

Analysis Of Digital Marketing Adoption Affected By Relative Advantage

Radit Firdaus¹, Usep Firdaus², Galih Abdul Fatah Maulani³, Nizar Alam Hamdani⁴
^{1,2,3,4} *Fakultas Kewirausahaan, Universitas Garut, Indonesia*

*Correspondence E-mail: firdaus@fkwu.uniga.ac.id

Abstract–Digital marketing adoption can be defined as the process of embracing and implementing sales strategies that prioritise the use of digital platforms and internet technology. This study is concerned with analysing the relative advantage of video marketing adoption on the TikTok platform in Indonesia, with a view to predicting its effectiveness. The population of this study consists of Indonesian individuals who use the TikTok platform. A sample of 420 respondents was selected via an online and face-to-face survey, with the objective of ensuring a random selection from the population. The data analysis technique employed in this quantitative research utilises a statistical approach. The programme employed for data analysis using the regression method is Statistical Product and Service Solution (SPSS). In order to meet the criteria for data analysis using regression, an interval scale is used. The data analysis technique employed in this study is regression. The findings of this study are highly precise, with a significance level of 95%. Drawing upon the findings of research analysis, digital marketing adaptation is influenced by relative advantage. The results indicate that the competitive industry refers to an economic sector where multiple companies must compete to promote similar goods or services on social media. The study's findings, based on strategies and innovations in promoting products and efforts to gain an advantage over competitors, offer valuable insights.

Keywords: Digital Marketing Adaptation; Relative Advantage; TikTok.

I. INTRODUCTION

Digital marketing adoption can be defined as the process of embracing and implementing sales strategies that prioritise the use of digital platforms and internet technology. It is imperative for companies to adopt digital marketing in order to achieve superior marketing performance, as it enables companies to interact directly with customers online. Furthermore, it is predicted that digital marketing adoption will increase brand awareness and sales. The adoption of digital marketing is typically observed among companies and organisations that seek to capitalise on the rapid advancements in internet and digital technology in marketing.

This phenomenon occurs in conjunction with technological development and rapid changes in consumer behaviour. It is important to note that digital marketing adoption is confined to online channels. The adoption of digital marketing employs a range of strategies, including content management and paid advertising, with the objective of optimising marketing performance. Limited insights on how brands can optimize for and benefit from voice search.

In the contemporary era, consumers are allocating a considerable amount of time to digital media in order to procure products and services with

greater efficiency and expediency. Most digital marketing studies focus on Western markets. Companies that provide such products and services are leveraging this trend to develop their business through e-commerce [1]. The substantial number of e-commerce users represents a valuable marketing opportunity for the promotion of specific products. Marketing, if cultivated on an annual basis, can facilitate new customer acquisition and customer retention for companies. In addition to e-commerce, companies can adopt digital marketing strategies such as managing video marketing campaigns. Video marketing plays a pivotal role in influencing consumer demand for online channel purchases of products or services [2].

Table 1. Effective Application for Video Marketing

Video Marketing	Effective
Youtube	78 %
LinkedIn	69 %
Instagram	67 %
Facebook	59 %
Webiner	49 %
Video Interaktif	27 %
Tiktok	27 %

Source: [3]



As posited by preceding researchers, the adoption of digital marketing may be enhanced through the cultivation of relative advantage [4]. The term "relative" is employed to denote the marketing process that companies carry out effectively in the digital marketing system [5]. It has been argued that relative advantage facilitates the process by which companies gain an advantage in the management of products [6]. The magnitude of a company's relative advantage can be gauged by the extent to which it implements innovative practices for the purpose of generating profits. The present study is motivated by the observation that the adoption of video marketing on the social media platform TikTok in Indonesia is not as effective as it could be. The authors are therefore interested in conducting a study to determine the effectiveness of this adoption. The study will analyse relative advantage as a predictor.

