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Brand capabilities in digital marketing: The key to enhancing marketing performance

Abdul Razak Munir^{a*}, Nuraeni Kadir^a, Fauziah Umar^a, Andi Syahida Ulhaq Pasryb^a and Syarifuddin Sulaiman^b

^aUniversitas Hasanuddin, Indonesia ^bUniversitas Muhammadiyah Makassar, Indonesia

| CHRONICLE | A B S T R A C T | |
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| Article history: Received: November 10, 2023 Received in revised format: No- vember 20, 2023 Accepted: December 8, 2023 Available online: December 8, 2023 | This study presents a structural equation model to describe the interrelationships between Digital Marketing, Brand Articulating Capability, Brand Resonance Capability, and Marketing Performance. It employs a cross-sectional study to examine the relationships among those research variables. This study utilized a survey methodology, which involved gathering data from 292 participants who were representatives of small and medium enterprises (SMEs) in South Sulawesi, Indonesia. Out of the 292 questionnaires distributed, 270 were considered appropriate for analysis. |
|--|---|
| Keywords: Digital Marketing Brand Articulating Capability Brand Resonance Capability Marketing Performance SMEs | Four hypotheses were formulated and examined by employing structural equation modeling (SEM) analysis, which revealed several noteworthy findings. The results suggest that SMEs with a stronger focus on digital marketing are more likely to enhance their capacity to articulate their brand, leading to improved marketing effectiveness. In contrast, those with a higher level of Dig- ital Marketing tend to acquire brand resonance capabilities. The findings of this study highlight the significance of the Brand Articulating Capability and Brand Resonance factors in improving the impact of Digital Marketing on Marketing Performance, hence facilitating the growth of SMEs. |

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1. Introduction

Within Indonesia's multifaceted and ever-evolving economic fabric, small and medium enterprises (SMEs) are critical foundations of growth, employment generation, and flexibility. These firms, commonly recognized as the fundamental support of the Indonesian economy, assume a crucial function in stimulating innovation, nurturing entrepreneurial activities, and making significant contributions to the nation's overall prosperity (Tambunan, 2019). Small and Medium Enterprises (SMEs), characterized by their natural adaptability, flexibility, and robust connections to local communities, have exhibited notable resilience during economic adversities. Throughout the Asian financial crisis spanning from 1997 to 1998 and the pandemic from 2019 to 2022, empirical data suggests that SMEs in Indonesia exhibited a remarkable ability to maintain their operational continuity with limited adverse consequences. That stands in obvious contrast to more prominent corporations, which encountered substantial difficulties during these periods (Priyono, Moin, & Putri, 2020). This resilience exhibited by SMEs played a crucial role in supporting the Indonesian economy during that challenging period. In a parallel manner, amidst the worldwide pandemic that transpired in 2020, SMEs have shown their capacity for resilience by modifying their operational frameworks and embracing digital innovations to effectively traverse the many disturbances (Corvello, Verteramo, Nocella, & Ammirato, 2022). Despite their immense contribution, SMEs face many challenges, including restricted funds, insufficient physical facilities, scarcity of a proficient workforce, and marketing capability (Munir, Ilyas, Maming, & Kadir, 2019). These challenges hinder their growth potential and constrain their ability to realize their contributions to Indonesia's economic development fully. SMEs often face unique challenges in achieving consistent marketing performance. Limited resources, lack of expertise, * Corresponding author.

E-mail address: arazak.munir@gmail.com (A. R. Munir)

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and ever-changing consumer preferences can hinder their ability to effectively market their products or services (Naradda Gamage et al., 2020). Understanding these challenges and identifying effective marketing strategies is crucial for small and medium enterprises (SMEs) to survive in the highly competitive industry.

