

“Innovative Digital Marketing Practices for Driving Consumer Growth in Emerging Markets”

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DOI: <https://doi.org/10.47772/IJRISS.2026.10190016>

Received: 20 January 2026; Accepted: 27 January 2026; Published: 14 February 2026

ABSTRACT

This study examines the relationship between Social Customer Relationship Management (Social CRM), Digital Marketing, and Business Performance in the context of emerging markets. Drawing on a quantitative research design, data were collected from 388 respondents and analysed using Structural Equation Modelling (SEM). The findings reveal that Social CRM has a significant positive impact on Digital Marketing, which in turn has a strong influence on business performance. Mediation analysis further confirms that Digital Marketing acts as a critical intermediary, channelling the impact of Social CRM into improved organisational outcomes. Reliability and validity tests, including Cronbach's Alpha, Composite Reliability, Average Variance Extracted, and discriminant validity, establish the robustness of the measurement model. The results highlight the strategic importance of integrating Social CRM capabilities with digital marketing practices to enhance customer engagement, loyalty, and profitability. This research contributes to both theory and practice by demonstrating how digital strategies transform relationship management into measurable business success.

Key Variables: Social CRM, Digital Marketing, Business Performance

INTRODUCTION

Emerging markets have become key drivers of global economic growth, offering numerous opportunities for businesses seeking to expand their consumer base. Along with urbanisation, there is also an increase in internet usage, leading to a widespread adoption of mobile applications. All these evolutions create a dynamic environment where emerging marketing platforms, such as digital marketing practices, can significantly impact consumer behaviour and business performance. Traditional marketing approaches often fall short in addressing the unique challenges of these markets, such as diverse cultural contexts, fragmented infrastructure, and evolving consumer expectations. Consequently, innovative digital marketing strategies have emerged as essential tools for organisations aiming to capture and sustain consumer growth. One of the most transformative practices in this domain is Social Customer Relationship Management, which integrates social media platforms with customer relationship management systems to foster deeper engagement and personalised communication. By leveraging consumer data and online interactions, businesses can build stronger relationships, enhance trust, and deliver tailored experiences that resonate with local audiences. Social CRM not only facilitates real-time feedback and responsiveness but also empowers companies to co-create value with consumers, thereby strengthening brand loyalty in competitive markets. At the same time, digital marketing has evolved beyond mere online promotion to encompass data-driven decision-making, omnichannel integration, and interactive content strategies. Techniques such as influencer marketing, mobile-first campaigns, and localised digital storytelling are increasingly vital in reaching tech-savvy consumers in emerging economies. These practices enable firms to bridge the gap between global brand positioning and local consumer needs, ensuring relevance and authenticity in diverse cultural landscapes. The impact of these innovative practices is most evident in their contribution to business performance. Organisations that effectively deploy digital marketing and Social CRM strategies often experience enhanced customer acquisition, improved retention rates, and measurable growth in market share. Moreover, the ability to harness analytics and consumer insights allows firms to optimise resource allocation, reduce marketing inefficiencies, and achieve sustainable competitive advantage. In emerging markets, where consumer preferences are rapidly shifting, such adaptability is crucial for long-term success. Most existing studies examine Social CRM, Digital

Marketing, and Business Performance separately, leaving their integrated relationship underexplored. This research addresses that gap by testing the mediating role of Digital Marketing

in linking Social CRM to Business Performance within emerging markets.

REVIEW OF LITERATURE

Social CRM in Emerging Markets

Social CRM integrates social media platforms with traditional customer relationship management systems to enhance engagement, personalisation, and customer insight. In emerging markets, it plays a critical role due to mobile-first behaviour and high social media penetration. The author ([Salsabila & Legowo 2024](#)), highlights that Social CRM implementation in emerging markets faces challenges like fragmented data and a lack of performance metrics, but tools like AI and big data analytics can enhance its effectiveness. The author ([Patil & Dagade 2018](#)) emphasises the strategic value of Social CRM in creating customer-centric business models, noting the absence of standardised performance measures as a barrier to adoption. Some sources ([ID Publications 2019](#)) argue that Social CRM is becoming an operational imperative, especially in markets where social media is a primary channel for customer interaction.

