Investigating the Impact of Digital Marketing on the Performance of Chain Stores with Emphasis on the Mediating Role of Marketing Capabilities

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Abstract

Digital marketing is recognized as one of the most critical competitive tools in the realm of commerce. The aim of this study was to investigate the effect of digital marketing on the performance of chain stores, with a particular emphasis on the mediating role of marketing capabilities. This research was conducted using a quantitative and applied approach, examining the impact of digital marketing on the performance of chain stores while considering the mediating effect of marketing capabilities. Data were collected through a closed-ended questionnaire using a Likert scale. The validity of the instrument was confirmed by expert opinion, and its reliability was verified using Cronbach's alpha test. The statistical population consisted of marketing experts in chain stores located in Tehran, with a sample size determined at 150 participants. Data were analyzed using descriptive statistics, Pearson correlation, hierarchical regression, and the Sobel test via SPSS version 26. The findings revealed that among the dimensions of digital marketing, social media had the highest level of application (mean = 4.2), while search engine optimization had the lowest (mean = 3.8). In the domain of marketing capabilities, the innovation dimension was most prominent (mean = 4.2). Regarding store performance, sales growth reported the highest mean (4.1), and customer satisfaction the lowest (3.8). Hierarchical regression analysis showed that digital marketing had a significant and direct impact on store performance ($\beta = 0.52$), which decreased to 0.28 after the inclusion of the mediating variable. Simultaneously, the impact of marketing capabilities on performance was also significant and strong ($\beta = 0.45$). The mediation test confirmed the significant role of marketing capabilities in transmitting the effect of digital marketing on store performance ($Z = 6.70$, $p < 0.001$). The results of this study clearly demonstrate that digital marketing, not merely as a technological tool but as a strategic approach, can play an influential role in enhancing the performance of chain stores.

Keywords: Digital marketing, chain stores, mediator, hierarchical regression.

1. Introduction

In the current landscape of hyperconnectivity and consumer empowerment, digital marketing has emerged as a core driver of business performance and competitive advantage, particularly in the retail sector. The evolution of digital technologies has transformed the way organizations interact with consumers, manage marketing campaigns, and develop strategic capabilities (Chaffey & Ellis-Chadwick, 2022; Kotler et al., 2024; Rust, 2020). Chain stores, due to their extensive customer base and high operational complexity, are increasingly leveraging digital platforms to enhance marketing efficiency, personalize

consumer engagement, and optimize overall store performance (El Bhilat & Hamidi, 2025; Gupta et al., 2025). However, the impact of digital marketing on firm performance is not linear; it is contingent on the development and deployment of dynamic marketing capabilities that mediate this relationship and enable the strategic alignment of digital tools with organizational goals (Day, 2011; Vorhies & Morgan, 2005).

The resource-based view (RBV) of the firm provides a foundational framework for understanding how internal capabilities, such as marketing competencies, serve as key enablers of sustainable competitive advantage in the digital age (Barney, 1991; Wernerfelt, 1984). According to RBV, resources must be valuable, rare, inimitable, and non-substitutable to provide firms with enduring advantages (Barney, 1991). Digital marketing, while widely accessible, yields differential outcomes based on how firms build complementary capabilities to exploit its potential (Day, 1994; Teece et al., 1997). Marketing capabilities, such as data-driven responsiveness, content innovation, and channel integration, represent such critical internal assets that can mediate the impact of digital marketing on store performance outcomes (Kheiri & Roushni, 2013; Morgan et al., 2009).

Digital marketing itself has undergone a paradigmatic shift from simple online promotion to a complex ecosystem encompassing social media, search engine optimization, email campaigns, influencer collaboration, real-time analytics, and personalized content delivery (Kotler et al., 2024; Kumar et al., 2024). These tools, when strategically implemented, enhance customer experience, brand engagement, and conversion rates (Lamberton & Stephen, 2016; Lemon & Verhoef, 2016). However, evidence suggests that the effectiveness of digital marketing varies based on the firm's ability to integrate these tools into coherent marketing strategies supported by agile capabilities (Chaffey & Ellis-Chadwick, 2019; Rust & Lemon, 2001; Tiago & Veríssimo, 2014). For instance, firms that excel at generating customer insights and innovating digital content are more likely to convert digital presence into sales growth and market share expansion (Day, 2020; Santos & Carvalho, 2023).