The development of digital marketing has significantly influenced the business landscape, radically redefining how companies engage with their desired customer base and improving their marketing performance. (Varadarajan, Welden, Arunachalam, Haenlein, & Gupta, 2022). Digital marketing has enabled real-time communication and transactions, global reach, extensive product information, convenient ordering, and consumer-driven product comparisons (Pono et al., 2018). However, despite the widespread adoption of digital marketing tools and strategies, there remains a persistent gap between digital marketing efforts and their impact on marketing performance. Previous studies have yielded inconclusive results about the effect of digital marketing on marketing performance. Aswani, Kar, Ilavarasan, and Dwivedi (2018) caution that the wrong implementation of digital marketing can result in adverse outcomes, such as a lack of advantages, destruction of value, higher transaction and coordination expenses, loss of intangible value, and harmful long-term implications. That can ultimately result in poor marketing performance. Studies such as those by Leeflang, Verhoef, Dahlström, and Freundt (2014), Royle and Laing (2014), and Järvinen and Karjaluoto (2015) have found no significant direct impact of digital marketing on marketing performance. In contrast, studies by Prasad, Ramamurthy, and Naidu (2001), Merrilees, Rundle-Thiele, and Lye (2011), Pomirleanu, Schibrowsky, Peltier, and Nill (2013) and Kerdpitak (2022) have discovered a positive and substantial association between Digital Marketing and Marketing Performance. Different research studies have substantiated the impact of digital marketing on many business factors. (Frösén, Tikkanen, Jaakkola, & Vassinen, 2013; Melović, Jocović, Dabić, Vulić, & Dudic, 2020; Munir, Kadir, Umar, & Ilyas, 2023; Zahay & Griffin, 2010)

The identified gap underscores the need for additional research to reconcile digital marketing and marketing performance disparities. This study addresses the current research gap by constructing a conceptual framework that serves as a strategic connection between digital marketing and marketing performance, focusing on SMEs. In constructing this model, the researcher uses the concepts of Brand Articulating Capability and Brand Resonance Capability as strategic bridges, aiming to enhance marketing performance through digital marketing strategies.

2. Literature Review and Hypothesis Development

2.1 Digital Marketing

As Pomirleanu et al. (2013) pointed out, Digital Marketing involves strategically promoting and establishing a brand using various online platforms, including blogs, websites, e-mail, AdWords, and social media. Coviello, Milley, and Marcolin (2001) assert in their research that Digital Marketing involves using the Internet and other online activities to facilitate communication between companies and current customers. Formulating a digital marketing strategy plays a crucial role in staying up-to-date with technological progress, aiming to attract consumers and lead them through a combination of digital and traditional communication methods (Chaffey & Ellis-Chadwick, 2019). In essence, digital marketing entails leveraging digital technology for promotional purposes. The dynamic nature of digital marketing has brought about significant transformations and alterations in worldwide markets, influencing customers' purchasing intentions and empowerment. Consequently, this has spurred the development of advanced technological solutions to adapt to these business transformations (Ardolino et al., 2018; Poturak & Softic, 2019). This study utilizes specific indicators of Digital Marketing, including Social Media Marketing Capability, E-commerce Adoption, and Instant Messaging Marketing Orientation.

2.2 Brand Articulating Capability

Proposed by Hughes and Morgan (2007), Hunt (2012), and Hunt and Morgan (2017), the resource advantage theory of competition (RAToC) forms the foundation of the concept of brand articulating capability. This concept is pivotal in strategically linking Digital Marketing endeavors to elevated Marketing Performance.

The brand is crucial for achieving and sustaining success within a company's assets. A robust brand image attracts and retains customers and satisfies their expectations (Siahtiri, O'Cass, & Ngo, 2014). Literature suggests that a locally-contributed brand can compete effectively with an appropriate marketing strategy, emphasizing a brand's competitiveness in a highly contested market, mainly when originating from abroad (Anderson & Weitz, 1992; Gupta & Malhotra, 2013).

Articulation, defined as the clear, audible, and melodic expression of speech, plays a crucial role in communicating ideas effectively (Slack, 2006). Brand Articulating Capability is an organization's ability to effectively communicate its brand message to customers. According to the Resource Advantage Theory of Competition, Organizations that possess a competitive advantage can achieve market dominance and attain exceptional financial success. (Hunt & Morgan, 1996; Pardo, Ivens, & Wilson, 2014). Termed as Brand Articulating Capability, in this context, this brand capability is a lever for superior marketing performance. The articulation of a product and its associated brand, according to Brand Articulating Capability, involves ensuring the brand's visibility to customers, effective communication, and establishing an evident reputation with customers.

