

Role of Strategic Marketing on Competitive Advantage for E-Commerce Business in India: An Empirical Study

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Abstract

Strategic competitive strategy equips executives with practical knowledge, new skills, and tools to translate strategic ideas into actionable plans. Within strategic research, competitive research focuses on gathering information about rival firms, a crucial approach to assess their activities and potential threats to financial strength. Despite the rapid development of electronic commerce, many e-commerce businesses are still in the investment and brand-building phase, struggling to show a profit. Strategic marketing plays a pivotal role in attaining organizational goals and objectives, aiding in the identification and implementation of new opportunities. The decisions made by management can make significant effect on the performance of e-commerce businesses in India. Strategic marketing management is defined as a process that involves identifying company goals, creating effective strategies, and implementing them to achieve those goals. A sample of 233 respondents was collected from people working in e-commerce businesses in India. The variables that identify the role of Strategic Marketing on Competitive Advantage for E-Commerce Business in India are Innovation and Adaptability, Brand and Market Positioning, Customer Segmentation, and Competitive Pricing and Promotions.

Keywords – Strategic marketing, Competitive advantage, E-commerce, market development, strategic management

1. Introduction

The e-commerce businesses in India are experiencing continuous and rapid growth, with the key to success attributed to the adoption of flexible working methods and a customer-centric approach by all stakeholders within e-commerce firms. This success highlights the importance of exploring elements such as strategic marketing, strategic decision-making and the effective application of information technology along with other modern technologies to boost the growth of the e-commerce industry. When starting operations for an e-commerce business in India, it is vital to conduct thorough analyses of the competitive landscape in the market and formulate strategies accordingly. This demands a high level of innovation and adaptability from business strategists. The success of any business enterprise is dependent upon factors like availability of resources, the presence of dedicated interest groups, and the skilled prediction and mitigation of potential threats and risks, all of which are complicatedly knotted with the strategic decision-making process (**Hari Krishna, Kumari & Gayathri, 2022**). Strategic marketing management aims to proficiently respond to developing market requirements in the ever-changing business environment. While the ultimate goals of businesses remain constant, the approach towards achieving these strategic objectives might vary. It is evident from the aforementioned discussion that a thorough understanding of the target market is crucial for the effective implementation of strategic marketing management measures. A nuanced understanding of the target market sets the stage for the successful execution of diverse promotional practices, ultimately nurturing recognizable e-commerce strategies. When executed with accuracy, the collaboration between strategic marketing management and e-commerce marketing can yield remarkable results in terms of business growth and profitability. The combination of budget and business durability becomes more seamless, resulting in a more healthy and sustainable business model (**Kalogiannidis, Kagioglou, & Papaevangelou, 2022**). E-commerce is defined as the buying and selling of goods and services over the internet with the exchange of money and data, it plays a crucial role in reshaping approach of marketing through incorporation of new technologies. It serves as a compound for enhanced product information broadcasting and improved processes of decision-making. Therefore, the developing landscape of marketing strategies demands substantial information to broadly grip the need of customers, motivation the exploration of the most suitable strategies associated with expectations of consumer. By understanding the diverse needs of different customer groups, businesses can customize their marketing campaigns to address specific segments, increasing the relevance and effectiveness of their messages. This approach not only enables consumer-oriented marketing strategies but also enables the seamless sharing of innovative information (**Rosario and Raimundo, 2021**). The rise of e-commerce has made significant transformation in the landscape of business, that had made digital marketing a crucial element in driving effective business practices. The internet has provided vast opportunity for the establishment of new business standards,

creating a favourable environment for both buyers and sellers to conduct transactions seamlessly. This shift has empowered consumers by granting them better access to a wealth of information at any time and from anywhere. The study observes the dynamics of the ecommerce market, it becomes apparent that important players are engaged in aggressive competition. The outcome of this competition will shape the future of e-commerce, not only in urban cities but also in rural areas in India. It is a convincing time to witness how these industry giants navigate and overcome the challenges posed by this evolving market (Murgai, 2018). Marketing strategies for business leaders aim to address market demands, expand market share, and enhance stockholder value. Successful entrepreneurs must devise stakeholder approaches to support annual strategic initiatives and facilitate opportunities for growth. These strategies include a set of methods employed by companies to introduce their products to potential customers. Brand positioning thrives on innovation, continuously seeking the next big idea. It is essential to stay ahead of the curve, incorporating fresh concepts to improve offerings. Ensuring a welcoming and positive experience for every customer is supreme, as customer satisfaction directly impacts the business's bottom line. The ultimate objective is to foster guest retention, thereby contributing to sustained business growth (Guvo & Kero, 2022).