In the context of chain stores, marketing strategies are further challenged by scale, decentralization, and diverse customer segments. Therefore, digital marketing must be embedded within a broader strategic orientation that includes capability development in areas such as customer analytics, marketing automation, and cross-channel coordination (Onete et al., 2016; Rahimi & Rakhimi, 2019). Recent studies have emphasized the mediating role of marketing capabilities in translating digital investments into tangible performance improvements (Day, 2020; Grewal et al., 2018). These capabilities enable firms to adapt to dynamic market conditions, respond to customer feedback in real-time, and personalize offerings at scale—all of which are critical in retail environments (Feng et al., 2015; Liu et al., 2018).

Moreover, as consumer behavior becomes increasingly digital and mobile-first, marketing must evolve to be more interactive, immersive, and contextually relevant (Lemon & Verhoef, 2016; Stofkova et al., 2022). The emergence of technologies such as artificial intelligence, Internet of Things (IoT), and predictive analytics has further enhanced the strategic potential of digital marketing to deliver not only reach but also precision and relevance (Gupta et al., 2025; Kumar et al., 2024). However, this potential can only be realized through the presence of advanced marketing capabilities that allow organizations to harness these tools effectively and measure their impact across the customer journey (Kotler et al., 2018; Rust, 2020).

The development of marketing capabilities is a multifaceted process that involves structural, procedural, and knowledge-based elements (Day, 1994; Vorhies & Morgan, 2005). It includes skills in customer data management, real-time content adaptation, campaign orchestration, and interdepartmental collaboration (Hoffman & Novak, 1996; Varadarajan, 2010). These capabilities not only mediate the relationship between digital marketing and performance but also moderate external pressures and enable strategic agility (Teece et al., 1997; Varadarajan et al., 2022). For instance, chain stores equipped with such capabilities can better navigate disruptions, adapt to shifts in consumer expectations, and sustain performance across changing digital landscapes (Chaffey & Ellis-Chadwick, 2022; Day, 2020).

From a strategic marketing perspective, the synergy between digital marketing initiatives and capability development reflects a shift from tactical execution to holistic value creation (Kotler et al., 2024; Rust, 2020). Digital marketing, when aligned with dynamic capabilities, enhances a firm's ability to innovate, personalize, and engage, resulting in improved

customer satisfaction, loyalty, and profitability (Lamberton & Stephen, 2016; Quelch & Klein, 1996). As such, understanding the mediating role of marketing capabilities is not only theoretically relevant but also practically imperative for decision-makers in the retail sector aiming to optimize their digital strategies (Feng et al., 2015; Morgan et al., 2009).

In summary, the evolving role of digital marketing in organizational performance, especially within chain retail, underscores the necessity of viewing digital tools not as standalone instruments but as components of a broader strategic framework supported by marketing capabilities. As prior research has indicated, while digital marketing contributes to visibility and engagement, it is the underlying capabilities—such as innovation, responsiveness, and integration—that convert these efforts into business value (Day, 2011; Kheiri & Roushni, 2013; Wernerfelt, 1984). This study, therefore, seeks to empirically examine the direct impact of digital marketing on the performance of chain stores, while also testing the mediating role of marketing capabilities to provide a more nuanced understanding of how firms can optimize digital strategies for sustainable performance outcomes.

2. Methods and Materials

This study was applied in nature and conducted using a quantitative approach. The objective was to examine the effect of digital marketing on the performance of chain stores, considering the mediating role of marketing capabilities. To collect the necessary data, a closed-ended questionnaire was used, designed based on a five-point Likert scale. The questionnaire included items to measure the study's three main constructs: digital marketing, marketing capabilities, and store performance. Each construct was developed based on previous research and validated domestic and international studies.

