

The Effect of Digital Marketing Innovation on Increasing Mobile Phone Sales in Retail Stores

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Abstract

This study aims to analyze the effect of digital marketing innovation on the sales performance of mobile phone (HP) products in retail stores, with user generated content (UGC) as an additional independent variable and electronic word of mouth (e-WOM) as a mediating variable. The research employs a quantitative approach using a survey method. Data were collected through questionnaires distributed to mobile phone store customers. Data analysis was conducted using regression analysis and mediation testing. The results indicate that digital marketing innovation and user generated content have a positive and significant effect on electronic word of mouth. Furthermore, electronic word of mouth has a significant effect on sales performance. This study confirms that e-WOM mediates the effect of digital marketing innovation and user generated content on sales performance.

Keywords: Digital Marketing Innovation, User Generated Content, Electronic Word of Mouth, Sales Performance

Introduction

The rapid development of digital technology has encouraged businesses to adopt digital-based marketing strategies. Digital marketing innovation has become a crucial factor in improving business competitiveness, particularly in the mobile phone retail industry. Social media and digital platforms enable consumers to interact, share experiences, and provide online reviews that can influence other consumers' purchasing decisions.

Literature Review

Digital marketing innovation refers to a company's efforts to creatively and effectively utilize digital technology to deliver product value to consumers. User generated content is content created by consumers based on their experiences with a product. Electronic word of mouth is informal communication among consumers through online media that contains opinions or experiences related to a product. Sales performance reflects a company's achievement in selling products within a certain period.

Research Method

This study uses a quantitative research method with a survey approach. The population consists of mobile phone store customers, and the sample is determined using purposive sampling. Data analysis is conducted using multiple linear regression and mediation analysis to examine the role of electronic word of mouth.

Results and Discussion

The results show that digital marketing innovation has a positive and significant effect on electronic word of mouth. User generated content also has a significant effect on electronic word of mouth. Furthermore, electronic word of mouth has a positive and significant effect on sales performance. These findings indicate that improved digital marketing innovation and high-quality user generated content can enhance positive e-WOM, which ultimately leads to increased sales performance.

Conclusion

Based on the findings, it can be concluded that digital marketing innovation and user generated content play an important role in shaping electronic word of mouth. Electronic word of mouth has been proven to improve sales performance and mediate the relationship between digital marketing innovation, user generated content, and sales performance.

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