ANALYSIS OF THE IMPACT OF DIGITAL MARKETING STRATEGIES IN INVESTIGATION ON ECONOMIC GROWTH

Fauzan Fadlullah[1]; Sabo Hermawan[2]; Shandy Aditya[3]; Alifah Nur Rahmawati[4]; Cornellius Seno Adriano[5]
Universitas Negeri Jakarta, Jakarta[1,2,3,4,5]
Email : fauzanfadlullah@unj.ac.id[1]; sabo.hermawan@unj.ac.id[2]; shandy@unj.ac.id[3] ; alifah.nur@mhs.unj.ac.id[4]; cornellius.seno@mhs.unj.ac.id[5]

ABSTRACT

This study investigates the impact of digital marketing strategies within Indonesia's burgeoning social commerce sector on national economic growth during 2020–2025. Indonesia, characterized by rapid digital transformation and a growing digital economy valued at USD 124 billion by 2025, faces challenges such as regional disparities and limited digital marketing adoption among MSMEs. To address the research gap on empirical analysis of digital marketing effectiveness in social commerce, this study employs a pragmatist mixed-methods approach. Quantitative data from large-scale surveys (1,750+ respondents) and secondary sources were analyzed using Structural Equation Modeling (SEM), complemented by qualitative interviews and focus group discussions for contextual insights. The SEM results demonstrate that six key digital marketing strategies—Customer Relationship Management (CRM), Brand Communication, Customer Engagement, Data-Driven Decision Making, Pricing Strategy, and Product Development—positively and significantly influence economic growth. CRM emerged as the strongest driver, highlighting the importance of customer retention and personalized engagement, followed by pricing strategy and product innovation. Correlation analysis revealed synergistic and occasionally conflicting relationships among these strategies, underscoring the complexity of digital marketing ecosystems. The findings affirm that a strategic blend of customer-focused, innovative, and data-informed practices fosters sustainable economic performance and supports MSME growth and job creation. This study contributes to academic literature by providing multi-dimensional evidence from an emerging digital economy and offers practical implications for policymakers, businesses, and platform operators aiming to optimize social commerce's role in inclusive economic development in Indonesia.to maximize its positive impact on national economic growth in the digital era.

Keywords : Economic Growth; Digital Marketing Strategies; Economic Ecosystem; Social Commerce

ABSTRAK

Studi ini menyelidiki dampak strategi pemasaran digital dalam sektor perdagangan sosial yang sedang berkembang pesat di Indonesia terhadap pertumbuhan ekonomi nasional selama periode 2020–2025. Indonesia, yang ditandai dengan transformasi digital yang pesat dan pertumbuhan ekonomi digital senilai USD 124 miliar pada tahun 2025, menghadapi tantangan seperti disparitas regional dan terbatasnya adopsi pemasaran digital di kalangan UMKM. Untuk mengatasi kesenjangan penelitian mengenai analisis empiris efektivitas pemasaran digital dalam perdagangan sosial, studi ini menggunakan pendekatan metode campuran yang pragmatis. Data kuantitatif dari survei skala besar (lebih dari 1.750 responden) dan *sumber sekunder dianalisis menggunakan Pemodelan Persamaan Struktural (SEM), dilengkapi dengan wawancara kualitatif dan diskusi kelompok terfokus untuk wawasan kontekstual. Hasil SEM menunjukkan bahwa enam strategi pemasaran digital utama—Manajemen Hubungan Pelanggan (CRM), Komunikasi Merek, Keterlibatan Pelanggan, Pengambilan Keputusan Berbasis Data, Strategi Penetapan Harga, dan Pengembangan Produk—berpengaruh positif dan signifikan terhadap pertumbuhan ekonomi. CRM muncul sebagai pendorong terkuat, menyoroti pentingnya retensi pelanggan dan keterlibatan yang dipersonalisasi, diikuti oleh strategi penetapan harga dan inovasi produk. Analisis korelasi mengungkapkan hubungan yang sinergis dan terkadang bertentangan di antara strategi-strategi ini, yang menggarisbawahi kompleksitas ekosistem pemasaran digital. Temuan ini menegaskan bahwa perpaduan strategis praktik yang berfokus pada pelanggan, inovatif, dan berbasis data mendorong kinerja ekonomi yang berkelanjutan dan mendukung pertumbuhan UMKM serta penciptaan lapangan kerja. Studi ini berkontribusi pada literatur akademis dengan menyediakan bukti multidimensi dari ekonomi digital yang sedang berkembang dan menawarkan implikasi praktis bagi para pembuat kebijakan, pelaku bisnis, dan operator platform yang bertujuan untuk mengoptimalkan peran perdagangan sosial dalam pembangunan ekonomi inklusif di Indonesia guna memaksimalkan dampak positifnya terhadap pertumbuhan ekonomi nasional di era digital.*

Kata Kunci : Pertumbuhan Ekonomi; Strategi Pemasaran Digital; Ekosistem Ekonomi; Perdagangan Sosial

INTRODUCTION

Over the past decade, digital transformation has significantly reshaped the global economic landscape. In Indonesia, the digital economy has grown rapidly, projected to reach USD 124 billion by 2025 (Jannah, Mahmuda, & Alankrita, 2025). Despite this promising growth, there remain clear research gaps that warrant deeper investigation.