To design the questionnaire—intended to investigate the impact of digital marketing on chain store performance through the mediating role of marketing capabilities—items related to each variable were extracted from credible national and international literature. The questionnaire was designed in line with the theoretical framework of the research to ensure comprehensive coverage of both conceptual and operational dimensions of the variables. It was structured as a closed-ended format, utilizing a five-point Likert scale to assess respondents' agreement or disagreement with each item. The Likert scale included "strongly disagree," "disagree," "neutral," "agree," and "strongly agree," coded from 1 to 5.

The first part of the questionnaire collected demographic data, including age, gender, education level, work experience, and organizational position. The second part included items related to the digital marketing variable, covering three main dimensions: digital marketing, marketing capabilities, and store performance. For each dimension, between three and five items were developed.

After the initial design, the draft questionnaire was reviewed by five university professors and experts in marketing and research methodology to assess its face and content validity. Based on their feedback, some items were revised or removed, and others were rewritten for greater clarity. Once finalized, the questionnaire entered a pilot testing phase involving 30 respondents. The results were used to calculate Cronbach's alpha to assess reliability. The findings showed that all constructs had a Cronbach's alpha above 0.70, indicating that the instrument was sufficiently reliable for further research.

The questionnaire was distributed to respondents both in printed format and digitally via online platforms such as Google Forms to facilitate easier data collection.

The statistical population of the study comprised managers, experts, and marketing specialists in chain stores in Tehran. A non-random purposive sampling method was used to ensure that respondents had sufficient knowledge of digital marketing activities and their store's performance. The sample size was determined to be 150 individuals, a number deemed adequate for conducting statistical analyses based on existing criteria and previous studies.

After data collection, descriptive statistics were first computed for the research variables to identify basic characteristics of the responses, including means, standard deviations, and minimum and maximum scores for each construct. Next, Pearson correlation coefficients were calculated to determine the strength and direction of the relationships between digital marketing, marketing capabilities, and store performance.

For the primary stage of analysis, hierarchical regression analysis was applied, which is a suitable statistical method for examining mediating roles in causal relationships between variables. In the first step, digital marketing was entered as the independent variable to assess its effect on store performance. In the second step, digital marketing was analyzed as a predictor

of marketing capabilities to determine whether digital marketing could generate and enhance these capabilities. In the third step, both digital marketing and marketing capabilities were included in the model to reassess their impact on store performance.

To finalize the confirmation of the mediating role, the Sobel test was used, and its Z statistic was calculated. The software utilized for all analyses in this study was SPSS version 26.

3. Findings and Results

In Table 1, the three main variables—digital marketing, marketing capabilities, and store performance—are defined through various dimensions and corresponding items. Digital marketing includes five dimensions, focusing respectively on the use of social media, targeted content creation, email and SMS marketing, online advertising, and search engine optimization. Each dimension is represented by several items that capture the practical aspects of digital marketing activities. Marketing capabilities are structured into four dimensions: market analysis, responsiveness to changes, integration of digital tools, and innovation in content. Finally, store performance is assessed across sales growth, customer retention, customer satisfaction, and market share. All items were carefully selected to ensure practical relevance and a logical connection between theoretical dimensions and organizational practices.