II. LINTERATURE REVIEW

2.1 Digital Marketing Adoption

Digital marketing adaptation can be defined as a marketing adaptation system that uses digital technology, such as the Internet, mobile phones, display advertisements, and other digital media [7]. Digital marketing can be viewed as a platform for marketing activities or the promotion of products and services through several digital platforms used by companies to retain customers and increase sales [8]. Digital marketing is defined as the practice of leveraging digital technologies to market, promote and service customers through various online platforms [9]. It encompasses a range of activities aimed at retaining customers, engaging with them, promoting products and services, and increasing sales through the use of digital channels.

This concept can be understood as an activity, an institution, or a form of communication between businesses and customers [10]. It can be concluded that digital marketing adaptation is an adapted promotional activity carried out through digital media with the objective of improving marketing performance. Previous research explains that digital marketing adoption is influenced by relative advantage. The following research hypothesis is hereby proposed:

The null hypothesis (H0) posits that relative advantage exerts no influence on the adoption of digital marketing strategies. Conversely, the alternative hypothesis (Ha) suggests that relative advantage does influence the adoption of digital marketing strategies. The adoption of digital marketing strategies can be gauged by three key indicators: mobile phone marketing, social media marketing, and internet marketing [11]. Furthermore, a plethora of studies have identified six distinct categories of digital marketing adoption dimensions, encompassing websites, search engine marketing, social media marketing, online advertising promotions, email marketing, and video marketing [12]. Entrepreneurial alertness, or the ability to recognize, create and exploit entrepreneurial opportunities supports this construct [13]. Furthermore, there are still eight indicators of digital marketing adoption, namely search engine optimisation, email marketing, search engine marketing, social media marketing, and content marketing [14].

The indicators employed to measure digital marketing adoption in this study are mobile phone marketing, internet marketing, video marketing, and social media marketing. The selection of the four indicators was made on the basis of the high validity category (interval 0.70-0.90). Mobile phone marketing is a marketing strategy that involves the use of TikTok to reach targets. Internet marketing is a marketing strategy that involves the promotion of products through TikTok. Video marketing is a way to promote products through video content on TikTok. Social media marketing is shown to TikTok users to attract their attention so that they become tied to the platform.

2.2 Relative Advantage

Relative advantage is defined as the extent to which potential adopters view a technological innovation as superior to its alternatives. Scholars have assessed the chain of relationships between relative advantage and intention to adopt technology in various contexts [15]. Relative advantage is defined as the difference between organisational benefits and the effort required to adopt the technology, with the focus primarily on intangible benefits such as improved reputation, customer



satisfaction, and increased speed of response [16]. Relative advantage is the extent to which potential adopters perceive technology as superior to the available options [17]. It can be concluded that relative advantage is one of the characteristics of innovation that analyses the extent to which innovation has an accepted advantage.

The ten indicators of relative advantage are as follows: fulfilling needs, quality, ease of access, customer service availability, ease of account management, high service costs, fast transactions, ease of use, and helping effectively [18]. Moreover, a separate study identified five categories of relative advantage indicators: expeditious operation completion, enhanced operational efficiency, augmented profits, operational assistance, and streamlined operation management [19]. Additionally, three indicators of relative advantage were identified: enhanced operational efficiency, promoted work effectiveness, and improved quality [12].

The indicators employed in this study to measure relative advantage are as follows: meeting needs, quality, and increasing profits. The selection of these indicators was made on the basis of the high validation category (interval 0.70-0.90). The capacity of TikTok to satisfy the requirements of managing video marketing is measured by the indicator of meeting needs. Innovation consists of the process of creating new ideas and knowledge to facilitate the development of new businesses [20]. The quality of marketing videos managed by users on TikTok is measured by the indicator of quality. The indicator of increasing profits is shown to be the income of video marketing managers from TikTok users.

III. RESEARCH METHOD

The research design utilized was to solve the problem of the research, rendahnya tingkat pengguna platform TikTok. The research design used was casual design, it is a design to collect data and to create data structure that allows researchers to comprehend cause- effect relationship in the research variable [19]. The purposes of casual research are: 1) Understanding the independent and dependent variable on the marketing phenomenon, 2) Determining the relationship between the cause-effect

variables, 3) Testing the casual variable relationship hypothesis. According to the review of literature, this study was conducted based on the grand theory of entrepreneurship, customer loyalty, e-service quality, and customer satisfaction as show in fig 1.