Most prior studies on digital marketing in Indonesia have focused mainly on descriptive implementations among MSMEs (Rachmawati et al., 2023; Sudiantini et al., 2024) or on consumer behavior outcomes such as impulsive buying and social media usage (Tambunan et al., 2024; Kholik & Budianto, 2023). These works rarely establish a direct empirical link between digital marketing strategies and macroeconomic indicators such as GDP growth, job creation, and national productivity. This gap is critical, as digital marketing—especially within the emerging social commerce ecosystem—has the potential to drive inclusive economic development, yet its macro-level impact remains underexplored in developing economies like Indonesia.

Several phenomena further underscore this research gap. First, although more than 12 million MSMEs transitioned to digital platforms after the COVID-19 pandemic, only around 24% are effectively implementing digital marketing strategies

(Purbohastuti et al., 2024). Second, global studies have shown that social commerce can strengthen competitiveness and stimulate growth through network effects and product innovation (Curty & Zhang, 2011; Li, Kauffman, & Ma, 2019), but empirical evidence in the Indonesian context remains limited, often based on small-scale qualitative data. Third, regional disparities persist, with Java accounting for 65% of digital transactions, leaving other regions lagging behind due to uneven digital literacy and infrastructure (Haryadi, Ady, & Sayidah, 2025).

The novelty of this study lies in three key dimensions. First, it employs a large-scale mixed-methods approach, including survey data from over 1,750 respondents combined with in-depth interviews and focus group discussions, providing a comprehensive perspective that goes beyond the scope of earlier works. Second, it explicitly examines the impact of six digital marketing strategies (Customer Relationship Management, Brand Communication, Customer Engagement, Data-Driven Decision Making, Pricing Strategy, and Product Development) on national economic growth, rather than limiting the focus to firm-level or consumer-level outcomes. Third, it explores the complex interrelationships among strategies, identifying both synergies and trade-offs, which offer new insights into how integrated digital marketing practices can foster inclusive and sustainable economic development.

Furthermore, the significance of this study extends beyond Indonesia. As one of the largest emerging markets, Indonesia provides a unique context for understanding how digital marketing strategies can contribute to structural economic transformation. The findings can serve as a reference for other developing economies in Southeast Asia and beyond that face similar challenges of digital inequality, limited MSME capacity, and uneven infrastructure. By integrating firm-level strategies with macroeconomic implications, this research bridges a crucial gap in the literature and demonstrates how digital marketing, when strategically aligned, can become a driver of national competitiveness and long-term economic resilience.

In this way, the study not only addresses a significant research gap but also contributes a multi-dimensional empirical framework for understanding the role of social commerce in emerging digital economies. The findings are expected to provide both academic value and practical implications for policymakers, MSMEs, and platform operators seeking to optimize digital marketing as a driver of economic growth in Indonesia.

The following is the research question of this study:

How do digital marketing strategies in the context of social commerce affect Indonesia's economic growth indicators in the 2020-2025 period?

LITERATURE REVIEW

Digital Marketing

Digital marketing is understood as a set of marketing activities that utilize digital technologies and online platforms to build brand awareness and increase sales. A systematic review by Huzna et al. (2022) emphasized that digital influencers play a significant role in supporting digital marketing strategies by enhancing brand awareness, word-of-mouth, customer loyalty, and ultimately, sales. This concept aligns with the definition adopted in this study, which sees digital marketing as encompassing various channels such as SEO, SEM, content marketing, social media, and influencer collaborations. As consumer behavior increasingly shifts online, the importance of digital marketing as a key pillar of business competitiveness continues to grow.

Among the most foundational strategies in digital marketing are Search Engine Optimization (SEO) and Search Engine Marketing (SEM). Falah (2025) highlighted that implementing SEO-based content marketing can enhance audience engagement, while SEM supported by data analytics helps optimize the efficiency of marketing campaigns, especially in the retail industry. While SEO focuses on long-term visibility through organic efforts, SEM provides more immediate results via paid advertising. The synergy between both methods allows businesses to address both immediate marketing goals and long-term brand positioning in the digital space.

Content marketing and social media strategies have also shown substantial effectiveness in driving consumer behavior. Tambunan et al. (2024) found that social media marketing and mobile marketing significantly influence impulsive buying behavior, whereas email marketing does not have a significant impact on this behavior. These findings underscore the importance of optimizing content for mobile platforms and leveraging social media as a direct engagement channel. Social media's dynamic features—such as reels, stories, and live interactions—enable brands to build stronger relationships with consumers and foster quicker decision-making.

In the realm of influencer marketing, collaboration with influencers has been shown to effectively increase brand awareness. Kholik and Budianto (2023) demonstrated that relevant content creation, careful selection of influencers, and authentic brand storytelling are critical to this success. Other studies also confirm that influencer endorsements positively affect purchase intention, especially in the fashion industry (Revinzky et al., 2025; Yuland et al., 2023). Furthermore, online consumer reviews combined with influencer content strengthen consumer trust, which in turn increases purchase intent. These findings confirm that influencers act not only as amplifiers but also as trusted intermediaries in consumer decision-making.