2.3 Brand Resonance Capability

Proposed by Hunt (2012), The Resource Advantage Theory of Competition recognizes brand resonance as a component of a company's resource portfolio, internally embedded within the organization. This resource has the potential to exert external influence on consumers, and companies consistently strive to disrupt the marketplace equilibrium through innovative strategies aimed at both attracting and retaining consumers. Consequently, companies actively cultivate and enhance their brand capability to remain adaptable in navigating dynamic market conditions. The concept of Brand Resonance Capability amalgamates insights from the Brand Resonance concept (Keller, 2013), as seen in Raut, Brito, and Pawar (2020), originating from the theories of Brand Image and Marketing Capability (Tuominen, Möller, & Anttila, 1999). As underscored by a seminal study conducted by Munir, Maming, Kadir, and Sobarsyah (2021), the interplay between digital marketing efforts and Brand Resonance Capability is Essential for organizations aiming to sustain competitiveness in the digital era. Brand resonance encompasses the fundamental dynamics of the association between the brand and the consumer, representing the final phase in the psychological bond between these two entities. Brand resonance manifests through the depth, loyalty, and intensity of customer's affinity for a brand. In order to attain the highest level of brand resonance, marketers must carefully develop a solid foundation that fosters and sustains brand resonance. Simultaneously, marketing capabilities refer to the expertise in marketing, which involves the development of strategies that gather information about the values and norms established via organizational practices. The marketing capability concept encompasses the efficient incorporation, usage, and strategic guidance of resources to amplify the value of input resources. (Day, 1994; Grant, 1991, 1996). The synthesis of these two concepts generates the new concept known as Brand Resonance Capability. In the pursuit of creating a harmonious resonance between customers and the brand, companies need the ability to align the brand with the image perceived by customers. This Brand Resonance capability is a critical driver of marketing performance enhancement.

2.4 Marketing Performance

As a metric for evaluating a firm's success, marketing performance encompasses several factors, such as sales turnover, client count, sales volume, and profitability growth (Voss & Voss, 2000). According to Saekoo, Chuntarung, and Thoumrungroje (2012), marketing performance plays a vital part in the overall performance of a corporation, as it is influenced by the market strategy employed by customers and financial organizations. The study focuses on several aspects of market performance, including sales growth, market share, and market development. According to Pribadi and Kanai (2011), performance marketing refers to achieving firm achievements resulting from marketing operations. A more accurate marketing performance assessment can be achieved by focusing on the customer's perspective, including customer satisfaction, profitability, and new customer acquisition. Katsikeas, Morgan, Leonidou, and Hult (2016) have systematically classified four distinct approaches for assessing marketing performance: consumer attitude, accounting performance, product-market performance, and financial market performance. Morgan et al. (2022) proposed an alternative perspective, positing that the evaluation of marketing performance should focus on metrics such as profit, sales, and customer growth. This study used sales value, sales volume, and sales growth in new markets as indicators, as Munir, Ilyas, Maming, and Kadir (2020) recommended in their study.

Based on reviews of relevant literature and previous research, the research model utilized in this study can be described as:

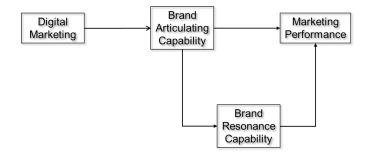


Fig. 1. Empirical Research Model

This study has formulated four hypotheses based on the literature research and figures before;

H1: Digital Marketing affects Brand Articulating Capability.
H2: Brand Articulating Capability affects Marketing Performance.
H3: Brand Articulating Capability affects Brand Resonance Capability.
H4: Brand Resonance Capability affects Marketing Performance.

