potentially interested in what the company offers. Digital marketing allows businesses to use online channels to promote their brand and increase its visibility, which can lead to greater brand awareness and, in turn, increase business opportunities.

2. Generate traffic and leads

Digital marketing uses various strategies, such as search engine optimization (SEO), online advertising, content marketing, and email marketing, to attract users to the company's digital channels and convert them into qualified leads that can be contacted and converted into customers, who are on your website, blog or profiles on social networks (Peyravi et al., 2021).

3. Encourage interaction and engagement

This involves creating relevant and valuable content, actively managing social media, participating in online communities, and promoting user engagement through comments, reviews, surveys, contests, and other engagement strategies. The objective is to create a solid and lasting relationship with users, strengthen brand loyalty and generate an active and committed community.

4. Increase sales and income

5



This can be achieved through various strategies, such as online advertising, implementing remarketing tactics, promoting special offers, personalizing content, and optimizing the online purchasing process. Digital marketing seeks to generate a direct impact on the sales rate (Shugan & Xie,2021).

## **Digital Marketing Dimensions**

1- Content Marketing

Brands can be promoted using content marketing, and this method is one of the most important types of marketing strategies. Through content marketing, you will be able to effectively exchange all the information you want to know with your targeted customers, and the primary goal is to attract customers.

2-Marketing Through Social Media

By preparing content that has great value for all your targeted customers on social media such as Facebook, Instagram, etc., this will help develop loyalty to brand, and it will also help increase actual profits and sales (Johns, 2020).

3-Marketing Through Search Engines - SEO

This type of marketing is considered an effective technique that helps increase visitors to the website. This is done by trying to rank in the first search results on Google, Yahoo, and Bing, and it is considered the least expensive method that is used to reach target customers.

### 4-Inbound Marketing

Through internal marketing, the company can obtain many new customers, and in addition, it can increase customer awareness of the brand. This type of marketing strategy is considered effective for companies of small or large size.

5- Industrial Cluster Strategy

Industrial clusters are also considered a marketing strategy. Through this strategy, companies united by one industry are located in one place, and this place can be



physical or even virtual. For example, a company that manufactures medicines can be next to another company that manufactures medicines. .

6-Retargeting Strategy

Retargeting is done through advertisements that are published on the Internet. This method is considered an effective way to increase a company's profits. This strategy is considered effective in reaching 98% of actual users (Weerawardena,2022).

### **Competitive Advantage**

In the context of competition between companies to market their products. In its marketing campaign, every company searches for the element that represents its primary commercial resource and not for others. In order to attract a larger number of customers. This is called competitive advantage (Porter, 2015). Competitive advantage is what distinguishes a company from its competitors in the field in front of the public and consumers, which makes it the most prominent and strongest among competing companies in the same activity. This is done by exploiting the companies' resources and competencies (Kumar, 2016).Hence, the organization's ability to possess a competitive advantage is the sum of the competitive forces that constitute the competitive environment in which the organization operates and the extent of its ability to understand the relationship that exists with these forces and control them (Tzokas & Saren, 2019).

### Methods

### Instrument

The research used the descriptive analysis method for data. The sample was teachers in Iraqi universities. An e-questionnaire was distributed to them. The number of questionnaires obtained was 111. The research model in Figure 1 included three types of variables, which are the independent variable, electronic

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marketing strategies (X) and included (Content marketing, Marketing via social media, Marketing through search engines – SEO, Inbound Marketing, Industrial cluster strategy, Retargeting strategy), the intermediate variable is e-business (M), and the dependent variable is a competitive advantage (Y). In order to test the validity of the content, the questionnaire was presented to 10 professors to express their opinions, and a Cronbach Alpha reliability coefficient analysis was conducted, which indicates that the reliability coefficient is greater than 0.70, and this confirms the possibility of adopting the questionnaire.

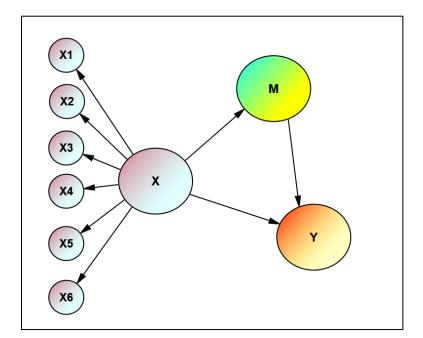


Figure 1: Research Model

### Modeling

The structural modeling method was adopted to test confirmatory factor analysis, and the conditions in Table 1 must be met.