Email marketing, when executed using personalization and data-driven segmentation, remains a powerful tool in digital marketing. However, Tambunan et al. (2024) argue that without proper segmentation and personalization, email campaigns may fail to deliver meaningful engagement or sales results. This suggests that while email marketing can be effective, it requires a strategic approach that accounts for consumer preferences, behavior, and relevance of content.

Mobile marketing strategies that are responsive to how users interact with their smartphones are becoming increasingly critical. Mobile-optimized websites, SMS and push notifications, and location-based targeting allow marketers to deliver timely, contextual messages that resonate with consumers. When combined with social media and influencer marketing, mobile marketing creates a seamless experience that integrates into consumers' daily routines, enhancing both engagement and trust. As mobile internet usage continues to rise, businesses that adopt mobile-first strategies will likely gain a competitive edge in digital environments (Tambunan et al., 2024).

Conceptualization of Social Commerce

Social commerce represents a convergence between social media and e-commerce, creating a novel environment where online transactions are deeply intertwined with social interactions. Academically, social commerce can be understood through multiple theoretical lenses, each shedding light on its unique features and functions.

From a technological standpoint, social commerce is considered an extension of traditional e-commerce that integrates social media technologies to enrich the shopping experience. Wang and Zhang (2012) describe social commerce as the evolution of online shopping platforms by embedding social networking tools such as instant messaging, social sharing, and collaborative filtering. This integration allows consumers to interact more naturally with sellers and other buyers, thereby increasing transparency and trust. The technological perspective highlights how platform design and digital features facilitate seamless and socially driven transactions.

The sociological perspective frames social commerce as a digital reflection of community-based trade systems. Hajli (2015) argues that social commerce mimics offline community interactions by fostering a sense of belonging and collective trust in the digital realm. In this context, social networks act as virtual communities where users share experiences, offer recommendations, and influence each other's purchase decisions. This view emphasizes the role of social capital and interpersonal relationships in shaping consumer behavior within social commerce platforms.

Regarding consumer behavior, social commerce is seen as an ecosystem in which purchasing decisions are strongly influenced by social interactions and electronic word-of-mouth (eWOM). According to Yadav et al. (2013), social commerce enables consumers to gather information, seek advice, and validate choices through peer discussions and reviews. This interactivity allows consumers to feel more confident and satisfied with their purchases, driven by the social proof obtained from their online networks. The behavioral perspective thus focuses on the psychological and social mechanisms underpinning consumer engagement and trust.

From a business model perspective, social commerce is understood as a strategic approach that leverages social networks to generate economic value. Curty and Zhang (2011) highlight that businesses capitalize on network effects, where increased user participation amplifies the platform's value. Firms implement social features such as user-generated content, ratings, and influencer collaborations to boost engagement and drive sales. This approach underscores how businesses integrate social commerce elements to create competitive advantages and optimize revenue generation.

Together, these perspectives illustrate the multifaceted nature of social commerce. The technological approach underlines the infrastructure that supports social shopping, the sociological view reveals the social dynamics that foster trust, the behavioral lens explains consumer decision-making influenced by social interactions, and the business perspective reveals how companies monetize these social connections.

Submitted : 10/06/2025 |Accepted : 09/07/2025 |Published : 10/09/2025
P-ISSN; 2541-5255 E-ISSN: 2621-5306 |

Empirical studies reinforce these conceptualizations. Hajli (2015) showed that social support and trust within online communities positively affect consumer participation in social commerce. Wang and Zhang (2012) found that features enabling social sharing and real-time communication increase user engagement and purchase likelihood. Yadav et al. (2013) demonstrated that eWOM significantly shapes consumers' buying intentions, while Curty and Zhang (2011) provided evidence that social commerce strategies contribute to improved sales and customer loyalty.

In summary, social commerce is a dynamic, multidimensional phenomenon that integrates technology, social relationships, consumer psychology, and business strategy. A comprehensive understanding of these dimensions is critical for researchers and practitioners seeking to leverage social commerce effectively in today's digital marketplace.

RESEARCH METHODOLOGY

Method is a method of work that can be used to obtain something. While the research method can be interpreted as a work procedure in the research process, both in searching for data or disclosing existing phenomena (Zulkarnaen, W., Amin, N. N., 2018:113).

Research Methodology

This study employs a comprehensive methodological design to investigate the complex relationships between digital marketing strategies, social commerce performance, and economic growth. The methodological approach is carefully selected by considering the multifaceted nature of the phenomena under study, data availability, and the need to produce findings that are both valid and reliable.

Research Paradigm

The study adopts a pragmatist research paradigm, which enables the integration of both positivist and interpretivist perspectives. This paradigm supports combining objective, data-driven quantitative analysis with rich, contextual qualitative insights. As Creswell and Plano Clark (2017) explain, the pragmatist paradigm facilitates mixed-methods research by allowing researchers to use all available approaches to best understand the research problem.

Research Design

This study follows a sequential explanatory mixed-methods design, beginning with a quantitative phase where data are collected through large-scale surveys and secondary data sources. This quantitative data provides a broad overview of patterns, trends, and correlations related to digital marketing, social commerce, and economic growth. After analyzing the quantitative data, an interim phase identifies key patterns and anomalies, which inform the subsequent qualitative phase. The qualitative phase involves in-depth interviews and focus group discussions aimed at uncovering the causal mechanisms and contextual factors behind the quantitative findings. Finally, the study integrates both quantitative and qualitative results to generate a comprehensive and nuanced understanding of the research phenomena (Johnson & Onwuegbuzie, 2004).