Table 1. List of Items and Dimensions of Research Variables

Main Variable	Dimension	Item
Digital Marketing	Social Media	We regularly engage in marketing activities on social media.
		Responding to customers on social media is important to us.
		We use social media for advertising and engagement.
	Content Marketing	We produce and publish content tailored to customer needs.
		We use educational and engaging content to attract customers.
	Email and SMS Marketing	We regularly use SMS and email for notifications.
		Our emails contain personalized content for customers.
	Click and Display Advertising	We advertise online on various websites and platforms.
		Click advertising is a fixed part of our marketing program.
	SEO/SEM	Our website is optimized for search engines.
		We use Google ads to attract new visitors.
Marketing Capabilities	Market Analysis & Customer Insight	We are capable of analyzing customer behavior and needs accurately.
		We regularly monitor and analyze market data.
	Responsiveness to Market Changes	We respond promptly to rapid market changes.
		Our marketing decisions are data-driven and up to date.
	Integration of Digital Tools	We use digital channels in a coordinated and consistent manner.
		Communication between our digital platforms is integrated and aligned.
	Innovation in Content and Services	We continuously innovate in our promotional messages.
		We use modern digital methods to introduce our products.
Store Performance	Sales and Revenue Growth	Our sales have increased compared to last year.
		Our profit-to-marketing cost ratio is satisfactory.
	Customer Acquisition & Retention	We have succeeded in attracting new customers.
		A significant portion of our customers make repeat purchases.
	Customer Satisfaction	Customers are satisfied with their digital shopping experience in our store.
		Customer complaints regarding online services have decreased.
	Market Share	Our market share is increasing compared to competitors.
		Customer awareness of our store's brand is growing.

The data in Table 2 indicate that among the different dimensions of digital marketing, the highest mean belongs to social media activity (M = 4.2), reflecting a strong focus by stores on engaging with customers through this channel. The lowest mean in this domain pertains to search engine optimization (M = 3.8), which is accompanied by a relatively high standard deviation (SD = 0.9), suggesting a wide variation in responses and potentially weak implementation in this area. Within the marketing capabilities variable, innovation (M = 4.2) stands out as the most prominent dimension, whereas channel integration (M = 3.9) has the lowest score and may require improvement. Regarding store performance, sales growth ranks highest (M = 4.1), while customer satisfaction ranks lowest (M = 3.8), signaling a potential concern regarding the quality of customer experience. Overall, the variation in means ranging from 3.8 to 4.2, along with moderate standard deviations, suggests a generally favorable but uneven status across the dimensions of the studied variables.

Table 2. Descriptive Statistics of Research Variables

Main Variable	Dimension	Mean (out of 5)	Standard Deviation
Digital Marketing	Social Media	4.2	0.6
	Content Marketing	4.0	0.7
	Email Marketing	3.9	0.8
	Online Advertising	4.1	0.6
	SEO/SEM	3.8	0.9
Marketing Capabilities	Market Analysis	4.0	0.7
	Responsiveness to Market Changes	4.1	0.6
	Channel Integration	3.9	0.7
	Marketing Innovation	4.2	0.6
Store Performance	Sales Growth	4.1	0.5
	Customer Acquisition & Retention	4.0	0.6
	Customer Satisfaction	3.8	0.7
	Market Share	3.9	0.8

The dimensions of social media, content marketing, online advertising, and marketing innovation demonstrated the highest correlations with the components of store performance. Notably, *responsiveness to market changes* (r = 0.50**) and *marketing innovation* (r = 0.47**) showed the strongest correlations with sales growth, indicating the significant impact of marketing capabilities on the dynamism of stores (see Table 3).

Additionally, *content marketing* exhibited a strong correlation with customer acquisition and retention (r = 0.44**) and market share (r = 0.46**), highlighting that producing targeted content can aid in attracting audiences and strengthening brand positioning. On the other hand, *email and SMS marketing* and *SEO/SEM* showed lower and, in some cases, non-significant correlations with store performance (e.g., r = 0.27 for SEO/SEM and customer acquisition), suggesting these tools are either underutilized or less effective in the current context.

Based on the findings from Pearson correlation analysis (Table 3), the research hypothesis regarding the positive and significant influence of marketing capabilities—particularly *content innovation* and *rapid responsiveness to market changes*—on the performance of chain stores was confirmed.