2. Literature Review

Sudirjo (2023) revealed that in present highly competitive and dynamic business landscape, the global market presents a challenging environment influenced by technological advancements, globalization, and widespread internet access. These factors have not only transformed consumer behaviour but have also created both opportunities and challenges for companies aiming to market their products internationally. Navigating this complex global market demands the implementation of effective strategic marketing for enhancement of competitiveness of products. This research aims to analyse the role of strategic marketing in enhancement of product competitiveness on a global level. The findings of the study highlight that the global market is ripe with opportunities for companies to achieve growth and success on an international scale. However, it also emphasizes that amidst these opportunities, intense competition and intricate market dynamics necessitate the adoption of precise and tailored marketing strategies by companies to thrive in the global marketplace.

Mathew & Patil (2022) studied that establishment and maintenance of competitive advantage needs a comprehensive strategy that aligns with the strength of brand, opportunities of market, and preferences of consumers. Through constant innovation, a focus on enhancing customer experience, the effective use of technology, and the cultivation of strategic relationships, companies can carve out a distinctive position in the market, ensuring a sustainable competitive edge over time. The forthcoming trends in marketing will be severely influenced by technological advancements, shifting consumer preferences, and the imperative for businesses to adapt rapidly. By anticipating these developments and implementation of cutting-edge solutions, companies can strategically position themselves to navigate the evolving landscape, building stronger connections with consumers and securing a competitive advantage in the future market.

Oudan (2010) found that the landscape of business is undergoing a transformative shift with the beginning of electronic commerce, changing traditional practices. The spread of the Internet is simultaneously opening up new opportunities for business growth. This evolution in commerce has not only been profound but is also necessitating companies to formulate e-commerce strategies and adopt strategic solutions to remain competitive in the burgeoning digital economy. In order to navigate this changing terrain in successful manner, companies must place a strong emphasis on delivering value to customers, encompassing factors such as cost, products, and services. A focused approach provides the necessary framework for organizations to construct operational and support systems, leveraging technological solutions. The establishment of a brand image through differentiation becomes a linchpin for a triumphant e-commerce strategy. This unique positioning not only sets the firm apart but also serves as a cornerstone for success in the dynamic world of electronic commerce.

Mohamed & Basar (2023) stated that effective strategic management plays a vital role for enhancement of company's competitive advantage. With the establishment of precise aim and purposes, formulating an all-inclusive plan for their achievement, and frequently assessing and regulating plan as necessary, an organization can outperform its competitors. The result shows that practices of strategic management empower organizations to proactively navigate change and initiate positive transformations. It is suggested that for companies to constantly oversee, uphold, and enhance strategic management practices, recognizing them as crucial tools for optimizing business performance. The association between strategic management and competitive advantage is positively established.

Abdulwase et al. (2020) found that effective business strategy plays a pivotal role in stimulating and enhancing organizational capabilities. It serves as a catalyst that creates a competitive edge, mainly in foreign markets, development of sustainable commercial growth essential for an organization's survival and steadiness. This study seeks to investigate the complicated association between business strategy and the establishment of a competitive advantage within the organizational framework. A well-crafted business strategy significantly influences the market dynamics, contributing to the organization's overall quality and performance. The essence of a strong business strategy lies in its capacity to navigate the complexities of the market, securing a distinctive position for the organization. The study not only aims to unravel the effect of business strategy on competitive advantage but also provides valued insights and recommendations for various stakeholders, highlighting the critical importance of strategic planning within the organizational context. These strategies

are not just abstract plans but concrete pathways designed to ensure success in specific markets. This study supports a holistic incorporation of business strategies that are not only market-centric but are also effortlessly linked to broader corporate goals.

Kirova (2017) examined that aligning the structure of marketing activities with the company's strategic orientation is important. Formalizing the scope and tasks of each marketing function actor is crucial to prevent tensions. A more dynamic and formal exchange of information is required for success. The leader of the marketing department plays a crucial role in broadcasting information and promoting the strategic marketing team. To enhance collaborations between marketing and strategy, some companies have chosen to start a strategic marketing department at the corporate level. Although the specific scope varies based on the firm's context and competitive position, these structures aim to establish a direct connection between marketing and strategy at the highest organizational level.