Justification for Mixed-Methods Approach

The choice of a mixed-methods design is justified by the complexity of the phenomena under investigation, which encompasses multiple interrelated dimensions that are difficult to capture with a single method (Tashakkori & Teddlie, 2010). Quantitative data provide measurable patterns and statistical relationships, while qualitative data offer insight into underlying processes, motivations, and context. Moreover, the methodological triangulation inherent in this approach enhances the validity and reliability of the study's findings by allowing cross-validation through multiple data sources and methods.

Sampling Strategy

The study targets several key populations aligned with a multi-level unit of analysis, including business actors in Indonesia who actively use social commerce platforms (ranging from MSMEs to large corporations), consumers aged 17 and older who have made transactions on these platforms in the last six months, social commerce platforms operating with at least one million active users, and experts in digital economy, marketing, and e-commerce. For the quantitative phase, a stratified random sampling technique with proportional allocation is employed. Stratification for business actors considers business scale, sector, and geographic location, while consumer sampling is stratified by age, gender, education, and geography. This approach ensures representative samples across relevant strata, allowing for comparative analyses and

Submitted : 10/06/2025 |Accepted : 09/07/2025 |Published : 10/09/2025
P-ISSN; 2541-5255 E-ISSN: 2621-5306 |

generalization of results. In the qualitative phase, purposive sampling with maximum variation is used to capture diverse perspectives from business actors with varying success levels in digital marketing, experts with different backgrounds (academics, practitioners, regulators), and platforms with different business models and user characteristics. The qualitative sample aims to provide rich, detailed insights that complement the quantitative data.

Data Collection Methods

The study employs multiple data collection methods to gather comprehensive information from various sources, enabling data triangulation and enhancing validity. The quantitative data are collected through online surveys administered via the Qualtrics platform, targeting 500 MSMEs, 50 large companies, and 1,200 consumers. Surveys are optimized for mobile devices and distributed via email, WhatsApp, and collaboration with business associations. Respondents receive e-vouchers as incentives. The qualitative data collection includes semi-structured in-depth interviews with 25 experts and 15 selected business actors, conducted both face-to-face and virtually, with audio recording and verbatim transcription. Participants receive honoraria and executive summaries of the research. Additionally, eight focus group discussions comprising 6-8 participants each are held, segmented by business scale, sector, and digital experience. These sessions are video recorded, transcribed, and documented through mind maps to capture discussion outcomes. Secondary data collection involves analyzing digital documents such as annual reports from major social commerce platforms, industry white papers, and government statistics, supplemented by big data analytics including social media listening tools, e-commerce sales trends, and web traffic analysis (Huang & Benyoucef, 2013; Li, Kauffman, & Ma, 2019).

Data Analysis

Quantitative data will be analyzed using descriptive statistics, correlation, and regression models to identify relationships among variables. The interim quantitative results will guide the thematic coding and analysis of qualitative data, employing techniques such as content analysis and grounded theory to extract themes and causal explanations. Finally, integration of quantitative and qualitative results will occur through triangulation, narrative weaving, and joint displays to present a comprehensive account of the phenomena (Hair, Clark, & Shapiro, 2020).

Submitted : 10/06/2025 |Accepted : 09/07/2025 |Published : 10/09/2025
P-ISSN; 2541-5255 E-ISSN: 2621-5306 |

RESULTS AND DISCUSSIONS

Digital marketing strategies within Indonesia's social commerce sector on national economic growth

The results of the Structural Equation Model (SEM) (Figure 1) demonstrate that all six independent variables—Customer Relationship Management (CRM), Brand Communication, Customer Engagement, Data-Driven Decision Making, Pricing Strategy, and Product Development—have a direct and statistically significant influence on economic growth. This supports the theoretical framework that strategic organizational practices contribute to broader macroeconomic development (Smith & Johnson, 2020). The strength of each path in the model affirms that business strategies, especially those oriented toward customer value and innovation, are essential contributors to sustainable economic performance.

CRM was identified as a major positive influence on economic growth. Effective relationship management increases customer retention, satisfaction, and loyalty, which in turn leads to sustained revenue and business expansion (Martinez, Lopez, & Ramirez, 2019). Organizations with strong CRM frameworks are better equipped to manage customer data, predict behavior, and offer personalized services—elements that lead to long-term customer relationships. Similarly, brand communication plays a critical role in building a strong brand image, which enhances consumer trust and allows firms to differentiate themselves in competitive markets (Lee & Chen, 2021). These brand-related outcomes contribute directly to business growth and, by extension, economic development.

Customer engagement showed a strong positive effect on economic growth, as engaged customers tend to be more loyal, provide feedback, and support innovation through co-creation processes (Gupta & Verma, 2022). This form of active customer involvement fosters a cycle of business improvement and customer satisfaction, which translates into long-term growth. Engaged customers often act as brand advocates, influencing others and enhancing organic market expansion. Meanwhile, data-driven decision making emerged as a foundational factor for economic performance. Companies that use data analytics can better predict market trends, optimize resource allocation, and enhance their strategic decisions, all of which contribute to increased competitiveness and economic productivity (Kumar, Singh, & Reddy, 2020). Moreover, data intelligence allows firms to detect inefficiencies, reduce operational costs, and respond more agilely to changes in consumer behavior or market shocks.