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Value Measured	Recommended Threshold	Reference		
1.965	<5.0	(Kline, 2011) (Shadfar and Malekmohammadi, 2013)		
0.9	> 0.9 (Acceptable) Close to 1 (Perfect Fit)	(Kline, 2011) (Purushotham et al., 2015)		
0.07	<0.05 (Ideal) <0.08(Acceptable)	Kline (2011)		
0.9	> 0.9 (Acceptable) Close to 1 (Perfect Fit)	Kline, 2011) Purushotham et al. (2015)		
0.94	> 0.9 (Acceptable) Close to 1 (Perfect Fit)	(Kline, 2011) (Purushotham et al., 2015)		
0.93	> 0.9 (Acceptable) Close to 1 (Perfect Fit)	(Kline, 2011) (Purushotham et al., 2015)		

### Table 1: Structural modeling conditions

Source: Mufidah et al., 2024

The results in Figures 2,3,4 indicate that the models met the conditions of structural modeling and confirmatory factor analysis. The loadings were greater than 0.50, which are significant, and less than 0.05. Also, the (GFI) was greater than (0.90) and (AGFI) was greater than (0.90), (CFI) was greater than (0.95), and (RMSEA) was smaller than (0.08), and this indicates the quality of the models.



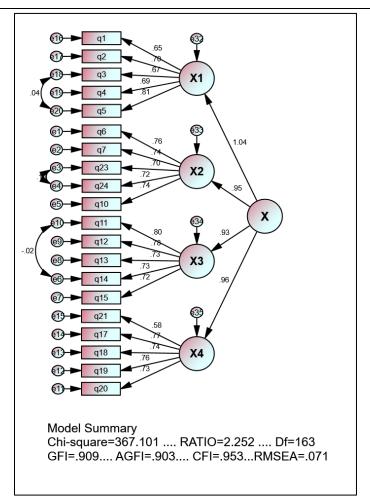


Figure 2: X Model

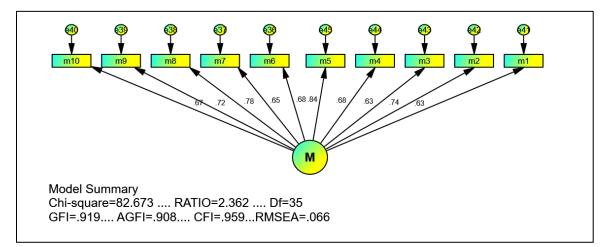


Figure 3: M Model

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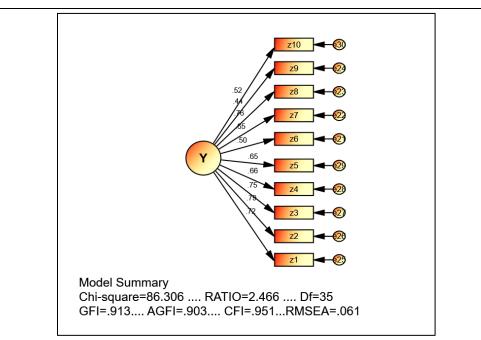


Figure 4: Y Model

### Results

### **Correlation hypotheses**

Table 2 indicates that the relationship between X and Y is highly positive. The correlation coefficient was (0.788 \*\*), which is a high and positive value. The relationship was significant, as the (Sig.) level was less than (0.05) and the (T) value was high and greater than the table. This result supports Hypothesis 1.

Regarding the sub-relations, they are as follows:

Results indicate that the relationship between X1 and Y is highly positive. The correlation coefficient was (0.690\*\*), which is a high and positive value. The relationship was significant, as the (Sig.) level was less than (0.05) and the (T) value was high and greater than the table. This result supports Hypothesis 1-1.

The results also showed that the relationship between X2 and Y is highly positive. The correlation coefficient was (0.694 \*\*), which is a high and positive value. The



