

Available Online at http://www.recentscientific.com

**CODEN: IJRSFP (USA)** 

International Journal of Recent Scientific Research Vol. 11, Issue, 01(D), pp. 36955-36958, January, 2020 International Journal of Recent Scientific Re*r*earch

DOI: 10.24327/IJRSR

# **RESEARCH ARTICLE**

# THE FACTORS OF DIGITAL TRANSFORMATIONS LEAD TO DIGITAL MARKETING AND CUSTOMER VALUE THAT IMPACTED FOR MARKET POSITIONS AND ITS IMPLICATIONS THE FINANCIAL PERFORMANCE IN MANUFACTORY CORPORATIONS- LQ45

Riska Widarti, Atika Handriyani and Wilhelmus Hary Susilo

University of Persada Indonesia Y.A.I

DOI: http://dx.doi.org/10.24327/ijrsr.2020.1101.5031

#### **ARTICLE INFO**

#### ABSTRACT

Article History: Received 13<sup>th</sup> October, 2019 Received in revised form 11<sup>th</sup> November, 2019 Accepted 8<sup>th</sup> December, 2019 Published online 28<sup>th</sup> January, 2020

#### Key Words:

the digital transformations, multinationalfirms, market positions. This decade an among multinational- corporate should not operate within the misguide to implemented the vision and missions in the heterogeneous- industrial competitiveness and the consumers engagement, tight competitions, data, customer-based value and an incremental innovation. This study would be inquiry of fulfillment the research gap with the competition-advantage within market positions from the digital transformation within multinational-firms. The novelty research model has the intervening variables- the powerful digital marketing and the focus creation in customer- value that could be more exploring the R-A theory. Furthermore, the research methods conducted with the confirmed strategy in structural equation modeling within an entire latent variable.

**Copyright** © **Riska Widarti, Atika Handriyani and Wilhelmus Hary Susilo, 2020**, this is an open-access article distributed under the terms of the Creative Commons Attribution License, which permits unrestricted use, distribution and reproduction in any medium, provided the original work is properly cited.

# INTRODUCTION

The factors of the digital transformations within firms pertains; digital- channel consumer engagement, tight competitions, data based, customer value and innovations that have been the interesting of confirmed result of many research(Vivek, Beatty, & Morgan, 2012),(Hollebeek, 2012), (Harrigan, Evers, Miles, & Daly, 2017), (Bitter & Grabner-Kräuter, 2016), (Glińska-Neweś, Sudolska, Karwacki, & Górka, 2017; Haifen, Mengya, & Jingqin, 2017; Hamilton, 2009; Straker & Wrigley, 2016).

Actually, an inquiry the process for the impact to the competitive advantage- market positions still have minus exploring the meaning in multinational- firms as the result research in many scholars analysis, that would making some research gap that must be fulfill the novelty variables as the new models to be confirm within market- based management research.(Bürkner & Lange, 2017; Järvinen & Karjaluoto, 2015; Straker & Wrigley, 2016; Walmsley, 2016; Wang, Malthouse, Calder, & Uzunoglu, 2017)The objective of this study would be develop the new conceptual model to fulfilling the research gap between the relation on the digital transformations within firms to the competitive advantage-

\*Corresponding author: Riska Widarti

market positions and its implication the superior-financial performance. The research gap in this an investigates conducted with the new research model to Attempt Superior-Financial Performance within Multinational- Corporations with novelty variables the powerful digital marketing and the focus creation in customer value such as intervening variables within a research model.(Demirkan & Spohrer, 2014; Geraerdts, 2012; Järvinen & Karjaluoto, 2015; Kim, Cavusgil, & Cavusgil, 2013; Landroguez, 2013; Li, 2010; Obal & Lancioni, 2013; Walmsley, 2016)

The marketing within accountable- based and entire multinational- corporations have many ways to create some digitalize marketing planning, and should be determining with the newest big data that could integrated in many sources, the modern incremental innovations- competitively within intelligent for face the tight competition, the development for the resources- advantage and could attempt the best market position to multinational market for achieve the big opportunity for gain the profit within business ethic and good service quality to entire consumers (Aima, Susilo, Purwanto and Wiratih, 2015). Moreover, the entire multinational corporate should making attentions' within digital customer engagement to predict the interaction between digital channel an end-user,

University of Persada Indonesia Y.A.I

Riska Widarti, Atika Handriyani and Wilhelmus Hary Susilo., The Factors of Digital Transformations lead to Digital Marketing and Customer Value that Impacted for Market Positions and its Implications the Financial Performance in Manufactory Corporations- lq45

the powerful digital marketing, the focus for create on customer value on the multinational firm that conducted by digitalize era to affect the competitive advantage- market position. (Anselmsson & Bondesson, 2015; Ben Aissa & Goaied, 2016; C. Roach, Ryman, & White, 2014; Takata, 2016)

#### Literature review and hypothesis development

Indeed, in this analysis was investigated model of variables that conducted to pursue the contributions for grand R-A theory and to develop of the body of knowledge and more empirical in the result, also for the contributions to the management implications as actions plan and the executive summary for strategies within entire multi-national enterprise. Moreover, in this inquiry conducted with practice theory, that correlated within the R-A Theory for attempted the robust competitiveness advantage in market position and the superior financial performance for long-run operations in business.