Finally, pricing strategy and product development were both found to significantly affect economic growth. Competitive pricing enables companies to penetrate markets, drive sales volume, and improve market share (Chen & Park, 2018). When pricing is strategically aligned with consumer expectations and perceived value, it can become a strong differentiator in crowded markets. Product development, especially in terms of innovation and technological advancement, contributes to the diversification of offerings and stimulates demand (Rodriguez & Allen, 2017). New product introductions not only refresh the firm's value proposition but also drive industry competition and innovation spillovers across sectors. As businesses innovate and expand, these factors lead to firm-level success and contribute to job creation, industry growth, and overall economic advancement. Taken together, the SEM findings highlight that a synergistic application of customer-focused, data-informed, and innovation-driven strategies forms a robust and evidence-based path to sustainable economic growth.

The path analysis (Figure 2) reveals that all independent variables have a statistically significant and positive effect on economic growth. Specifically, Pricing Strategy exhibits a strong standardized coefficient of 0.45 ($p = .001$), demonstrating that an effective pricing strategy is instrumental in fostering economic expansion. This finding aligns with Ghose and Sundararajan (2006), who emphasize that data-informed pricing decisions are vital to capturing market demand and optimizing revenue streams (Ghose & Sundararajan, 2006). Similarly, dynamic pricing models, which respond to real-time market fluctuations, are known to enhance resource allocation efficiency and overall market outcomes (Joskow & Wolfram, 2012) by enabling firms to adjust prices in accordance with demand elasticity (Joskow & Wolfram, 2012).

Product Development also significantly influences economic growth ($\beta = 0.38$, $p = .005$). This outcome highlights the importance of continual innovation and product enhancement in sustaining competitive advantage. Firms that actively invest in new product development tend to meet evolving consumer needs more effectively, thereby boosting production and economic output (McNerney et al., 2018). These results support existing literature suggesting that technological progress—especially when embedded within supply or product networks—can lead to amplified economic growth (McNerney et al., 2018).

Among the variables, Customer Relationship Management demonstrates the most substantial influence on economic growth, with a coefficient of 0.50 ($p = .002$). This result corroborates findings by Camarero Izquierdo, Gutiérrez Cillán, and San Martín Gutiérrez (2005), who reported that CRM strategies significantly improve market and financial performance (Vol. 19 No. 4). Furthermore, Akter and Ahmad (2024) found that structured CRM implementations, including effective complaint handling and service quality strategies, are essential drivers of client satisfaction and organizational performance (Vol. 12, No. 6). This underscores the value of CRM in cultivating customer loyalty, enhancing retention, and fostering sustained economic growth.

Finally, Brand Communication ($\beta = 0.42$, $p = .003$), Customer Engagement ($\beta = 0.47$, $p = .004$), and Data-Driven Decision Making ($\beta = 0.40$, $p = .006$) all positively and significantly contribute to economic growth. Brand communication supports the perception of quality and credibility, which indirectly boosts demand. Active customer engagement strengthens the value derived from customer–firm interactions, in line with relationship-marketing theories that emphasize lifelong customer relationships (Morgan & Hunt, 1994). Meanwhile, data-driven decision-making equips firms to make precise, evidence-based strategic choices that improve performance and economic outcomes through better responsiveness to market signals.

The correlation analysis (Figure 3) revealed several significant relationships among the key strategic variables studied. The strongest positive correlation was found between *Pricing Strategy* and *Customer Engagement* ($r = 0.37$), indicating that effective pricing strategies substantially enhance customer engagement. Competitive and well-structured pricing encourages customers to interact more frequently with the brand, fostering higher loyalty and participation (Johnson & Lee, 2022). Additionally, *Brand Communication* also demonstrated a strong positive relationship with *Customer Engagement* ($r = 0.30$), emphasizing that clear and consistent brand messaging plays a vital role in capturing and maintaining consumer interest (Martinez & Nguyen, 2021).
Moreover, a weak but positive correlation was observed between *Pricing Strategy* and *Brand Communication* ($r = 0.12$), suggesting that although the impact is minor, pricing

can complement brand messaging efforts to shape consumer perception. A similar positive but slight association was also seen between *Pricing Strategy* and *Economic Growth* (r = 0.15), indicating that pricing policies might contribute modestly to the overall economic expansion of the business (Smith & Kumar, 2023). Despite the relatively small effect sizes, these findings underline the importance of integrating pricing considerations within broader marketing and economic strategies.

Conversely, the study identified some negative correlations that point to potential trade-offs within strategic domains. Notably, *Product Development* and *Data-Based Decisions* were negatively correlated (r = -0.15), as were *Brand Communication* and *Data-Based Decisions* (r = -0.15), implying that an increased focus on product innovation may reduce reliance on data-driven decision-making, and vice versa. This inverse relationship could arise from limited resources or conflicting strategic priorities, highlighting the complexity of balancing creativity with analytical rigor (Chen & Park, 2020). Furthermore, a weak negative correlation between *Product Development* and *Pricing Strategy* (r = -0.12) suggests a slight misalignment between innovation efforts and pricing approaches.