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relationship was significant, as the (Sig.) level was less than (0.05) and the (T) value was high and greater than the table. This result supports Hypothesis 1-2. Also, the relationship between X3 and Y is highly positive. The correlation coefficient was (0.740 \*\*), which is a high and positive value. The relationship was significant, as the (Sig.) level was less than (0.05) and the (T) value was high and greater than the table. This result supports Hypothesis 1-3. As for the relationship between X4 and Y, it is not significant, so hypothesis 1-4 is rejected. Also, the relationship between X5 and Y is not significant and Hypothesis 1-5 is rejected. As for the relationship between X6 and Y, the results indicate that the relationship between X6 and Y is very positive. The correlation coefficient was  $(0.718^{**})$ , which is a high and positive value. The relationship was significant, as the (Sig.) level was less than (0.05) and the (T) value was high and greater than the table. This result supports Hypothesis 1-6. Also, the relationship between M and Y, the results indicate that the relationship between M and Y is very positive. The correlation coefficient was (0.882 \*\*), which is a high and positive value. The relationship was significant, as the (Sig.) level was less than (0.05) and the (T) value was high and greater than the table. This result supports Hypothesis 2. As for the relationship between X and M, the results indicate that the relationship between X and M is very positive. The correlation coefficient was (0.949 \*\*), which is a high and positive value. The relationship was significant, as the (Sig.) level was less than (0.05) and the (T) value was high and greater than the table. This result supports Hypothesis 3.

Va	ar.	X1	X2	X3	X4	X5	X6	X	Μ	Y
	r	1	.859**	.840***	.830**	.784 <sup>**</sup>	.742**	.938**	.902**	.690**
X1	Sig.		.000	.000	.000	.000	.000	.000	.000	.000
	Т								20.425	9.354

 Table 2: Correlation Matrix



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	r	.859**	1	.722**	.793**	.718**	.706**	$.888^{**}$	.864**	.694**
X2	Sig.	.000		.000	.000	.000	.000	.000	.000	.000
	Т								14.84	9.452
	r	$.840^{**}$	.722**	1	.765**	.782**	.743**	.902**	.871**	.740***
X3	Sig.	.000	.000		.000	.000	.000	.000	.000	.000
	Т								17.395	10.795
	r	.130***	.793**	.765**	1	.789 <sup>**</sup>	.741**	.914**	.883**	.116
X4	Sig.	.000	.000	.000		.000	.000	.000	.000	.884
	Т								18.412	10.134
	r	.784**	.718 <sup>**</sup>	.782**	.789 <sup>**</sup>	1	.689**	.884**	.783**	.118
X5	Sig.	.000	.000	.000	.000		.000	.000	.000	.894
	Т								12.354	9.133
	r	.742**	.706***	.743**	.741**	.689**	1	.859**	.809**	.718**
X6	Sig.	.000	.000	.000	.000	.000		.000	.000	.000
	Т								13.14	10.04
	r	.938**	$.888^{**}$	.902**	.914**	.884**	.859**	1	.949**	.788**
Χ	Sig.	.000	.000	.000	.000	.000	.000		.000	.000
	Т								29.514	12.541
	r	.902**	.864**	.871**	.883**	.783**	.809**	.949**	1	.882**
Μ	Sig.	.000	.000	.000	.000	.000	.000	.000		.000
	Т									18.352

### **Effect Hypotheses**

Table 3 ,Figure 5 indicates that the effect of X on Y is highly positive. The effect path coefficient was (0.48), and this is a high and positive value. The relationship is significant, as the (Sig.) level was less than (0.05) and the (F) value was high and greater than the tabulated. This result supports Hypothesis 3.

As for the sub-relations, they are as follows:

Table indicates that the effect of X1 on Y is a high positive effect.

The effect path coefficient was (0.54), and this is a high and positive value, and the relationship is significant, as the (Sig.) level was less than (0.05) and the (F) value was high and greater than the tabulated. This result supports Hypothesis 3-1.

and X2 effeact positively Y , the effect is (0.14) and it is significant according to sig. and F.



Regarding X3, it is positive effect on Y, The effect path coefficient was (0.11), which is a high and positive value, and the relationship is significant, as the (Sig.) level was less than (0.05) and the (F) value was high and greater than the tabulated. This result supports Hypothesis 3-3.

There is no effect for X4 and X5, and hypothesis 3-4 and 3-5 are rejected.

It is also clear that there is an effect of X6 on Y, which is a high positive effect.

The effect path coefficient was (0.28), which is a high and positive value, and the relationship is significant, as the (Sig.) level was less than (0.05) and the (F) value was high and greater than the tabulated. This result supports Hypothesis 3-6.

Figure 1 indicates that the effect of M on Y is highly positive. The effect path coefficient was (0.60), and this is a high and positive value. The relationship is significant, as the (Sig.) level was less than (0.05) and the (F) value was high and greater than the tabulated. This result supports Hypothesis 4.

