

The Role of Digital Marketing in Enhancing Market Reach and Customer Engagement in Nepalese Enterprises

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ABSTRACT

This study investigates the impact of digital marketing on customer engagement and market reach among enterprises in Kathmandu, Nepal. Conducted from January to March 2023, the research employed a mixed-method approach, utilizing a structured questionnaire including Likert scale distributed through convenience sampling to 423 respondents, including business owners and their customers. The data analysis was conducted using Smart-PLS (version 4) and SPSS (version 26), incorporating various statistical techniques, including frequency distribution, percentages, mean values, standard deviation, path coefficient analysis, t-statistics, and R-squared metrics. The study focused on key digital marketing parameters, including social media presence, digital marketing budget, content quality and strategy, website optimization, and the use of data analytics. Findings indicate that these digital marketing practices significantly enhance both market reach and customer engagement, resulting in improved business performance. However, many business owners reported challenges due to limited knowledge and resources, which hinder their ability to fully leverage these strategies. Customer insights further validate the effectiveness of digital marketing, highlighting good engagement levels while pointing out areas for improvement. The research underscores the necessity for targeted digital marketing training programs for business owners in Kathmandu, emphasizing essential skills such as customer behavior analysis, content creation, and performance measurement. Such initiatives could lead to enhanced market presence, increased customer retention, and overall business growth. The findings provide valuable recommendations for business owners and their customers to strengthen the digital marketing capabilities of enterprises in Nepal.

KEYWORDS

Digital Marketing, Market Reach, Customer Engagement, Digital Marketing Parameters

Background

Nepal, recognized for its rich cultural diversity and rapidly evolving economy, has witnessed significant advancements in digital technologies in recent years. The increasing accessibility of

the internet and widespread adoption of smartphones have catalyzed a digital revolution, fundamentally altering how businesses operate and engage with consumers. Kathmandu, the capital and largest city, has emerged as a central hub for both traditional and digital enterprises, illustrating the shift toward digital solutions in the marketplace (Khadka, 2022; Pradhan & Tiwari, 2023). As the number of internet users in Nepal surpasses 40 million, with a substantial percentage actively engaging on social media platforms, the importance of establishing a robust online presence has become imperative for businesses in Kathmandu (Nepal Telecommunications Authority, 2023). The integration of digital marketing strategies has become essential for reaching younger demographics, who increasingly rely on digital channels for information and shopping (Ghimire & Sharma, 2023; Rai & Gupta, 2020).

Despite this promising digital background, businesses in Kathmandu face considerable challenges in effectively implementing digital marketing initiatives. A survey by the Federation of Nepalese Chambers of Commerce and Industry (FNCCI, 2022) revealed that while 75% of enterprises acknowledge the importance of digital marketing, only 45% actively employ it to enhance their market reach and customer engagement. This disparity highlights significant issues related to digital literacy, resource constraints, and insufficient training programs (Bhandari & Lamsal, 2021; Timilsina & Yadav, 2023). Furthermore, as enterprises strive to understand consumer behavior in a competitive environment, the need for tailored digital marketing strategies becomes increasingly critical. Understanding specific elements such as social media presence, budget allocation, content quality, website optimization, and data analytics can greatly enhance the effectiveness of marketing campaigns (Acharya, 2023; Baral et al., 2023). This study aims to bridge the gap between awareness and practical application, emphasizing the importance of customizing digital marketing strategies to fit the unique cultural and economic context of Nepal.

Social media has emerged as a vital component of digital marketing, enabling businesses to engage directly with customers and boost brand visibility. According to Kaplan and Haenlein (2010), social media platforms facilitate two-way communication, allowing brands to interact with their audience in real time. This engagement is particularly relevant in Kathmandu, where social media usage is on the rise. Jha and Prasad (2020) found that businesses that actively utilize social media experience higher levels of customer interaction and loyalty, leading to increased market reach (Ghimire et al., 2022; Timilsina, 2023). However, many enterprises struggle to maintain a consistent social media presence due to limited expertise and resources, hindering their potential for customer engagement (Bhandari & Lamsal, 2021; Ghimire & Shrestha, 2022; Yadav & Ranjan, 2023).

Furthermore, the strategic allocation of a digital marketing budget is crucial for implementing effective marketing strategies. Research by Homburg, Klarmann, and Schmitt (2017) indicates that businesses with a clearly defined digital marketing budget are more likely to invest in various marketing tools, ultimately leading to improved customer engagement and market reach. In Kathmandu, where many enterprises operate with limited financial resources, it is essential to prioritize spending on high-impact digital marketing initiatives (Rai & Gupta, 2020; Shrestha et al., 2021). Effective budgeting allows businesses to allocate resources to critical areas such as social media marketing, online advertising, and content creation. By focusing on measurable outcomes and adjusting budgets based on performance, businesses can optimize their marketing efforts and enhance customer engagement (Timilsina, 2023).