Table 3. Correlation Coefficients Between Dimensions of Digital Marketing and Marketing Capabilities with Store Performance Components

Variable Dimensions	Sales Growth	Customer Acquisition & Retention	Customer Satisfaction	Market Share
Social Media	0.43**	0.39**	0.36**	0.41**
Content Marketing	0.48**	0.44**	0.40**	0.46**
Email and SMS Marketing	0.35*	0.38*	0.30*	0.31*
Online Advertising	0.41**	0.40**	0.37**	0.43**
SEO/SEM	0.30*	0.27 ns	0.28*	0.32*
Market Analysis	0.45**	0.42**	0.39**	0.44**
Responsiveness to Market Changes	0.50**	0.46**	0.43**	0.48**
Channel Integration	0.38**	0.36**	0.34**	0.37**
Marketing Innovation	0.47**	0.43**	0.42**	0.45**

Table 4 presents the findings from hierarchical regression analysis, which confirm that digital marketing has a positive and significant effect on the performance of chain stores. The path coefficient in the first model was $\beta = 0.52$, with a t-statistic of 5.48, indicating a statistically significant effect at the 99% confidence level. In the second step, the relationship between digital marketing and marketing capabilities was examined, yielding a coefficient of $\beta = 0.63$ and a t-value of 7.12, demonstrating the strong influence of digital marketing on enhancing marketing capabilities. In the third step, after including the mediating variable (marketing capabilities) in the model, the direct effect of digital marketing on performance decreased to $\beta = 0.28$, while the effect of marketing capabilities on performance remained significant at $\beta = 0.45$ with a t-value of 4.75. Additionally, the coefficient of determination (R^2) in the third model increased to 0.48, indicating that the inclusion of the mediating variable significantly improved the model's explanatory power. These results clearly confirm the mediating role of marketing capabilities in amplifying the effect of digital marketing on store performance.

Table 4. Hierarchical Regression Results on the Mediating Role of Marketing Capabilities in the Relationship Between Digital Marketing and Store Performance

Predictor Variables	β (Path Coefficient)	t-value	R²	Description
Digital Marketing → Store Performance	0.52	5.48**	0.27	Direct effect of digital marketing on performance
Digital Marketing → Marketing Capabilities	0.63	7.12**	0.40	Effect of digital marketing on capabilities
Digital Marketing → Store Performance	0.28	2.85**	0.42	Reduced direct effect after including mediator
Marketing Capabilities → Store Performance	0.45	4.75**	0.48	Mediating effect of marketing capabilities

Table 5 further confirms the mediating role of marketing capabilities in the relationship between digital marketing and store performance. The first path shows that digital marketing has a strong direct effect on enhancing marketing capabilities (a = 0.63, SE = 0.088). The second path indicates that these capabilities significantly impact store performance (b = 0.45, SE = 0.095). The product of the two paths (a × b = 0.2835) represents the indirect effect of digital marketing on performance through marketing capabilities (see Figure 1). The Sobel test yielded a Z-value of 6.70 and a p-value of 0.001, both confirming that the mediation effect is highly significant at the 99% confidence level. In other words, digital marketing not only directly influences store performance but also exerts its effect indirectly by enhancing marketing capabilities. These results support the presence of full or partial mediation and highlight marketing capabilities as a key factor in improving the effectiveness of digital activities.

Based on the presented findings, all the research hypotheses were supported.

Table 5. Mediation Effect of Marketing Capabilities in the Relationship Between Digital Marketing and Store Performance

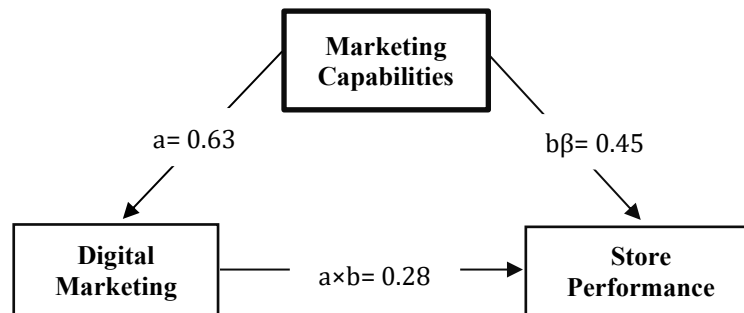| Effect Path	Effect (a)	SE a	Effect (b)	SE b	Indirect Effect (a×b)	SE ab	Z	p-value
Digital Marketing → Marketing Capabilities (a)	0.63	0.088	–	–	–	–	–	–
Marketing Capabilities → Store Performance (b)	–	–	0.45	0.095	–	–	–	–
Total Indirect Effect (a×b)	–	–	–	–	0.2835	0.042	6.70	0.001