Adefulu et al. (2021) revealed that the results show a significant effect of strategic marketing elements like marketing orientation, marketing analysis, marketing planning, and marketing decision-making on both innovation culture and competitive advantage. These findings recommend that organizations crossing dynamic and competitive landscapes must constantly employ market knowledge, actively seek new market information, make decisions based on values, and nurture innovative leadership. In the domain of strategic marketing, achieving a harmonious balance between internal and external marketing environments in business needs a nuanced approach, best directed by the principles of dynamic capabilities theory.

Giyasova, Davlatov & Narzullayeva (2021) studied that competitive strategy equips executives with the practical know-how, fresh skills, and effective tools needed to translate strategic concepts into tangible actions. Competitive research, a specialized branch of strategic research, focuses on collecting information about rival firms. This method is vital for discriminating competitors' activities and measuring the potential threats that they pose to your financial stability. In summary, a grip of fundamental principles in general and strategic management, understanding competitors' key marketing strategies, products, and market operations contributes to enhancing a company's competitiveness and stimulating its strategic standing.

Alao, Adefulu, Asikhia & Makinde (2020) stated that effective strategic marketing is essential for a firm to navigate and comprehend the evolving market dynamics and marketing landscape marked by aggressive competition and controlled resource allocation. The strategic marketing framework serves as a pivotal tool for setting marketing goals and carefully deploying resources for its attainment. It becomes an essential means for companies to craft and execute marketing strategies in response to the dynamic marketing environment, eventually leading to the attainment of a competitive edge. In order to gain a competitive advantage, organizations must be skilled at formulating and safeguarding their distinctive competencies and brand image. The specific pointers highlighted in the provided definition serve as vital sources of competitive advantage, and adopting strategic marketing is imperious for guiding marketing activities that make positive contribution to complete market operations.

Abishek (2023) revealed that e-commerce includes buying and selling of products electronically through online services or the Internet. This field depend on various technologies like mobile commerce, electronic funds transfer, supply chain management, Internet marketing, online transactions, electronic data interchange, inventory management systems, and automated data collection systems. The growth of e-commerce is closely associated with the advancements in the semiconductor industry, making it the largest sector within electronics. Environmental scanning is a strategic process that entails collecting and examining information to understand internal and external elements that influence an organization. Following the execution of the environmental analysis, management should continually evaluate and seek improvements in order to adapt to the dynamic business landscape.

3. Objective

Role of Strategic Marketing on Competitive Advantage for E-Commerce Business in India.

4. Study's Methodology

233 respondents are considered for this study which was collected from people working in e-commerce businesses in India. Random sampling method was adopted to collect the data, and examined by "Explanatory Factor Analysis" for outcome.

5. Findings of the Study

The table below is showing demographic details of participants, it is showing 53.22% are male, and 46.78% are female participants. Regarding age of the respondents, 37.34% are between 30 to 33 years, 29.61% are 33 to 36 years, and 33.05% are above 36 years of age. About Respondent's designation, 26.18% are Operational Supervisors, 39.91% are managers, and 33.91% are senior managers.

Details of Participants

Variable	Participants	% age
Gender		
Male	124	53.22
Female	109	46.78
Total	233	100
Age in years		
30 to 33	87	37.34
33 to 36	69	29.61
Above 36	77	33.05
Total	233	100
Respondent's designation		
Operational Supervisor	61	26.18
Manager	93	39.91
Senior Manager	79	33.91
Total	233	100

“Factor Analysis”

“KMO and Bartlett's Test”

“Kaiser-Meyer-Olkin Measure of Sampling Adequacy”		.792
“Bartlett's Test of Sphericity”	“Approx. Chi-Square”	3492.168
	df	91
	Significance	.000

In above table “KMO and Bartlett's Test” above, KMO value found is .792

“Total Variance Explained”

“Component”	“Initial Eigenvalues”			“Rotation Sums of Squared Loadings”		
	“Total”	“% Of Variance”	Cumulative %	“Total”	“% Variance” Of	Cumulative %
1.	5.746	41.044	41.044	3.726	26.612	26.612
2.	2.623	18.735	59.778	3.600	25.711	52.323
3.	2.109	15.066	74.844	2.404	17.175	69.498
4.	1.334	9.529	84.374	2.083	14.876	84.374
5.	.654	4.674	89.047			
6.	.369	2.636	91.683			
7.	.294	2.099	93.782			
8.	.273	1.951	95.733			
9.	.217	1.548	97.281			
10.	.129	.925	98.206			
11.	.106	.759	98.965			
12.	.081	.579	99.544			
13.	.034	.245	99.789			
14.	.030	.211	100.000			

All the four factors are making contribution in explaining total 84.374% of variance. The variance explained by Innovation and Adaptability is 26.612%, Brand and Market Positioning is 25.711%, Customer Segmentation is 17.175%, and Competitive Pricing and Promotions is 14.876%.