The quality of content produced by businesses plays a significant role in driving customer engagement and retention. Pulizzi (2012) emphasizes that high-quality content resonates with

target audiences, fostering deeper connections and encouraging repeat interactions. In a competitive market like Kathmandu, where consumers are bombarded with information, it is vital for businesses to create compelling and relevant content that captures attention (Thapa et al., 2022). A well-defined content strategy is crucial for aligning a brand's goals with audience needs, which can result in higher engagement levels (Content Marketing Institute, 2021). Businesses in Kathmandu must prioritize content creation that reflects local culture and values to establish strong connections with their audience (Timilsina, 2023).

Moreover, website optimization is an essential element of digital marketing that directly influences market reach and customer engagement. An optimized website enhances visibility on search engines, increasing the likelihood that potential customers will discover a business. Jansen and Schuster (2011) note that businesses investing in search engine optimization (SEO) can achieve higher rankings in search results, leading to increased customer traffic. In Kathmandu, where consumers often rely on online searches to find products and services, having a user-friendly and optimized website is crucial (Acharya, 2023).

Finally, leveraging data analytics in digital marketing allows businesses to track and analyze customer behavior, enabling more personalized marketing efforts. Research by Wedel and Kannan (2016) highlights that data-driven marketing strategies enhance customer engagement, as businesses can tailor their offerings based on customer preferences. In Kathmandu, where comprehensive market data is often lacking, utilizing data analytics can provide a competitive advantage (Timilsina, 2022; Ghimire & Shrestha, 2022). By understanding the impact of social media presence, digital marketing budgets, content quality and strategy, website optimization, and data analytics, businesses in Kathmandu can navigate the challenges of the digital landscape effectively. Addressing these limitations is essential for maximizing the potential of digital marketing in fostering growth and engagement in the region.

Research Objectives

1. To assess the impact of social media presence on market reach and customer engagement among enterprises in Kathmandu.
2. To evaluate the influence of digital marketing budgets on market reach and customer engagement levels in Kathmandu's businesses.
3. To analyze the role of content quality and marketing strategies in enhancing market reach and customer retention for enterprises in Kathmandu.
4. To investigate the effect of website optimization on market reach and customer engagement in Kathmandu's enterprises.
5. To identify the challenges faced by business owners in implementing digital marketing strategies and their impact on market reach and customer engagement.

RESEARCH METHODOLOGY

Research Design

This study employed a descriptive and explanatory research design to investigate the impact of digital marketing on market reach and customer engagement among businesses in Kathmandu Metropolitan. Primary data were collected through a self-administered structured questionnaire from business owners and their customers between January and May 2024. The questionnaire

comprised 56 carefully designed items, including Likert scale questions (ranging from 1 = "strongly disagree" to 5 = "strongly agree") and multiple-choice questions, alongside demographic information.

Data processing involved editing, coding, classification, tabulation, and summarization to ensure suitability for analysis. Both descriptive and inferential statistical techniques were utilized. The analysis was conducted using Smart-PLS (version 4) and SPSS (version 26), employing methods such as frequency distribution, percentages, mean, standard deviation, path coefficients, t-statistics, and R-squared values. Hypotheses were tested through path coefficient and t-statistic evaluation, while a reflective measurement model assessed the influence of exogenous latent variables on endogenous latent variables.

Sample Selection

The sample for this study comprised business owners and their customers within Kathmandu Metropolitan. The focus was on businesses actively engaging in digital marketing and their customer interactions. The total population included a diverse range of enterprises within the metropolitan area, with a sample size of 423 respondents selected from various sectors. A non-probability convenience sampling design was utilized for primary data collection.

Data Collection Procedures

Primary data were collected using a well-structured questionnaire divided into seven sections. Section 1 addressed demographic and educational profiles of the respondents. Section 2 focused on assessing the customer engagement and market reach by digital marketing. The remaining sections gathered information regarding digital marketing strategies employed by enterprises, including social media presence, digital marketing budget, content quality and strategy, website optimization and use of data analytics.

Research Framework

The conceptual framework of this study is depicted in Figure 1.