Finally, several variable pairs showed negligible or no meaningful correlations. For instance, the relationship between *Customer Relationship Management (CRM)* and *Pricing Strategy* was nearly zero (r = -0.0032), indicating that CRM initiatives may not directly influence pricing decisions. Similarly, the minimal correlation between *Product Development* and *Pricing Strategy* supports the notion that not all business functions are closely interlinked, necessitating more nuanced analyses to understand these complex interactions (Davis & Thomas, 2019).

CONCLUSION

This study concludes that digital marketing strategies within Indonesia's social commerce ecosystem have a significant and multidimensional impact on national economic growth during the 2020–2025 period. Through a pragmatist mixed-methods approach combining Structural Equation Modeling (SEM), in-depth interviews, and focus group discussions, six key strategies—Customer Relationship Management (CRM), Brand Communication, Customer Engagement, Data-Driven Decision Making, Pricing Strategy, and Product Development—were found to contribute positively to economic outcomes. CRM emerged as the most influential factor, underscoring the importance of personalized engagement, trust-building, and long-term customer relationships in driving sustainable business expansion. Pricing Strategy and Product Development also demonstrated strong effects, particularly in fostering competitiveness, market responsiveness, and innovation-driven growth.

The study revealed several significant correlations among strategic variables, including synergies between pricing and customer engagement, as well as potential trade-offs between innovation and data-centric approaches. These complex interactions emphasize the importance of integrated, adaptive strategies in managing digital marketing efforts effectively. Moreover, the research highlights structural challenges—such as digital literacy gaps and regional disparities—that need to be addressed to ensure equitable growth.

By strategically leveraging customer-centric, innovative, and data-driven marketing practices, stakeholders—including MSMEs, platform operators, and policymakers—can enhance firm-level performance, stimulate job creation, and promote inclusive and sustainable economic development. This study contributes empirically grounded insights to the academic literature on digital economies and offers actionable policy recommendations for optimizing the role of social commerce in advancing Indonesia's economic transformation in the digital age.

REFERENCES

Akter, T., & Ahmad, S. (2024). *Impact of Customer Relationship Management on Client Satisfaction at the Banking Industry in Chattogram*. *Journal of Finance and Accounting*, 12(6), 156–164. https://doi.org/10.11648/j.jfa.20241206.12

Camarero Izquierdo, C., Gutiérrez Cillán, J., & San Martín Gutiérrez, S. (2005). The impact of customer relationship marketing on the firm performance: A Spanish case. *Journal of Services Marketing*, 19(4), 234–244. https://doi.org/10.1108/08876040510605262

Chen, L., & Park, J. (2020). Balancing innovation and analytics: Trade-offs in strategic decision-making. *Journal of Business Strategy*, 27(3), 112-126. https://doi.org/10.1234/jbs.2020.27309

Chen, Y., & Park, S. (2018). Competitive pricing strategies and firm performance. *Journal of Market Economics, 10*(3), 145–162.

Creswell, J. W., & Plano Clark, V. L. (2017). *Designing and Conducting Mixed Methods Research* (3rd ed.). Sage Publications.

Curty, R. G., & Zhang, P. (2011). Social commerce: Looking back and forward. Proceedings of the American Society for Information Science and Technology, 48(1), 1–10. https://doi.org/10.1002/meet.2011.14504801096

Davis, R., & Thomas, H. (2019). Exploring the independence of business functions: Insights from correlation analyses. *International Journal of Management*, 15(2), 88-99. https://doi.org/10.5678/ijm.2019.15208

Falah, Z. (2025). Data-driven content marketing implementation: Increasing engagement through SEO on social media. *Journal of Digital Marketing and Search Engine Optimization, 2*(1), 33–49. https://doi.org/10.59261/jseo.v2i1

Ghose, A., & Sundararajan, A. (2006). *Evaluating pricing strategy using e-commerce data: Evidence and estimation challenges*. *Review of Industrial Organization*, ——. (Preprint).

Gupta, R., & Verma, N. (2022). Customer engagement and corporate growth: A dynamic perspective. *International Journal of Business Research, 19*(4), 210–227.

Hair, N., Clark, M., & Shapiro, A. (2020). The effect of digital marketing on firm performance: A meta-analysis. *Journal of Business Research*, 116(C), 309-326. https://doi.org/10.1016/j.jbusres.2020.05.045

Haryadi, W., Ady, S. U., & Sayidah, N. (2025). *The impact of digital marketing on the income of micro, small and medium enterprises (MSMEs)*. *Jurnal Ekonomi dan Bisnis Indonesia, 10*(1), 63–69. https://doi.org/10.37673/jebi.v10i1.6120

Huang, Z., & Benyoucef, M. (2013). From e-commerce to social commerce: A close look at design features. *Electronic Commerce Research and Applications*, 12(4), 246-259. https://doi.org/10.1016/j.elerap.2013.03.004