3. Research Method

A cross-sectional study examined the interrelationships among four pivotal variables: digital marketing, brand articulating capability, brand resonance capability, and marketing performance. The initial part of the questionnaire outlined the study's

aims, gave directions for completion, and stressed the significance of respondents' intentional involvement. This study employed quantitative research methodology in conjunction with a survey strategy. The survey included a 7-point Likert scale to assess the respondents' viewpoints. This scale was chosen because it is more likely to elicit agreement from respondents compared to a 5-point Likert scale (Wang, Law, Guillet, Hung, & Fong, 2015). The study encompassed all SMEs in the districts and cities within South Sulawesi Province. The individuals involved in this study were either entrepreneurs or individuals who owned businesses. This research involved the participation of 292 SMEs, who were invited and readily agreed to participate in the study based on a convenience sample frame. Following the tabulation process, ten questionnaires were eliminated from the analysis due to their consistent responses to all statements. As a result, the final sample size for analysis was reduced to 280. After undergoing additional enhancements, a grand total of 270 samples that met the criteria for both validity and reliability were incorporated. This sample size adheres to the recommendations stated by Hair, Black, Babin, and Anderson (2018). This study utilizes statistical analysis through structural equation modeling to examine the correlation between the research variables.

Table 1

| Variables | and | Indicators |
|-----------|-----|------------|
|-----------|-----|------------|

| Variables | Definition | | Indicators |
|-------------------------------|---|----|--|
| Digital Marketing | A marketing activity including strategic promotion and establish- | 1. | Social Media Marketing Capability, |
| | ment of a brand using a range of online platforms, including blogs, | 2. | E-commerce Adoption, |
| | websites, e-mail, AdWords, and social media | 3. | Instant Messaging Marketing Orientation. |
| Brand Articulating Capability | The company's capability to effectively communicate the mes- | 1. | the brand recognition |
| | sage embedded in its brand to customers with clarity. | 2. | the brand communication |
| | | 3. | the brand reputation. |
| Brand Resonance Capability | A brand's capacity to establish essential and relevant connections | 1. | Brand Identity |
| | with its consumers | 2. | Brand Value |
| | | 3. | Brand Experience |
| Marketing Performance | Marketing achievement level in the market | 1. | Sales volume |
| | | 2. | Sales Value |
| | | 3. | Sales growth in new markets |

4. Result and Discussion

Prior to conducting further analysis, an evaluation of normality was performed on the collected data. The skewness values for all measurement items ranged from -0.928 to -0.215, while the kurtosis values ranged from -1.437 to -0.080. Crucially, these values fall within the acceptable range of greater than -3 and less than 3 for skewness, greater than -10, and less than 10 for kurtosis. These confirm that all items satisfy the requirement for data normality (Brown, 2006).

Table 2

Assessment of Normality

| Constructs | Items | Skewness | Kurtosis |
|-------------------------------|-------|----------|----------|
| Digital Marketing | DM1 | -0.215 | -1.302 |
| | DM 2 | -0.084 | -1.437 |
| | DM 3 | -0.317 | -1.314 |
| Brand Articulating Capability | BAC1 | -0.686 | -1.010 |
| | BAC2 | -0.865 | -0.080 |
| | BAC3 | -0.814 | -0.233 |
| Brand Resonance Capability | BRC1 | -0.749 | -0.482 |
| | BRC2 | -0.660 | -0.411 |
| | BRC3 | -0.708 | -0.834 |
| Marketing Performance | MP1 | -0.887 | 0.340 |
| - | MP2 | -0.928 | 0.208 |
| | MP3 | -0.502 | -0.649 |

The study employed Structural Equation Modeling with the AMOS program to analyze data. Structural Equation Modeling is a powerful statistical technique that enables the analysis of several components and their interrelationships, resulting in improved statistical efficiency. Reliability and construct validity of all constructs were assessed and evaluated, as shown in Table 3. Confirmatory factor analysis was utilized to evaluate the validity of indicators and ascertain the loading factor values for all indicators of latent variables. Indicator validity is determined using a standard of loading factor values larger than 0.70 (Hair et al., 2018). The values of all indicator factor loadings in Table 3 are above 0.70, confirming the validity of all indicators. The scale's reliability was evaluated by using composite reliability (CR). All constructs exhibited composite reliability greater than the recommended point of 0.7. The assessment of convergent validity involved the calculation of the average variance extracted (AVE). The results demonstrate that all constructs possess an average variance retrieved that exceeds 0.5, per the recommendation given by Hair et al. (2018).