# The R-A Theory and Develop on Body of Knowledge

Resources- advantage theory could exploring some knowledge about competition between Entire Corporation in heterogeneous venture for doing business, and then the sustainable competitive advantage should have the rigor basis as the foundation of the corporation to design the structures, bundles and provide the hi-organization's resources and have agile management to moving forward and winning the competitions for lung-run business.(Shelby D. Hunt, 2013, 2015; Shelby D Hunt & Morgan, 1995)

The scholar have develop the grand theory to fulfill the research gap and could make the contribution for the body of knowledge to enlightened and have the novelty result from doing empirical research as follow, the figure 1 below:

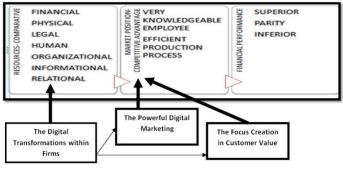


Figure 1 The R-A Theory and Develop on Body of Knowledge within the Digitalized

#### Proposed the Framework and Hypothesis Development

Actually, the research framework of Superior- Financial Performance within Multinational- Corporations should have for development to fulfillment the research gap for finding the knowledge to improvement the superior- financial performance within heterogeneous industries and contributions for R-A Theory in the body of knowledge (Shelby D. Hunt, 2013, 2015; Shelby D. Hunt & Arnett, 2006). Furthermore, the scholar could more achieve the contributions to body of knowledge within the strategic choice theory, that analysis focused on; the tight related between marketing managers and their choice, the faster change in marketplace and the correlation the managers with marketplace. This middle range- theoretical could bridging to the practice theory in practical management for

doing business. Hence, The Stakeholder theory could support managers to understanding about the moral and value for managing the firms with well ethics in business within shareholders and many groups.(Carvalho & Gomes, 2017; Forthofer *et al.*, 2016; Hernández-Perlines, 2016; Hooks & Stewart, 2015; Ren, Hu, & Jain, 2016)

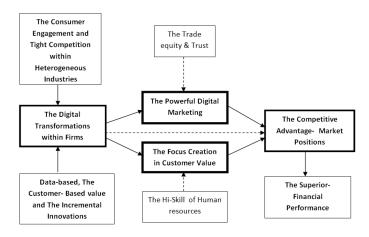


Fig 2 The Research Modelto Attempt Superior- Financial Performance within Multinational- Corporations (Source: Develop from an Author- concept)

### The confirming strategies for hypothesis in these inquiries the conceptual research model on figure 2 above, as follow

 $H_1$ : The digital transformations within firms is positively related to the powerful digital marketing.

**H**<sub>2</sub>: The digital transformations within firms is positively related to the focus- creation in customer value.

H<sub>3</sub>: The powerful digital marketing is positively related to the competitive advantage- market positions.

# Research method

#### Sample and data collection

The respondent in digital era as end-esuer which participated that daily used the consumers good which have the newest technology- product within total sampling(Mathwick, Wagner, & Unni, 2010; Thomas, 2013). The data would be collect from in the central Jakarta, which used the compatible computer in daily and them enrolment in the classroom. The sample in this study conducted with area sampling (Sekaran and Bougie, 2016).

#### Measurement of variables

The survey was conduct within the self administered questionnaire that uses the rating scale for entire latent variables to make the response for use the newest technologies consumers goods brand (Sekaran and Bougie, 2016). Moreover, the tools- instrument have the independently cross-sectional collected method and conducted with the rating scale as an interval data scale (1 to 10 very agree). Hence, the validity and reliability construct test that conducted with measurement model in structural equation modeling among variables (Hair, Black, Babin and Anderson, 2010).

### Data analysis, The Model of Fitting and Hypothesis testing

### Data analysis

The data analysis would conducted to the structural equation modeling, because entire the variables were latent characteristics. Moreover, the two step approach have pertains; measurement model and the structural hybrid full model and used the confirmatory strategies were conducted in this multivariate data analysis, with a testing the validity and the reliability construct, also synthesis the fitting model and hypothesis proved (Susilo and Yulius, 2017). The research result would have for the data analysis pertain:

A sensitivity analysis: the test indicated did not have the outlier and missing value that conducted with SPSS and the z value <2.50.

