

Designing the pattern of causes and consequences in the implementation of digital marketing strategies in successful Iranian startups with Mixed method Research

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Abstract

The purpose of this research is to compile a model of digital marketing strategies in successful Iranian startups. According to its purpose, the research method is practical, and in terms of its implementation, it is mixed (qualitative-quantitative). The statistical population of the research in the qualitative part includes 13 academic and executive experts in the field of startups in the country, who were selected using the purposeful judgment method and the snowball method, and the statistical population in the quantitative part includes the marketing unit of active successful startups. There are 250 people in the country (5 companies) and marketing professors of 5 top universities in Tehran, and the statistical sample was 148 people, 180 distributed and 163 analytical questionnaires were selected using Morgan's table. A semi-structured interview and a researcher-made questionnaire taken from the qualitative section were used to collect information. In the qualitative part, the data theory method of the foundation was used, and the data obtained from the interviews were coded and analyzed in the three main stages of open coding, central coding, and selective coding, and in the quantitative part, the factor analysis of the indicators was done. The results of the qualitative part indicated that 241 primary codes, 46 central codes and 14 selective codes were identified and extracted. The results of the research showed that the causal conditions with 4 variables of network capability, use of artificial intelligence, marketing capability and customer knowledge have an effect on digital marketing strategies, and the results of confirmatory factor analysis showed that the fit indices of the model were confirmed.

Keywords:

Strategy,
Marketing,
Digital Marketing,
Startup,
Social Media,
Artificial Intelligence,

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Extended Abstract

Introduction

With the growth of ECT technologies including artificial intelligence, GPS, Bluetooth, QR code and other mobile and Internet connected technologies, marketers can offer micro-experiences/activities/services at an ultra-local level and adjust their messaging to effectively target small consumer segments locally (Singh & Keating, 2018). In this regard, digital marketing activities including mobile marketing, search engine based marketing, institutional marketing, email marketing, social network based marketing, etc. have been proposed. (Dwivedi et al, 2020). On the other hand, social networks have also created new challenges and advantages. It is important for companies to act in the field of specialized social networks so that digital marketing is not used by inexperienced experts and companies are safe from adverse effects by paying special attention to aligning their organizational goals with digital marketing solutions (Aswani et al., 2019).

Internet technology and the increase in the number of Internet startups have fundamentally affected the world economy. The Internet provides companies with the opportunity to offer their products and services internationally 24 hours a day (Kohler, 2016). Experience shows that in the future, all organizations must operate online in order to remain competitive. The cost of advertising and marketing products and services on the Internet is very low compared to advertising and distribution costs related to traditional methods. Small and medium businesses are an important part of the economy in all countries, but they are heavily influenced by rapid changes in the external environment, especially demographic and economic. These rapid changes affect the marketing department of these businesses to meet the needs and expectations of customers in order to maintain a competitive position in the market (Sedaghati & Seiedin, 2023).

Based on this, the current research is looking for an answer to this question: How is the formulation of digital marketing strategies model in successful Iranian startups?

Theoretical Framework

Digital marketing

The term digital marketing has been referred to as a subset of marketing management and advertising management since two decades ago (Kannan, 2017). Digital marketing includes the set of all tools and activities that are used to market products and services on a digital platform (web, mobile internet or other (digital) tools) (Vaziri Gohar & Abdolhosani, 2020).

Digital marketing strategies

In this changing world, there is an urgent need for a strategic vision and a clear strategy map to sustain business growth. As a result, organizations cannot implement digital marketing without a clear definition of the strategy.

Create a good quality customer experience.

In defining the digital marketing strategy, management should determine the transition plan to identify the ability of human resources to cope with the change. The company must help, accompany its employees during this transformation, and invest in their retention and competitive advantage (Erdmann & Ponzoa, 2021).

Javid et al, (2023) investigated the quality of customer relationship management for the development of digital marketing strategies in Bank-e Shahr. The results of the research showed that the variables of infrastructure, organizational environment, customer orientation, human resources, communication management, service quality, management and planning, strategic management, marketing and performance are in a favorable condition in Bank-e Shahr. The use of up-to-date technologies and the implementation of a suitable organizational

structure for managing relationships with customers were identified as reasons for this favorability.

Hamdi et al, (2023) investigated the identification of dimensions and components of acceptance of customer relationship management social systems by professional users using Web 2.0 technology. The identified factors were extracted in the form of 40 indicators, 8 components and 3 dimensions. Components and indicators of dimensions and components of acceptance of customer relationship management social systems, including three dimensions; organizational, customer, and technological; which organizational dimension has three components (manpower, organizational culture, organizational structure), customer dimension includes three components (value creation, performance expectation, customer satisfaction), and technological has been identified as having two components (social networks, content production).

Research methodology

According to its purpose, the research method is applicable, and in terms of its implementation, it is mixed (qualitative-quantitative). The statistical population of the research in the qualitative part includes 13 academic and executive experts in the field of startups in the country, who were selected using the purposeful judgment method and the snowball method; and the statistical population in the quantitative part includes the marketing unit of active successful startups in the country (5 companies) and marketing professors of 5 top universities in Tehran; as many as 250 people, and the statistical sample was 148 people, 180 analytical questionnaires distributed and 163 were selected using Morgan's table. A semi-structured interview and a researcher-made questionnaire taken from the qualitative section were used to collect information.

Research findings

In the qualitative part, the data-based theory method was used, and the data obtained from the interviews were coded and analyzed in the three main stages of open coding, central coding, and selective coding; and in the quantitative part, factor analysis of the indicators was done. The results of the qualitative part indicated that 241 primary codes, 46 central codes and 14 selective codes were identified and extracted. The results of the research showed that causal conditions with 4 variables of network capability, use of artificial intelligence, marketing capability and customer knowledge have an effect on digital marketing strategies; and the results of confirmatory factor analysis showed that the fit indices of the model were confirmed.

Conclusion

The current research has been conducted with the aim of developing a model of digital marketing strategies in successful Iranian startups. The results of the present study are in agreement with the results of Javid et al, (2023), Saeidi & Hoseinzadeh Naer (2022), Gholipur (2022), Boban et al, (2020), Bozkut & Gligor (2021), Musavirad & Ahmadi (2022), Dehghan (2018). Malek Akhlagh et al, (2021) showed that electronic customer relationship management means the development of traditional customer relationship management with the help of Internet technologies and an attempt to improve and fill the communication gap in which companies' marketing performance helps through examining the created development. Digitalization blurs the boundaries between technology and management and facilitates new business models based on the concepts, methods and tools of the digital environment. According to the results obtained from the research, it is suggested:

Strengthening business practices with the aim of increasing competitiveness based on artificial intelligence should be considered, which leads to a major transformation in business. By using artificial intelligence, startups are able to identify, consider and understand their target buyers, and understand which type of product may be most needed at a specific time. With the evolution of big data and technologies, startups will be able to estimate buyer activity and monitor data-driven companies in any catastrophic situation and will obtain significant results that will improve their marketing decisions. Based on marketing capabilities, startups can meet the needs of current and new customers both through the development of new products and through the development of features and applications of existing products in order to ensure stability and survival, and to avoid shocks caused by new waves of competition based on new technologies.