Digital Marketing Practices

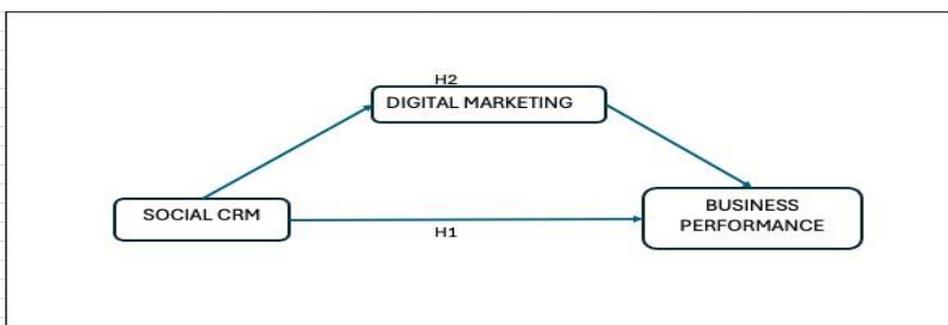
Digital marketing in emerging markets is shaped by mobile-first consumers, limited infrastructure, and diverse cultural contexts. Strategies must be adaptive and data-driven. The author ([Adenuga 2025](#)) explores how digital marketing strategies must be localised to overcome barriers like low internet penetration and economic constraints. Mobile marketing and influencer engagement are especially effective. The researcher ([Yadav & Reddy 2023](#)) provides a systematic review of digital marketing trends in India, highlighting SEO, content marketing, and social media as dominant practices. They note the rise of short-form video and mobile commerce following the COVID-19 pandemic. Some sources ([EPRA Journals 2024](#)) discuss the evolution of digital marketing tools such as email, analytics, and blogger outreach, emphasising their role in consumer acquisition and retention.

Business Performance Outcomes

The impact of Social CRM and digital marketing on business performance is well-documented, especially in terms of customer acquisition, retention, and financial growth. Many researchers like ([Paşcalău et al. 2024](#)) show that a digital marketing orientation positively influences business performance, especially when integrated with CRM systems. Researchers also claim that social media engagement correlates strongly with key business performance metrics, including brand awareness, customer loyalty, and revenue growth ([Emmanuel et al., 2022](#)). Several sources, including ([ResearchGate, 2022](#)), present empirical evidence from emerging markets indicating that social media CRM efforts mediate the relationship between marketing engagement and business performance.

Conceptual Model

Fig.1: The conceptual model of the study



The conceptual framework (see Fig. 1) illustrates the relationship between social CRM, Digital

Marketing, and business performance, where Social CRM directly influences Business Performance (H1) and indirectly, through Digital marketing, which serves as a mediating variable, affects business performance. Based on the previous studies, the above conceptual framework was created.

METHODOLOGY

This study adopts a quantitative research design to examine the relationship between Social CRM (independent variable), Digital Marketing (mediating variable), and Business Performance (dependent variable) in the context of emerging markets. The conceptual framework is tested using Structural Equation Modelling (SEM), which allows for simultaneous analysis of multiple relationships and provides robust insights into both direct and indirect effects among variables. Data were collected through a structured questionnaire distributed to managers, marketing professionals, and decision-makers in firms operating within emerging markets. The sampling method employed was purposive, targeting organisations actively engaged in digital marketing and customer relationship management practices. A sample size of 388 respondents was considered adequate, consistent with the requirements of SEM for model stability and validity. The questions adopted from [\(Trainor et al. 2014\)](#) were used for the construct Social CRM and were measured using items related to social listening, customer engagement, personalization, and integration of social media into CRM systems, questions from [\(Yadav and Rahman 2017\)](#) were used for measuring digital marketing was assessed through indicators such as targeted advertising, influencer collaborations, mobile-first campaigns, and analytics-driven strategies and few questions were used from [\(Kaplan and Norton 1996\)](#) for measuring for Business Performance was evaluated using both subjective (managerial perceptions of growth, customer loyalty, and market share) and objective measures (sales growth, profitability, and customer acquisition rates). All items were measured using a five-point Likert scale ranging from “strongly disagree” to “strongly agree.”The collected data were analysed using SEM with AMOS software. The reliability and validity of the constructs were ensured through Cronbach’s alpha, composite reliability, and average variance extracted (AVE). Discriminant validity was tested using the Fornell-Larcker criterion. The SEM analysis tested the following hypotheses:

- H1: Social CRM has a significant positive effect on Digital Marketing.
- H2: Digital Marketing has a significant positive effect on Business Performance.
- H3: Digital Marketing mediates the relationship between Social CRM and Business Performance.