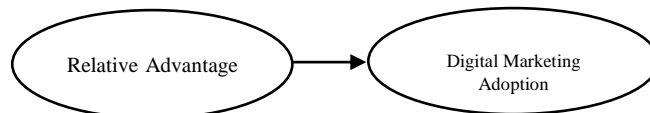


Figure 1. Relationship Between Relative Advantage and Digital Marketing Adoption

Source: [10]

The population of this study was Indonesian society, at least pengguna platform Tiktok. The research provided the population limit in unit of analysis in wich the user as an individual. The survey was send via online and to face to face 420 randomly, there by individuals had the send probability of being selected from the population and the representing as sample. The study had a 8,33% response rate with a total of 50 respondents who listed at around 3,57% of respondents had the same rating for all items. Therefore, the sample of this study was 35 wich are the respondents provided varied ratings for all items.

The data analysis technique in this quantitative study utilized statistical approach. The technique of analyzing the data in this study was regression. Regression is a versatile and powerfull analytical method that can be used to model the effect of independent variables on the dependent variable research method. Regression analysis can gift a combination of two basic objectives: 1) predicting the dependent variable based on the independent variable, and 2) understanding the relationship between the dependent and independent variables.

The program used to analyze the data with the regression method was statistical product and service solution (SPSS) to meet the criteria for data analysis using regression, an interval scale was utilized. It allowed researchers to perform arithmetic calculations on the data collected from respondents Research Method. The measurement does not have zero value because the measurement of entrepreneurial behavior in entrepreneurship research was the Likert scale. It is a scale that asks respondent to respond wether their

agreement or disagreement about a perceived object. To avoid misunderstanding in analyzing and interpreting the title sentence and research variables, the variable was relative advantage (independent variable) and digital marketing adoption (second independent variable), and customer loyalty (dependent variable).

IV. RESULT AND DISCUSSION

The description of relative advantage on TikTok's user was based on the three dimensions, such as ingradient fulfilling needs, quality, and increasing ware profits at a fairly profitable level (as the shown in figure.2) The average value obtained from relative advantage on TikTok user was 4.18. Bisesdes, the dimension with the highest value was quality 4.23. meanwhile, the dimension with the lowest score was fulfilling needs, 4.10.

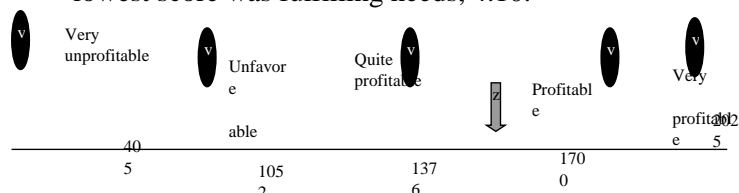


Figure 2. Continuum Line on Relative Advantage

Source: [22]

An analysis of the available data indicates that 33.33% of entrepreneurs are able to leverage the TikTok service to meet consumer needs. Furthermore, 44.44% of TikTok user entrepreneurs have the capacity to market these needs, while 46.67% can fulfil them. Finally, 51.11% of TikTok user entrepreneurs possess the expertise to market products through video marketing. A survey of TikTok user entrepreneurs has revealed that 46.67% of respondents are able to market their products through video marketing, 55.56% can demonstrate their products through video marketing, 51.11% can sell products through TikTok, 48.89% can profit from selling products through TikTok, and 53.33% can increase product sales through TikTok.

An analysis of the available data indicates that 33.56% of entrepreneurs are able to achieve marketing objectives through the utilisation of the TikTok service. Furthermore, 35.36% of TikTok users within the entrepreneurial demographic are able to establish marketing objectives through the same

medium. In addition, 35.36% of entrepreneurs who employ the TikTok platform are able to accomplish marketing objectives through it. Finally, 33.56% of TikTok user entrepreneurs are capable of employing marketing strategies to promote products through the medium. It is evident that a significant proportion of TikTok user entrepreneurs possess the capacity to develop marketing strategies for the promotion of products through the medium of TikTok. Furthermore, a substantial percentage of these users, amounting to 55.56%, demonstrate an ability to utilise TikTok for the promotion of products. In addition, a notable proportion of user entrepreneurs, amounting to 53.33%, exhibit a proficiency in creating marketing videos through the utilisation of contests on TikTok.