“ScreePlot”

“Rotated Component Matrix”

S. No.	Statements	Factor Loading	Factor Reliability
	Innovation and Adaptability		.975
1.	The e-commerce landscape is dynamic, and strategic marketing should focus on innovation and adaptability	.959	
2.	Adopting new technologies, and being responsive consumer preferences contribute to competitiveness	.942	
3.	Through this companies can carve out a distinctive position, ensuring a sustainable competitive edge	.941	
4.	Innovation and adaptability is important when starting operations for an e-commerce business in India	.925	
	Brand and Market Positioning		.959
1.	Strategic marketing helps e-commerce businesses identify and establish a unique market positioning	.964	
2.	Understanding the needs and preferences of the target audience allows businesses to tailor their offerings	.932	
3.	Brand positioning thrives on innovation, continuously seeking the next big idea	.909	
4.	Strategic marketing helps e-commerce businesses to differentiate themselves from competitors	.880	
	Customer Segmentation		.877
1.	Strategic marketing enables e-commerce businesses to identify and segment their target audience effectively	.887	
2.	By understanding the diverse needs of different customer groups, businesses can customize their marketing campaigns	.845	
3.	Business can address specific segments to increase the relevance and effectiveness of their messages	.836	
	Competitive Pricing and Promotions		.764
1.	It involves pricing strategies and promotions considering both the market dynamics and the competitive landscape	.880	
2.	Offering competitive prices, discounts, and promotions can create a competitive edge	.794	
3.	Competitive Pricing and Promotions can attract price-sensitive consumers	.731	

6. Factors and the associated variables

The first factor of the study is Innovation and Adaptability, the variables included under this factor are the e-commerce landscape is dynamic, and strategic marketing should focus on innovation and adaptability, Adopting new technologies, and being responsive consumer preferences contribute to competitiveness, Through this companies can carve out a

distinctive position, ensuring a sustainable competitive edge, and Innovation and adaptability are important when starting operations for an e-commerce business in India. Brand and Market Positioning is the second factor, it includes variables like Strategic marketing helps e-commerce businesses identify and establish a unique market positioning, Understanding the needs and preferences of the target audience allows businesses to tailor their offerings, Brand positioning thrives on innovation, continuously seeking the next big idea, and Strategic marketing helps e-commerce businesses to differentiate themselves from competitors. The third factor is Customer Segmentation, the variables it includes are Strategic marketing enables e-commerce businesses to identify and segment their target audience effectively, by understanding the diverse needs of different customer groups, businesses can customize their marketing campaigns, and Business can address specific segments to increase the relevance and effectiveness of their messages. The factor Competitive Pricing and Promotions is the last one, the variables it includes are It involves pricing strategies and promotions considering both the market dynamics and the competitive landscape, offering competitive prices, discounts, and promotions can create a competitive edge, and Competitive Pricing and Promotions can attract price-sensitive consumers.

“Reliability Statistics”

“Cronbach's Alpha”	“Number of Items”
.882	14

Total reliability of 14 items including variables for Role of Strategic Marketing on Competitive Advantage for E-Commerce Business in India is 0.882

7. Conclusion

Strategic management serves as a critical organizational process with the goal of planning and guiding activities for achievement of precise goals and purposes. Principally used by bigger organizations, this approach is essential to maintain competitiveness amongst a dynamic business landscape. Primarily, strategic management studies focused on identifying financially successful strategies. In the domain of e-commerce, marketing assumes a pivotal role, it serves as a strong tool to attract customers. Strategic marketing allows e-commerce businesses to identify and segment their target customer more efficiently and effectively. Its importance lies in creating awareness about products or services, engaging customers, and influencing their purchasing decisions. strategic marketing is integral to the success of e-commerce businesses in India. By focusing on market positioning, brand building, customer segmentation, digital channels, user experience, pricing, data-driven decision-making, innovation, and CRM, e-commerce businesses can gain a competitive advantage and thrive in the evolving Indian market. This study highlights the importance of competitive advantage in shaping an organization's choice of marketing strategy. Competitive advantage should explain the essential realm of how firms organize resources and capabilities, adapting to evolving environments through innovation and the creation of customer value. This, in turn, leads to superior market performance. The variables that identify the role of Strategic Marketing on Competitive Advantage for E-Commerce Business in India are Innovation and Adaptability, Brand and Market Positioning, Customer Segmentation, and Competitive Pricing and Promotions.

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