Figure 1. Indirect Effect of Digital Marketing on Performance Through Marketing Capabilities

4. Discussion and Conclusion

The present study examined the impact of digital marketing on the performance of chain stores with a particular focus on the mediating role of marketing capabilities. The results of the hierarchical regression analysis demonstrated that digital marketing has a direct, positive, and statistically significant effect on store performance. Specifically, in the first model, digital marketing explained 27% of the variance in performance (β = 0.52, p < 0.01). However, when marketing capabilities were introduced as a mediating variable, the direct effect of digital marketing decreased to β = 0.28, while marketing capabilities themselves had a significant effect on performance (β = 0.45, p < 0.01), increasing the model's explanatory power to 48%. The results of the Sobel test further confirmed the significance of the mediating role (Z = 6.70, p < 0.001), indicating that marketing capabilities serve as a critical mechanism through which digital marketing contributes to improved organizational outcomes.

These findings align with a growing body of research that emphasizes the importance of dynamic capabilities in translating marketing inputs into performance outcomes (Day, 1994; Teece et al., 1997; Vorhies & Morgan, 2005). As digital marketing becomes increasingly complex and integrated across platforms—ranging from social media to search engine optimization—the mere adoption of digital tools is no longer sufficient. Rather, firms must develop robust marketing capabilities such as content innovation, cross-channel integration, responsiveness to market shifts, and customer insight generation to fully leverage

the advantages of digital strategies (Day, 2011; Rust, 2020). This study reinforces the notion that marketing capabilities act as strategic levers that convert digital marketing investments into tangible performance outcomes such as sales growth, market share expansion, and customer retention.

The correlation matrix revealed that specific dimensions of digital marketing—namely, social media usage, content marketing, and online advertising—had the highest positive correlations with store performance metrics. Notably, content marketing showed a strong association with customer acquisition and market share (r = 0.44 and r = 0.46, respectively), while responsiveness to market changes and innovation capabilities demonstrated the strongest correlations with sales growth (r = 0.50 and r = 0.47). These results reflect the current understanding that successful digital marketing is contingent on real-time responsiveness and the continuous delivery of value through relevant, personalized content (Kumar et al., 2024; Lemon & Verhoef, 2016; Santos & Carvalho, 2023). In particular, content marketing plays a pivotal role in building long-term customer engagement and trust, which are essential for sustainable performance in competitive retail environments (Chaffey & Ellis-Chadwick, 2022; Kotler et al., 2024).

Interestingly, dimensions such as email and SMS marketing and SEO/SEM displayed weaker and sometimes insignificant relationships with store performance. For instance, the correlation between SEO/SEM and customer acquisition was non-significant (r = 0.27, ns). This finding suggests that while these tools remain integral components of digital marketing, their effectiveness is highly dependent on strategic implementation and integration with broader marketing objectives (Onete et al., 2016; Tiago & Veríssimo, 2014). These findings echo the work of Lamberton and Stephen (Lamberton & Stephen, 2016), who argue that the evolution of digital marketing requires a shift from isolated channel performance to cross-platform synergy and capability development.

Moreover, the significant role of marketing capabilities in mediating the relationship between digital marketing and performance underscores the strategic relevance of internal competency building in retail settings. Firms that possess strong capabilities in market analysis, fast adaptation, and coordinated digital execution are more likely to succeed in converting digital engagement into economic performance (Feng et al., 2015; Gupta et al., 2025; Liu et al., 2018). The mediating effect also suggests that performance disparities across retail firms may not stem solely from differences in digital marketing adoption but from the extent to which firms have built the underlying capabilities to support digital transformation (Kheiri & Roushni, 2013; Morgan et al., 2009).