Moreover, an impressive 48.89% of user entrepreneurs possess the capability to employ video marketing strategies on TikTok to promote products. It has been demonstrated that 51.11% of TikTok user entrepreneurs are capable of developing their products through the medium of video marketing on the platform. Furthermore, it is evident that 100.00% of these entrepreneurs have the capacity to showcase their products through social media on TikTok.

In addition, it has been determined that 51.11% of TikTok user entrepreneurs possess the ability to create social media accounts on the platform. Finally, it is evident that 48.89% of TikTok user entrepreneurs can introduce social media products through the medium of TikTok. The first analysis was conducted to determine the level of relationship between relative advantage. The test was carried out using the relationship coefficient value and the coefficient of determination found in Table 2. Model summary.

Table 2. Model summary

Model Summary ^b				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.648 ^a	0,419	0,406	7,450

a. Predictors: (Constant), RelativeAdvantage

b. Dependent Variable: DigitalMarketingAdoption

Source : [23]

Based on table 2, the coefficient of the relationship between relative advantage and digital marketing adoption was indicated by R-value of 0.648 [21]. if



the coefficient interval is 0.40-0.70, it shows correlation between relative advantage and digital marketing adoption (books). Meanwhile the value R^2 of 0.648. Was the coefficient of the determination between relative advantage and digital marketing adoption. This mean that relative advantage by 64,8%. While 35,2% is another independent variable outside the regression model performed. The second analysis was conducted to determine whether the relative advantage influenced costomer digital marketing adoption. In this study, there was a main hypothesis to be tested. H_1 : Relative andvantege berpengaruh terhadap digital marketing adoption.

Table 3. Anova

ANOVA ^a					
Model	Sum of Squares	Df	Mean Square	F	Sig.
1 Regression	1723,540	1	1723,540	31,051	<.001 ^b
Residual	2386,771	43	55,506		
Total	4110,311	44			

a. Dependent Variable: DigitalMarketingAdoption

b. Predictors: (Constant), RelativeAdvantage

Source : [23]

Based on table 3 if the significance value was $0.001 < 0.005$, the H_1 accepted. This maen that relative advantage had significant effect on digital marketing adoption. The study's results was assumed to be widely applicable outside the focus of research on the effect of relative advantage on TikTok's costomer satisfaction by providing the same research result on different simple. The result of this study were supported to the previous study which stated that relative advantage had a significant effect on digital marketing adoption [10].

The present study draws upon the findings of research conducted on the influence of relative advantage and digital marketing adaptation on customers on the TikTok platform. The results indicate that TikTok users express significant concern

regarding relative advantage. It is hypothesised that an enhancement in the quality of the service provided will engender heightened user satisfaction, thereby exerting a positive influence on TikTok user entrepreneurs. The proposed theoretical framework posits that TikTok user customers will develop a propensity to revisit the company's TikTok social media account and to rely on the platform for the procurement of various daily necessities. The following text is intended to provide a comprehensive overview of the subject matter.

V. CONCLUSION

The research and hypothesis testing results yielded a single finding related to digital marketing adaptation and relative advantage. This finding pertains to a competitive industry, which refers to an economic sector wherein multiple companies contend with one another to promote analogous goods or services on social media platforms. Within this competitive environment, heightened competition can incentivise companies to optimise their social media promotion strategies, thereby enhancing their products' visibility and, consequently, their profits. However, the generalisability of the results is limited due to the small sample size and the restriction to a single social media platform. In the process of data collection, respondents' responses may not always accurately reflect their actual opinions. This discrepancy can be attributed to variations in perspective, assumptions and comprehension, which are unique to each individual. The research undertaken has yielded several recommendations for researchers to consider.

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