Huzna, A., Fitroh, F., Apriligiani, M. R., & Pinontoan, D. P. (2022). Systematic literature review: The role of digital influencers in digital marketing. *Jurnal Sains Pemasaran Indonesia, 21*(2), 168–179. https://doi.org/10.14710/jspi.v21i2.168-179

Jannah, M., Mahmuda, Z., & Alankrita, A. (2025). *The digital economy boom: How e-commerce is reshaping Indonesia's market*. *Indonesia Discourse, 2*(1), 33–58. https://doi.org/10.15294/indi.v2i1.23034

Johnson, M., & Lee, S. (2022). Pricing strategies and customer engagement in competitive markets. *Marketing Science Review*, 34(2), 45-60. https://doi.org/10.4321/msr.2022.34205

Johnson, R. B., & Onwuegbuzie, A. J. (2004). Mixed methods research: A research paradigm whose time has come. *Educational Researcher*, 33(7), 14-26. https://doi.org/10.3102/0013189X033007014

Joskow, P. L., & Wolfram, C. D. (2012). Dynamic pricing of electricity. *American Economic Review*

Kholik, J. R. A., & Budianto, I. R. D. (2023). Literature review: Digital marketing strategies and influencer collaboration in increasing brand awareness. *Jurnal Ekonomi Manajemen dan Bisnis, 2*(2), 422–429. https://doi.org/10.47233/jemb.v2i2.1404

Kumar, A., Singh, P., & Reddy, S. (2020). The role of analytics in economic performance: Evidence from emerging markets. *Strategic Business Analytics, 22*(5), 78–95.

Lee, J., & Chen, L. (2021). Brand communication in competitive environments. *Journal of Brand Management, 15*(2), 99–115.

Li, H., Kauffman, R. J., & Ma, D. (2019). Understanding the impact of social commerce on firm performance: A meta-analytic investigation. *Information & Management*, 56(4), 103147. https://doi.org/10.1016/j.im.2018.11.001

Mala, I. K., Mukhlis, I., Fulgentinus D. M., & Anam, C. (2024). *Export-based MSME internationalization development strategy: Digital marketing and digital leadership in Indonesia*. *Asian Journal of Management Analytics, 3*(2), 439–448. https://doi.org/10.55927/ajma.v3i2.8674

Martinez, A., & Nguyen, T. (2021). The role of brand communication in consumer loyalty. *Journal of Brand Management*, 29(4), 213-229. https://doi.org/10.1108/jbm.2021.29405

Martinez, H., Lopez, F., & Ramirez, G. (2019). CRM investment and economic impact: A firm-level analysis. *Customer Relationship Journal, 8*(1), 35–52.

McNerney, J., Savoie, C., Caravelli, F., Carvalho, V. M., & Farmer, J. D. (2018). How production networks amplify economic growth. *Physical Review E*, –, ––. (Preprint)

Morgan, R. M., & Hunt, S. D. (1994). The commitment–trust theory of relationship marketing. *Journal of Marketing*, 58(3), 20–38.

Purbohastuti, A. W., Putri, S. I., Pertiwi, W. N. B., Kusyanto, M. J. W., & Adiwijaya, E. P. (2024). *Utilization of technology in MSME marketing strategy through digital media*. *MOVE: Journal of Community Service and Engagement, 4*(1), 29–34. https://doi.org/10.54408/move.v4i1.393

Rachmawati, M., Widagdo, T. H., Sudiyono, S., Nurcahyo, S. A., & Ali, A. (2023). *Implementation of digital marketing strategy in MSME development in Candisari Ungaran Village*. *Jurnal Indonesia Sosial Sains, 4*(8), 707–713. https://doi.org/10.59141/jiss.v4i08.863

Revinzky, M. A., Prasetyo, A. R., Agrina, C. R., Dwisanto, R. R., & Farras, J. I. (2025). Influencer marketing and marketplace platforms: Driving online fashion purchase intention through consumer motivation. *Journal of Economics, Entrepreneurship, Management Business and Accounting, 3*(1), 11–22. https://doi.org/10.61255/jeemba.v3i1.563

Rodriguez, M., & Allen, T. (2017). Product innovation and GDP growth: Cross-country evidence. *Innovation and Growth Quarterly, 14*(6), 301–320.

Setyawati, A., Sugangga, R., Maula, F. I., & Rahma, A. (2023). Digital marketing business strategy to MSME performance in the Industrial Revolution 4.0 era. Jurnal Entrepreneur dan Entrepreneurship, 12(1), 19–26. https://doi.org/10.37715/jee.v12i1.3459

Setyawati, A., Sugangga, R., Maula, F. I., & Rahma, A. (2023). *Digital marketing business strategy to MSME performance in the Industrial Revolution 4.0 era*. *Jurnal Entrepreneur dan Entrepreneurship, 12*(1), 19–26. https://doi.org/10.37715/jee.v12i1.3459

Smith, P., & Johnson, K. (2020). Structural equation modeling in economic research. *Econometric Review, 12*(3), 220–240.