The results of the structural model fit (Fig. 2) indicate a satisfactory fit (χ 2= 73.223, P = 0.017; CMIN/DF= 1.931; GFI= 0.921; AGFI= 0.881; CFI= 0.947; TLI = 0.933; RMSEA = 0.077). Therefore, the data can be used for hypothesis testing as the model used in this research aligns with the anticipated population (Hair et al., 2018).

| Table 3 |
|----------------------------------|
| Test of Validity and Reliability |

| | | | Reliability | |
|-------------------------------|------------|------------------------------|-------------|-------|
| Variables | Indicators | Standardized Loading Factors | CR | AVE |
| Digital Marketing | DM1 | 0.765 | 0.806 | 0.582 |
| | DM2 | 0.814 | | |
| | DM3 | 0.706 | | |
| Brand Articulating Capability | BAC1 | 0.716 | 0.855 | 0.665 |
| | BAC2 | 0.828 | | |
| | BAC3 | 0.902 | | |
| Brand Resonance Capability | BRC1 | 0.847 | 0.847 | 0.649 |
| | BRC2 | 0.838 | | |
| | BRC3 | 0.726 | | |
| Marketing Performance | MP1 | 0.784 | 0.827 | 0.615 |
| | MP2 | 0.813 | | |
| | MP3 | 0.755 | | |

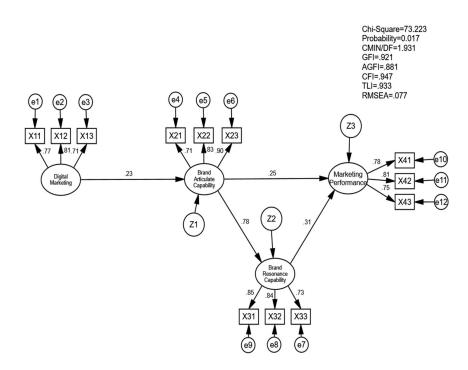


Fig. 2. Structural Model

All relationships suggested in this study proved statistically significant based on the hypothesis testing outcome shown in Table 4. This study found that Digital Marketing significantly impacts brand articulating capability ($\gamma = 0.233$, p = 0.003). Brand Articulating Capability tremendously impacts Brand Resonance Capability ($\gamma = 0.785$, p = 0.000). Brand articulating capability influences Marketing Performance ($\gamma = 0.255$, p = 0.000), and Brand Resonance Capability also influences Marketing Performance ($\gamma = 0.255$, p = 0.000), and Brand Resonance Capability also influences Marketing Performance.

Table 4

Hypothesis Testing

| | Hypothes | sis | Standardized Estimate | Probability | Decision |
|-------------------------------|---------------|-------------------------------|-----------------------|-------------|-----------|
| Digital Marketing | \rightarrow | Brand Articulating Capability | 0.233 | 0.003 | Supported |
| Brand Articulating Capability | \rightarrow | Brand Resonance Capability | 0.785 | 0.000 | Supported |
| Brand Articulating Capability | \rightarrow | Marketing Performance | 0.255 | 0.000 | Supported |
| Brand Resonance Capability | \rightarrow | Marketing Performance | 0.311 | 0.000 | Supported |

The impacts of digital marketing on brand articulating capability

An analysis of the impact of digital marketing on brand articulating capability yielded a beta coefficient value of 0.233, which is statistically significant at a threshold of 0.003 <0.05. That signifies the rejection of the null hypothesis (H_0) and the acceptance of the alternative hypothesis (H_1). These findings indicate that digital marketing has a favorable and statistically significant impact on the ability to express and communicate the brand. Therefore, the growing field of digital marketing allows brands to effectively communicate their distinct brand identity, establish a powerful brand voice, and cultivate

meaningful relationships with consumers (Scozzese & Granata, 2019; Sundaram, Sharma, & Shakya, 2020; Varadarajan et al., 2022). Consequently, this will increase their brand articulating capability effectively.