This study also adds empirical support to the broader theoretical discussions in marketing strategy and the resource-based view of the firm. The findings are consistent with RBV claims that internal capabilities are the real source of sustained competitive advantage (Barney, 1991; Wernerfelt, 1984). Digital marketing can be conceptualized as a resource that, in isolation, lacks strategic value unless it is embedded in a capability-rich context that enables its effective deployment (Day, 2020; Teece et al., 1997). Furthermore, the findings reinforce the argument made by Varadarajan (Varadarajan, 2010) that strategic marketing requires not just tactical execution but the dynamic orchestration of capabilities across customer-facing and analytical domains.

From a technological perspective, the results highlight the importance of aligning emerging digital innovations with organizational readiness and skill development. While AI, IoT, and big data analytics offer new possibilities for customer personalization and real-time decision-making, their benefits are only realized in firms that have invested in the training, structure, and culture needed to support them (El Bhilat & Hamidi, 2025; Gupta et al., 2025). As such, capability development should be seen as both a precursor and a parallel track to digital adoption. Without such alignment, digital tools may fail to produce desired results or even lead to strategic misalignment and wasted investment (Jia & Wang, 2013; Rust & Lemon, 2001).

In addition, the findings support the view that digital marketing is not a one-size-fits-all solution but a contextual practice that must be tailored to the unique characteristics of the retail industry. For chain stores, which operate across different markets and customer segments, capabilities such as content localization, platform coordination, and real-time analytics are essential to ensure that digital strategies are responsive to local needs and consumer expectations (Hoffman & Novak, 1996; Levy &

Weitz, 2007). This contextualization is especially crucial in multichannel environments where customer experience must remain consistent and seamless across digital and physical touchpoints (Kotler et al., 2018; Lemon & Verhoef, 2016).

Collectively, these findings not only contribute to the theoretical understanding of digital marketing and performance relationships but also offer practical insights into how firms can strategically invest in marketing capabilities to enhance their digital return on investment. The confirmation of all research hypotheses further supports the validity of the conceptual framework used in this study and calls for continued exploration of capability-driven models in digital marketing research.

Despite its contributions, this study has several limitations. First, the data were collected cross-sectionally, which limits the ability to make definitive causal inferences. Longitudinal data would be better suited to assess the dynamic interplay between digital marketing activities and performance outcomes over time. Second, the study focused exclusively on chain stores in Tehran, which may constrain the generalizability of the findings to other contexts or retail formats such as e-commerce platforms or independent retailers. Third, all data were self-reported by marketing professionals, which raises the possibility of common method bias despite efforts to validate the instrument. Lastly, the model did not include external variables such as market competition, technological turbulence, or customer demographics, which could further influence the relationship between digital marketing, capabilities, and performance.

Future research should consider a longitudinal design to capture the evolution of digital marketing capabilities and their long-term impact on performance. Expanding the sample to include different types of retail organizations—such as international chains, online-only stores, or franchise models—would improve external validity and enable comparative analysis across business models. Researchers could also explore the moderating role of organizational culture, leadership style, or digital maturity in shaping the effectiveness of marketing capabilities. Additionally, future models may benefit from incorporating customer-level data to evaluate whether improvements in internal capabilities translate into actual behavioral change and loyalty outcomes.

Retail managers should recognize that digital marketing efforts are unlikely to succeed in isolation. Investments in marketing technology must be accompanied by a deliberate strategy to build internal capabilities—particularly in areas like content development, data analysis, and responsiveness to market feedback. Training programs, cross-functional collaboration, and performance monitoring systems should be institutionalized to support capability development. Moreover, attention should be paid to integrating various digital platforms to ensure consistency and synergy in marketing communication. Retailers must also tailor their digital strategies to fit the needs of different customer segments and local markets, ensuring that innovation is not only technological but also strategic and contextual.

Ethical Considerations

All procedures performed in this study were under the ethical standards.

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Conflict of Interest

The authors report no conflict of interest.

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