An univariate and multivariate of normality test:

#### The Model of Fitting and Hypothesis testing

The goodness of fit research model could be analyzed within the indexed value. Moreover, the entire hypothesis confirmed was conducted with t value >2.

#### Conclusions and research contribution

# CONCLUSIONS

Indeed, our research result will successfully to confirm entire hypotheses, and the greatest value can find to pursue financial performance on multinational corporations. The scholar hope the fulfillment the research gap within the new research model can effectively to achieve the market position with the on- line platform within the digital marketing and provide the customer value

#### **Research contribution**

The research contributions were within 2 (two) area that pertain; first, the contributions for theoretical implications to the body of knowledge of the recourses advantage, market position and the financial performance of the multi- national venture. Moreover, the conducted with R-A theory as the explanations and predicted the relationship for the attempt the financial performance that its will investigate on the marketbased research in management.

#### Acknowledgement

Thank you so much to the Expertise and Experience Learning Club, Faculty of Business and Management, University Of Persada Indonesia Y.A.I. To my colleague and students. To In Kind Workshops E&EL CLUB LABORATORY FEB UPI Y.A.I team.

# References

- Anselmsson, J., & Bondesson, N. (2015). Brand value chain in practise; the relationship between mindset and market performance metrics: A study of the Swedish market for FMCG. *Journal of Retailing and Consumer Services*, 25, 58-70. doi: 10.1016/j.jretconser.2015.03.006
- Ben Aissa, S., & Goaied, M. (2016). Determinants of tourism hotel market efficiency. *International Journal of Culture, Tourism and Hospitality Research, 10*(2), 173-190. doi: 10.1108/IJCTHR-11-2013-0080

- Bitter, S., & Grabner-Kräuter, S. (2016). Consequences of customer engagement behavior: when negative Facebook posts have positive effects. *ElectronMarkets*, 26, 13.
- Bürkner, H.-J., & Lange, B. (2017). Sonic capital and independent urban music production: Analysing value creation and 'trial and error' in the digital age. *City*, *Culture and Society*. doi: 10.1016/j.ccs.2017.04.002
- C. Roach, D., Ryman, J., & White, J. (2014). Culture, conduct and innovation: a deconstruction of market orientation. *Journal of Research in Marketing and Entrepreneurship*, 16(2), 128-145. doi: 10.1108/JRME-01-2014-0002
- Carvalho, N., & Gomes, I. (2017). Knowledge Sharing between Enterprises of the Same Group. *International Journal of Knowledge Management*, 13(1), 34-52. doi: 10.4018/ijkm.2017010103
- Demirkan, H., & Spohrer, J. (2014). Developing a framework to improve virtual shopping in digital malls with intelligent self-service systems. *Journal of Retailing and Consumer Services*, 21(5), 860-868. doi: 10.1016/j.jretconser.2014.02.012
- Forthofer, M., Burroughs-Girardi, E., Stoisor-Olsson, L., Wilcox, S., Sharpe, P. A., & Pekuri, L. M. (2016). Use of formative research and social network theory to develop a group walking intervention: Sumter County on the Move! *Eval Program Plann*, 58, 28-34. doi: 10.1016/j.evalprogplan.2016.05.004
- Geraerdts, R. (2012). Customer value creation: A journey in the search of excellence. *Industrial Marketing Management*, 41(1), 11-12. doi: 10.1016/j.indmarman.2011.11.023
- Glińska-Neweś, A., Sudolska, A., Karwacki, A., & Górka, J. (2017). INNOVATIONS AMONG PEOPLE. HOW POSITIVE RELATIONSHIPS AT WORK CAN TRIGGER INNOVATION CREATION. E+M Ekonomie a Management, 20(3), 84-100.
- Haifen, L., Mengya, C., & Jingqin, S. (2017). How management innovations are successfully implemented? An organizational routines' perspective. *Journal of Organizational Change Management*, 30(4), 456-486. doi: 10.1108/JOCM-07-2016-0124
- Hamilton, J. (2009). Building a targeted pharmacy customer engagement approach. *International Journal of Pharmaceutical and Healthcare Marketing*, 3(4), 381-396.
- Harrigan, P., Evers, U., Miles, M. P., & Daly, T. (2017). Customer engagement and the relationship between involvement, engagement, self-brand connection and brand usage intent. *Journal of Business Research*. doi: 10.1016/j.jbusres.2017.11.046
- Hernández-Perlines, F. (2016). Entrepreneurial orientation in hotel industry: Multi-group analysis of quality certification. *Journal of Business Research*, 69(10), 4714-4724. doi: 10.1016/j.jbusres.2016.04.019
- Hollebeek, L. D. (2012). The customer engagement/value interface: An exploratory investigation. *Australasian Marketing Journal (AMJ)*. doi: 10.1016/j.ausmj.2012.08.006
- Hooks, J., & Stewart, R. (2015). The changing role of accounting: From consumers to shareholders. *Critical*