Digital marketing has transformed how brands interact and connect with their intended audiences, substantially impacting their capacity to express their brand's essential nature and values (P. Kumar & Singh, 2020; Munir et al., 2023). Brands may utilize various digital platforms and technologies to enhance their brand messaging and expand their reach to larger customers. Social media platforms, such as Facebook, X (Twitter), and Instagram, offer brands direct avenues to interact with consumers, communicate their narrative, and cultivate a devoted community (Faulds, Mangold, Raju, & Valsalan, 2018; Liao, Chen, & Dong, 2022; Munir et al., 2021). Moreover, organizations can utilize content marketing methods such as blog posts, infographics, and videos to demonstrate their expertise effectively, establish themselves as leaders in their field, and draw the attention of potential customers (Ho, Pang, & Choy, 2020; Sihare, 2018). Furthermore, digital marketing empowers firms to customize communication and adapt content to targeted customer segments (V. Kumar & Mittal, 2020; Nair & Gupta, 2021). By utilizing data analytics and employing audience segmentation approaches, brands may identify their intended audience's preferences, interests, and behaviors. It enables them to provide tailored experiences that genuinely resonate with each individual (Huang & Rust, 2021). This individualized strategy cultivates more durable brand affiliations and increases the overall brand capability (Khamitov, Wang, & Thomson, 2019; Lemon & Verhoef, 2016).

The impacts of brand articulating capability on brand resonance capability

Analyzing the impact of brand articulation capability on brand resonance capability yielded a beta coefficient value of 0.785, which is statistically significant at 0.000 < 0.05. These shows the rejection of the null hypothesis and the acceptance of the alternative hypothesis. The findings indicate that the Brand Articulating Capability positively and significantly impacts the Brand Resonance Capability.

Brand articulation capability refers to a brand's effectiveness in communicating its fundamental nature and values. This capability is essential in shaping brand resonance capability, which involves establishing solid and significant customer connections (Munir et al., 2023). When a brand articulates its essential values and mission concisely, uniformly, and captivatingly, it evokes an emotional response from consumers, fostering loyalty and preference (Williams, Escalas, & Morningstar, 2022).

Effective brand articulation entails developing a unified brand story that consistently communicates the brand's identity, values, and messaging throughout all contact points (Muchenje, Mtengwa, & Kabote, 2023; Velykytė, 2023). In addition, brands need to employ storytelling techniques, utilizing narratives to cultivate an emotional bond with consumers and reinforce their brand values. (Hong, Yang, Wooldridge, & Bhappu, 2022; Kim & Sullivan, 2019; McQuarrie, Miller, & Phillips, 2013). The brand articulating capability also includes the skill to customize brand communication for specific target audiences. Brands may enhance their potential to create strong connections and resonate with their target audience by comprehending their preferences, interests, and behaviors, allowing for tailored communication and improved brand resonance capability.

The impacts of brand articulating capability on marketing performance

Examining the impact of brand articulation capability on marketing performance reveals a beta coefficient value of 0.255, which is statistically significant at 0.000 <0.05. That signifies the rejection of the null hypothesis and the acceptance of the alternative hypothesis. These findings indicate that the brand articulating capability positively and significantly impacts marketing performance. By effectively and consistently communicating their distinct identity and messaging, brands can increase brand awareness, attract more customers, and cultivate better customer connections, resulting in enhanced marketing outcomes (V. Kumar & Kaushik, 2020; Roggeveen et al., 2021). Moreover, brand articulating capability allows firms to customize their messaging for particular audience segments, improving marketing operations' efficiency. (Key, Keel, Czaplewski, & Olson, 2021). Brands may enhance their communication and achieve targeted marketing outcomes by comprehending their target audience's preferences, interests, and behaviors, allowing them to tailor their approach and establish stronger relationships. The capacity to communicate the brand's message is an essential determinant of the effectiveness of marketing initiatives. By proficiently conveying their fundamental nature and principles, companies can develop profound and significant bonds with consumers, resulting in heightened brand recognition, customer devotion, and favoritism, ultimately propelling sales and profitability (Ebrahim, 2020; Vazifehdoost & Negahdari, 2018).