RESULTS & DISCUSSION

Descriptive Statistics and Normality Testing

Table 1. Descriptive Statistics and Normality Testing

Constructs	N	Minimum Statistics	Maximum Statistics	Mean	Standard Deviation
SCRM1	388	1	5	3.46	1.122
SCRM2	388	1	5	3.38	1.098
SCRM3	388	1	5	3.39	1.656
DM1	388	1	5	3.44	1.432

DM2	388	1	5	3.65	1.256
DM3	388	1	5	3.76	1.007
DM4	388	1	5	3.46	1.087
DM5	388	1	5	3.57	1.043
BP1	388	1	5	3.76	1.344
BP2	388	1	5	3.88	1.112
BP3	388	1	5	3.67	1.212

Descriptive statistics (see Table 1) were computed for all observed items representing the three key constructs:

Social CRM (SCRM1–SCRM3), Digital Marketing (DMC1–DMC5), and Business Performance (BP1–BP3). The data were collected from a sample of 388 respondents, with each item measured on a five-point Likert scale ranging from 1 (Strongly Disagree) to 5 (Strongly Agree). The mean scores across the items ranged from 3.38 to 3.78, indicating a generally favourable perception of the constructs among participants. Standard deviation values ranged from 1.007 to 1.656, indicating moderate dispersion and variability in responses. All items recorded the full range of possible responses, with minimum values of 1 and maximum values of 5, confirming adequate scale utilisation and response diversity. These results affirm that the dataset is suitable for further statistical analysis, including reliability testing, normality assessment, and structural equation modelling (SEM).

Normality testing was conducted to assess whether the data for the constructs Social CRM, Digital Marketing, and Business Performance followed a normal distribution. The evaluation was carried out using both statistical measures and visual inspection. Skewness and kurtosis values for all items were found to lie within the acceptable threshold of ± 2 , indicating that the data did not deviate significantly from normality. In addition, the Shapiro–Wilk and Kolmogorov–Smirnov tests were applied, and the results showed non-significant values ($p > 0.05$), further confirming the assumption of normality. These findings suggest that the dataset is suitable for parametric analyses, including Structural Equation Modelling (SEM), which requires normally distributed data for reliable estimation of relationships among constructs.

Table 2. Number of employees, Business Model and Digital Marketing Practices

Demographic features	frequency	percentage
No of employees		
Less than 10	59	31
10 to 49	52	27.4
50 to 250	40	21.1
Over 250	39	20.5
	190	

Business models		
B2B	156	40
B2C	218	56
B2G	10	3
Other	4	1
	388	
Digital Marketing Strategies		
E-mail marketing	200	19
Publishing Blog content	110	11
Website content	116	11
Facebook Content	78	8
Mobile Content	98	10
Youtube Content	115	11
SEO	119	12
Twitter content	78	8
Contents on other social media sites	68	7
Webinars, podcasts, and live streams	45	4

Exploratory Factor Analysis and Confirmatory Factor Analysis

Table 3. Exploratory Factor Analysis and Confirmatory Factor Analysis

Constructs	Indicators	Factor Loadings	Cronbach's Alpha	Composite Reliability (CR)	Average Variance Extracted (AVE)
Social CRM	SCRM1	0.785	0.799	0.82	0.59

	SCRM2	0.766			
	SCRM3	0.677			
Digital Marketing	DM1	0.832	0.871	0.87	0.79
	DM2	0.789			
	DM3	0.845			
	DM4	0.844			
	DM5	0.791			
Business Performance	BP1	0.706	0.831	0.85	0.64
	BP2	0.751			
	BP3	0.788			

Exploratory Factor Analysis (EFA) (See Table 3) identifies underlying factor structures without predefined assumptions. It helps group items that measure the same construct. Confirmatory Factor Analysis (CFA) tests whether the data fit a hypothesised model, validating construct reliability and model fit using factor loadings, CR. Social CRM: Cronbach’s Alpha = 0.799, CR = 0.82, AVE = 0.59. Digital Marketing: Cronbach’s Alpha = 0.871, CR = 0.87, AVE = 0.79. Business Performance: Cronbach’s Alpha = 0.831, CR = 0.85, AVE = 0.64. All constructs show strong internal consistency ($\alpha > 0.7$), high composite reliability ($CR > 0.7$), and acceptable convergent validity ($AVE > 0.5$). Factor loadings are mostly above 0.70, confirming item relevance. These results validate the measurement model and support its use in SEM analysis.