Riska Widarti, Atika Handriyani and Wilhelmus Hary Susilo., The Factors of Digital Transformations lead to Digital Marketing and Customer Value that Impacted for Market Positions and its Implications the Financial Performance in Manufactory Corporations- lq45

*Perspectives on Accounting, 29*, 86-101. doi: 10.1016/j.cpa.2015.03.001

- Hunt, S. D. (2013). A general theory of business marketing: R-A theory, Alderson, the ISBM framework, and the IMP theoretical structure. *Industrial Marketing Management*, 42 (3), 283-293. doi: 10.1016/j.indmarman.2013.02.002
- Hunt, S. D. (2015). *Marketing theory : foundations, controversy, strategy, resource-advantage theory*. New York, USA: Routledge Taylor & Francis Group.
- Hunt, S. D., & Arnett, D. B. (2006). Does marketing success lead to market success? *Journal of Business Research*, 59(7), 820-828. doi: 10.1016/j.jbusres.2006.01.019
- Hunt, S. D., & Morgan, R. M. (1995). The comparative advantage theory of competition. *The Journal of Marketing*, 1-15.
- Järvinen, J., & Karjaluoto, H. (2015). The use of Web analytics for digital marketing performance measurement. *Industrial Marketing Management*. doi: 10.1016/j.indmarman.2015.04.009
- Kim, D., Cavusgil, S. T., & Cavusgil, E. (2013). Does IT alignment between supply chain partners enhance customer value creation? An empirical investigation. *Industrial Marketing Management*, 42(6), 880-889. doi: 10.1016/j.indmarman.2013.05.021
- Landroguez, S. M. (2013). Developing an integrated vision of customer value. *Journal of Services Marketing*, 27(3), 234-244. doi: 10.1108/08876041311330726
- Li, Y.-M. (2010). Pricing digital content distribution over heterogeneous channels. *Decision Support Systems*, 50(1), 243-257. doi: 10.1016/j.dss.2010.08.027
- Mathwick, C., Wagner, J., & Unni, R. (2010). Computer-Mediated Customization Tendency (CMCT) and the Adaptive e-Service Experience. *Journal of Retailing*, 86(1), 11-21. doi: 10.1016/j.jretai.2009.11.001

- Obal, M., & Lancioni, R. A. (2013). Maximizing buyersupplier relationships in the Digital Era: Concept and research agenda. *Industrial Marketing Management*, 42(6), 851-854. doi: 10.1016/j.indmarman.2013.06.002
- Ren, M., Hu, Z., & Jain, H. (2016). A conciliation mechanism for self-organizing dynamic small groups. *Springerplus*, 5(1), 800. doi: 10.1186/s40064-016-2516-7
- Straker, K., & Wrigley, C. (2016). Designing an emotional strategy: Strengthening digital channel engagements. *Business Horizons*, 59(3), 339-346. doi: 10.1016/j.bushor.2016.01.010
- Takata, H. (2016). Effects of industry forces, market orientation, and marketing capabilities on business performance: An empirical analysis of Japanese manufacturers from 2009 to 2011. *Journal of Business Research*. doi: 10.1016/j.jbusres.2016.03.068
- Thomas, E. (2013). Supplier integration in new product development: Computer mediated communication, knowledge exchange and buyer performance. *Industrial Marketing Management*, 42(6), 890-899. doi: 10.1016/j.indmarman.2013.05.018
- Vivek, S. D., Beatty, S. E., & Morgan, R. M. (2012). Customer Engagement: Exploring Customer Relationships Beyond Purchase. *Journal of Marketing Theory and Practice*, 20(2), 122-146. doi: 10.2753/MTP1069-6679200201
- Walmsley, B. (2016). From arts marketing to audience enrichment: How digital engagement can deepen and democratize artistic exchange with audiences. *Poetics*, 58, 66-78. doi: 10.1016/j.poetic.2016.07.001
- Wang, W.-L., Malthouse, E. C., Calder, B., & Uzunoglu, E. (2017). B2B content marketing for professional services: In-person versus digital contacts. *Industrial Marketing Management*. doi: 10.1016/j.indmarman.2017.11.006

# How to cite this article:

Riska Widarti, Atika Handriyani and Wilhelmus Hary Susilo.2020, The Factors of Digital Transformations lead to Digital Marketing and Customer Value that Impacted for Market Positions and its Implications the Financial Performance in Manufactory Corporations- lq45. *Int J Recent Sci Res.* 11(01), pp. 36955-36958. DOI: http://dx.doi.org/10.24327/ijrsr.2020.1101.5031

\*\*\*\*\*\*