The impacts of brand resonance capability on marketing performance

The analysis of the impact of brand resonance capability on marketing performance reveals a beta coefficient value of 0.311, which means the results are statistically significant at a p-value of 0.000, below the threshold of 0.05. The null hypothesis has been rejected, while the alternative hypothesis has been accepted. These findings indicate that the brand resonance capability positively and significantly impacts marketing performance. Brand resonance capability, often referred to as the brand's capacity to establish profound and significant bonds with consumers, known as brand relationship quality, plays a crucial part in the efficacy of marketing. (Munir et al., 2021). When brands establish a strong emotional connection with consumers, they cultivate loyalty, preference, and advocacy, resulting in enhanced marketing results.

Brand resonance capability comprises various essential aspects, such as trust, recognition, and attachment. Brands that cultivate trust with consumers develop themselves as reputable and dependable authorities, resulting in heightened customer assurance and purchasing choices. (Cooley & Parks-Yancy, 2019). Brand identification is when customers establish a personal connection with a brand by aligning their beliefs and aspirations with the brand's (Bhattacharya & Sen, 2003; Coelho, Rita, & Santos, 2018). Brand attachment occurs when customers develop a profound emotional bond with a brand, viewing it as a vital element of their existence (Aureliano-Silva, Strehlau, & Strehlau, 2018; Japutra, Ekinci, & Simkin, 2018).

Effective brand resonance strategies encompass the development of captivating brand encounters that deeply connect customers on an emotional stage (Akoglu, Özbek, & Logistics, 2022). It involves storytelling techniques employing narratives to foster a personal relationship with consumers and reinforce brand values. In addition, brands must actively engage in personalized conversations with consumers, adapting their communication and products to suit individual tastes and needs (Bleier, De Keyser, & Verleye, 2018; Olsen & Pracejus, 2020). The capability to create a strong connection with consumers is an essential determinant of the effectiveness of marketing initiatives. By establishing solid and significant consumer relationships, brands may cultivate loyalty, preference, and advocacy, resulting in greater brand recognition, long-term customer value, and profitability.

5. Conclusions

The empirical research paradigm utilized in this study can be described based on a comprehensive literature assessment and previous research. The main objective of this study is to develop a theoretical framework for optimizing digital marketing strategies, which can potentially improve marketing effectiveness by integrating Brand Articulating Capability and Brand Resonance Capability. This study presents a model that attempts to explain the interactions between Digital Marketing, Brand Articulating Capability, Brand Resonance Capability, and Marketing Performance by applying a structural equation model. The process of validating our hypothesized model and its relationships has shown several possibilities for enhancing marketing performance.

The primary findings can be briefly outlined: (1) SMEs with a more robust digital marketing presence are expected to enhance their Brand Articulating Capability and improve their overall marketing performance. (2) Higher brand articulating capability will enhance marketing performance through brand resonance capability. (3) Brand articulation capability is essential in the interaction between digital marketing and marketing performance. It acts as an intermediary variable, facilitating the development of brand resonance capability.

The outcomes of this study contribute to developing the concepts of Brand Articulation capability and Brand Resonance capability, specifically in entrepreneurship and marketing, hence facilitating the growth of small and medium enterprises (SMEs). The findings in this study suggest that Brand Articulating Capability and Brand Resonance Capability are essential mediators in connecting the gap between Digital Marketing and Marketing Performance. The study emphasizes the significance of the Brand Articulating Capability and Brand Resonance Capability variables in improving the influence of Digital Marketing on Marketing Performance. Therefore, small and medium enterprises (SMEs) should utilize their capability for brand articulation and resonance, as these have the potential to enhance the effect of digital marketing on overall marketing performance. Small and medium enterprises (SMEs) should leverage their brand's association, resilience, and distinctive qualities to develop a strong expertise in Digital Marketing.

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