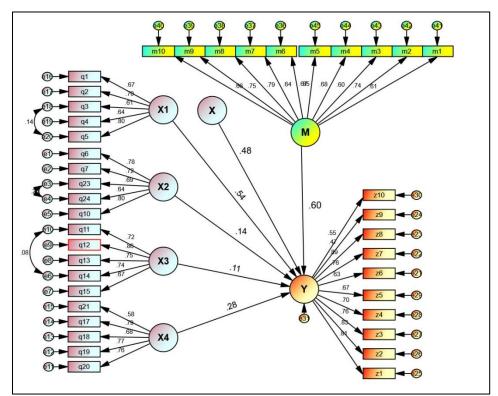


Figure 5: Structural Effect



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Path		Effect	F	Sig.	
X1	Y	0.54	19.05	0.000	
X2	Y	0.14	7.698	0.032	
X3	Y	0.11	5.669	0.040	
X4	Y	0.28	11.554	0.000	
Х	Y	0.48	17.954	0.000	
М	Y	0.60	19.15	0.000	

## Table 3: Effect Analysis

### **Path Analysis**

Table 4 and Figure 6 indicate that the effect of X on Y was positive (0.29), The relationship is significant because the value of F is high, and the effect of M on Y was high (0.50), and the relationship is significant because the value of F is high, and the effect of X on M was high (0.95), and the relationship is significant because the value of F is high, but the value The mediating effect was (0.475), which is significant, and this indicates that the indirect effect is better than the direct effect.



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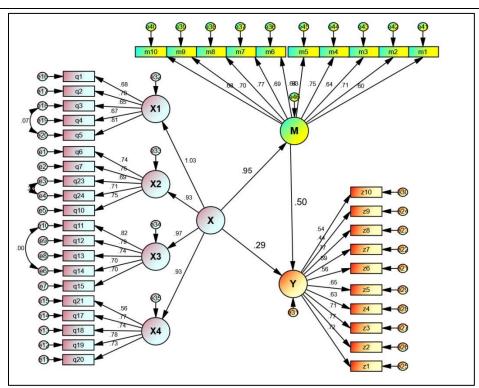


Figure 6: Mediating Structural Effect

Path		Effect	F	Sig.	
Х	Y	0.29	9.158	0.000	
X	М	0.95	33.547	0.000	
М	Y	0.50	12.654	0.000	
X,M	У	0.475	16.154	0.000	

Table 4: Path Analysis

## **Discussion And Conclusions**

E-business is currently regarded as an important field of study due to the significant impact it has on human economic and social development.

This work focuses on analyzing the mediation role of e-business between digital marketing strategies and competitive advantage .



- 1. digital marketing has become an essential tool due to increasing online competition and changing consumer behaviors. Today it is essential for companies to adapt their marketing strategies to stand out in search results and increase their online visibility.
- 2. Content marketing positively affect competiveness it can be done through a set of infographics, video clips, and web pages. If you make a good content marketing plan, awareness of your company's brand will increase.
- 3. The strategies of Inbound marketing and Industrial cluster strategy didn't have effect on competiveness in this research
- 4. Marketing through search engines SEO positively affect competiveness, being on the pages helps stimulate awareness, interest, and trust in the brands. Additionally, it can be an important way for marketers to drive visits to websites, landing pages, and product pages.
- 5. Marketing through social media positively affect competiveness, this will help develop loyalty to brand, and it will also help increase actual profits and sales.
- 6. Retargeting strategy positively affect competiveness, It is done by targeting ads to the person after he visits commercial websites and pages that display these products, whether he has completed the purchase process before or not. This strategy depends mainly on knowing the behavior of visitors to know their personal interests and the extent of their need for the related product or products.
- 7. The mediating effect of e-business contributes to improving the impact of digital marketing strategies on competitive advantage.

### Recommendations

- 1. Having clear objectives in digital marketing is essential for the success of any strategy you seek to implement.
- 2. Without a clear purpose, digital marketing actions can be dispersed and ineffective. Well-defined objectives serve as a guide to ensure that strategies are aligned with business objectives and focus on desired results.
- 3. must establish performance indicators ( KPIs ) that help you evaluate the progress and results obtained based on the established objectives. Measuring success is essential to identifying what works (and what doesn't) in a digital marketing strategy, and allows you to make adjustments and improvements to maximize your results.
- 4. Shifting towards digital work and the use of modern technological tools
- 5. Setting goals in digital marketing to make optimal use of resources, both in terms of time and money.
- 6. Having a well-defined strategy and clear focus, effort, and resources are avoided on actions that do not contribute to achieving the set goals. This allows you to make the most of available resources and achieve maximum return on investment.

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