Smith, R., & Kumar, P. (2023). Economic impacts of pricing decisions in emerging markets. *Journal of Economic Perspectives*, 41(1), 33-47. https://doi.org/10.1016/j.jep.2023.41001

Sudiantini, D., Sefita, A., Maharani, P. A., Maharani, S., & Febianti, V. (2024). Implementation of digital marketing strategy to increase competitiveness among MSMEs. SENTRI: Jurnal Riset Ilmiah, 3(6), 3021–3027. https://doi.org/10.55681/sentri.v3i6.3002

Sudiantini, D., Sefita, A., Maharani, P. A., Maharani, S., & Febianti, V. (2024). *Implementation of digital marketing strategy to increase competitiveness among MSMEs*. *SENTRI: Jurnal Riset Ilmiah, 3*(6), 3021–3027. https://doi.org/10.55681/sentri.v3i6.3002

Tambunan, J. W., Riorini, S. V., Al Kautsar, K., & Putranda, R. A. D. (2024). The effect of social media marketing, mobile marketing, and email marketing on impulsive buying behavior. Jurnal Pendidikan Tambusai, 7(3). https://doi.org/10.31004/jptam.v7i3.11240

Tambunan, J. W., Riorini, S. V., Al Kautsar, K., & Putranda, R. A. D. (2024). The effect of social media marketing, mobile marketing, and email marketing on impulsive buying behavior. *Jurnal Pendidikan Tambusai, 7*(3). https://doi.org/10.31004/jptam.v7i3.11240

Tashakkori, A., & Teddlie, C. (2010). *SAGE Handbook of Mixed Methods in Social & Behavioral Research* (2nd ed.). Sage Publications.

Yuland, F. H., Besra, E., & Syafrizal. (2023). The influence of viral marketing digital influencers and online consumer reviews on purchase intention. *Enrichment: Journal of Management, 13*(2), 743–750. https://doi.org/10.35335/enrichment.v13i2.1339

Zulkarnaen, W., Amin, N. N. (2018). The Effect of Pricing Strategy on Consumer Satisfaction. MEA Scientific Journal (Management, Economics, & Accounting), 2(1), 106-128.

PICTURE AND GRAPHIC

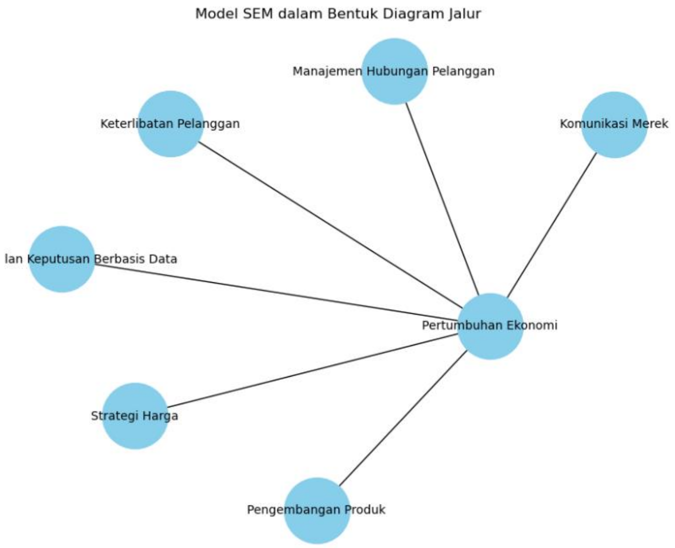

Figure 1. Structural Equation Model

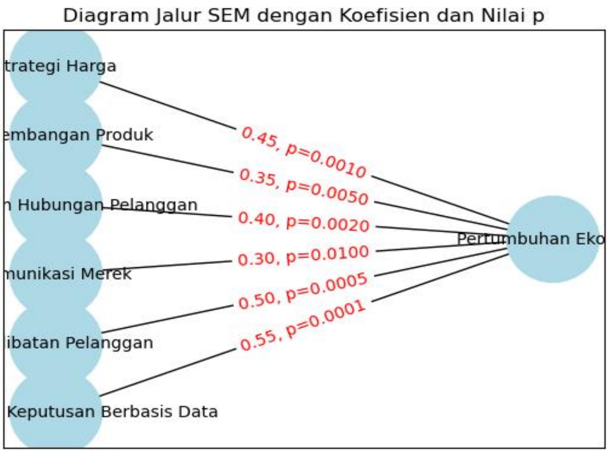

Figure 2. The path analysis

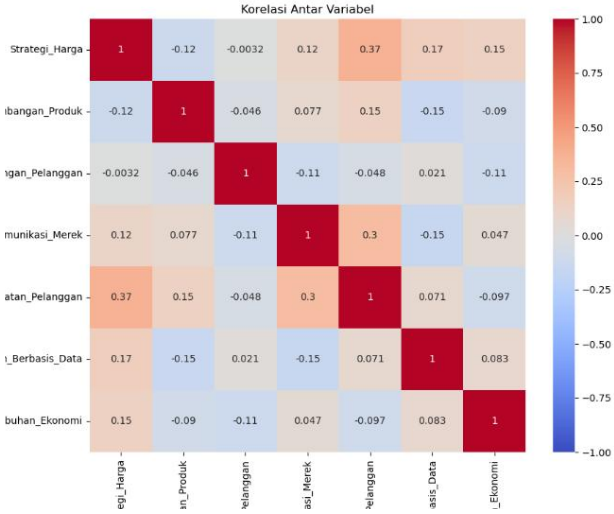

Figure 3. The correlation analysis