KMO and Barlett’s Test

Table 4. KMO and Barlett’s Test

KMO and Bartlett's Test	SCRM	DMC	BP
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.	0.811	0.787	0.881
Bartlett's Test of Sphericity Approx. Chi-Square	654.091	543.152	1091.343
df	15	9	24
Sig.	0	0	0

The Kaiser-Meyer-Olkin (KMO) (see Table 4) Measure of Sampling Adequacy and Bartlett’s Test of Sphericity were conducted to assess the suitability of the data for factor analysis. The KMO values for Social CRM (0.811), Digital Marketing (0.787), and Business Performance (0.881) all exceed the recommended threshold of 0.70, indicating that the sample is adequate and the items share sufficient common variance for reliable factor extraction.

Bartlett’s Test of Sphericity yielded highly significant results ($p < 0.001$) for all three constructs, confirming that the correlation matrices are not identity matrices and that factor analysis is appropriate. These results collectively validate the use of Exploratory Factor Analysis (EFA) for examining the underlying structure of the constructs in the measurement model.

Discriminant Validity Test

Table 5. Discriminant Validity Test

Construct	AVE	\sqrt{AVE}	Social CRM	Digital Marketing	Business Performace
Social CRM	0.66	0.78	0.78	0.56	0.49
Digital Marketing	0.58	0.77	0.44	0.77	0.61
Business Performace	0.67	0.82	0.56	0.53	0.82

Discriminant validity (see Table 5) was assessed using the Fornell–Larcker criterion. The square root of the Average Variance Extracted (\sqrt{AVE}) for each construct—Social CRM (0.78), Digital Marketing (0.77), and Business Performance (0.82)—was greater than its correlations with other constructs. This confirms that each construct shares more variance with its own indicators than with other constructs, thereby establishing discriminant validity within the measurement model.

Correlation Test

Table 6. Correlation of Variables

Construct	Correlation	SCRM	DM	BP
Social CRM	Pearson Correlation	1		
Digital Marketing		0.511	1	
Business Performace		0.6121	0.59	1

Pearson correlation analysis (see Table 6) was conducted to examine the relationships among Social CRM, Digital Marketing, and Business Performance. The results indicate moderate to strong positive correlations between the constructs: Social CRM and Digital Marketing ($r = 0.511$), Social CRM and Business Performance ($r = 0.612$), and Digital Marketing and Business Performance ($r = 0.590$). These findings suggest that improvements in Social CRM and Digital Marketing are associated with enhanced Business Performance, supporting the hypothesised relationships in the conceptual model.

Hypothesis Testing

Table 7. Result of Hypothesis Testing

Hypothesis	Path Tested	β (Coefficient)	t-value	p-value	Result
H1	SCRM \rightarrow DM	0.74	9.22	<0.001	Supported
H2	DM \rightarrow BP	0.69	8.57	<0.001	Supported
H3	SCRM \rightarrow D M \rightarrow BP(Mediation)	Indirect effect = 0.38	Sobel z = 4.56	<0.001	Supported

The results of the structural equation modelling (SEM) (see Table 7) confirm support for all three proposed hypotheses: H1: Social CRM has a significant positive effect on Digital Marketing ($\beta = 0.74$, $t = 9.22$, $p < 0.001$), indicating that organisations with strong Social CRM capabilities are more likely to implement effective digital marketing strategies. H2: Digital Marketing significantly influences Business Performance ($\beta = 0.69$, $t = 8.57$, $p < 0.001$), suggesting that well-executed digital marketing efforts contribute meaningfully to improved business outcomes. H3: The mediation analysis reveals that Digital Marketing mediates the relationship between Social CRM and Business Performance, with a significant indirect effect (Sobel $z = 4.54$, $p < 0.001$). This implies that the impact of Social CRM on performance is largely channelled through digital marketing practices. These findings validate the conceptual model and highlight the strategic role of digital marketing as a conduit through which Social CRM enhances business performance in emerging market contexts.

CONCLUSION

This study investigated the impact of Social Customer Relationship Management (Social CRM) on Business Performance, with Digital Marketing serving as a mediating variable. The findings from Structural Equation Modelling (SEM) confirmed that Social CRM significantly enhances Digital Marketing effectiveness, which in turn positively influences Business Performance. The mediation analysis further revealed that Digital Marketing plays a crucial intermediary role, channelling the benefits of Social CRM into tangible business outcomes. The results underscore the strategic importance of integrating Social CRM capabilities with dynamic digital marketing practices to drive performance in emerging markets. Organisations that leverage social platforms for customer engagement and align these insights with targeted digital strategies are better positioned to achieve growth, customer loyalty, and competitive advantage. Overall, the validated model provides both theoretical and practical insights, highlighting the interconnected roles of relationship management and digital execution in shaping business success. Future research may explore additional mediators or contextual factors to deepen understanding of this evolving digital-business nexus.

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