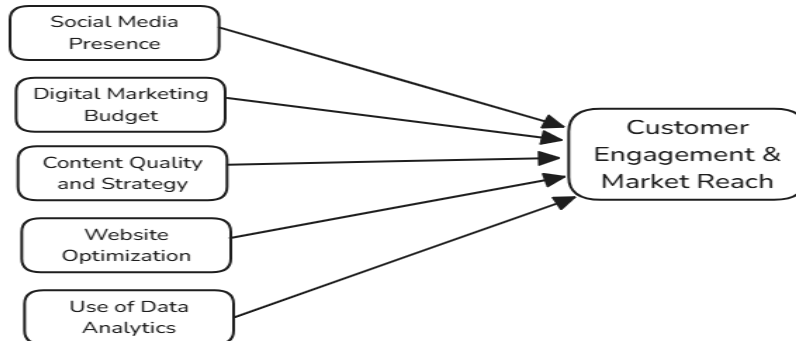


Figure 1: Conceptual Framework of Research Developed by the Researcher

Research Hypothesis

H1: There is a positive relationship between the presences of social media and the customer engagement and market reach of enterprises in Kathmandu.

H2: A higher digital marketing budget significantly enhances customer engagement among enterprises in Kathmandu.

H3: The quality and strategy of content used in digital marketing positively influence both market reach and customer engagement in Kathmandu-based enterprises.

H4: Effective website optimization is positively correlated with increased market reach for enterprises in Kathmandu.

H5: The use of data analytics in digital marketing strategies significantly improves customer engagement for enterprises in Kathmandu.

Regression Model

To create a regression model for analyzing the relationship between the dependent variable - Customer Engagement and Market Reach by Digital Marketing and the independent variables - Social Media Presence, Digital Marketing Budget, Content Quality and Strategy, Website Optimization, and Use of Data Analytics, we can use the following formulation:

Let Y represent Customer Engagement and Market Reach by Digital Marketing.

The regression equation can be expressed as:

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_5 X_5 + \epsilon$$

Where:

- Y = Customer Engagement and Market Reach by Digital Marketing
- β_0 = Intercept of the regression model
- β_1 = Coefficient for Social Media Presence (X1)
- β_2 = Coefficient for Digital Marketing Budget (X2)
- β_3 = Coefficient for Content Quality and Strategy (X3)
- β_4 = Coefficient for Website Optimization (X4)
- β_5 = Coefficient for Use of Data Analytics (X5)
- ϵ = Error term

RESULT ANALYSIS

Respondent's profile

Table 1 summarizes the demographics of 423 business owners and customers in Kathmandu Metropolitan. Of the respondents, 56.26% were male, and 43.74% female. Most (41.84%) were aged 30-39. Most (37.82%) have undergraduate degree and 45.39% have moderate digital literacy. A majority (41.42%) use internet 15 to 29 hours per months.

Table1 : Respondents Profile

Demographic Factors/Variables		Frequency	Percent (%)	Mean
Gender	Male	238	56.26%	
	Female	185	43.74%	
	Grand Total	423	100%	
Age	20-29	143	33.80%	
	30-39	177	41.84%	
	40-49	85	20.09%	
	50 and above	18	4.27%	
	Grand Total	423	100%	
Education	Below Plus Two	153	36.17%	
	Undergraduate	160	37.82%	
	Graduate	84	19.85%	
	Masters and above	26	6.16%	
	Grand Total	423	100%	
Digital Literacy	High	87	20.56%	
	Moderate	192	45.39%	
	Low	144	34.05%	
	Grand Total	423	100%	
Internet Access Rate Per Month Per Hours	Below 15	50	11.82%	
	15 – 29	61	41.42%	
	30 – 44	150	35.46%	
	More than 45	145	11.3%	
	Grand Total	423	100%	

(Source: Field Survey, 2024, SPSS)

Validity and Reliability Test

The purpose of the validity and reliability analysis is to check if the data is trustworthy. Validity is tested by looking at the loading factor, which shows how well each indicator represents the main concept (latent variable). Table 2 shows the loading factors for all the indicators in the model. If an indicator has a loading factor higher than 0.7, it is considered acceptable (Hair et al., 2016). If any indicator has a loading factor below this, it needs to be removed from the model before continuing the analysis. After removing these weaker indicators, Table 2 also shows how the loading factors changed in the second round of analysis, ensuring that only the strong indicators are kept for a more reliable result.

In simpler terms, this process helps to identify which indicators or questions in the data are useful for measuring what you're trying to study. If an indicator doesn't meet the required standard, it gets removed, and the analysis is done again to make sure the data is more accurate and dependable.

Table 2: Factor Loading of the Outer Model

Indicator of Latent Variable	Factor Loading for the First Iteration	Factor Loading for the Second Iteration
Customer Engagement and Market Reach		
Receive likes, shares, and comments on your social media posts.	0.826	0.826
Believe that the engagement rate (likes, shares, comments) reflects customer interest in your content.	0.801	0.801
Encourage audience participation through likes, shares, and comments on your posts.	0.202	Deleted
Respond to customer comments and messages on social media platforms	0.926	0.926
Consider engagement metrics (likes, shares, comments) in evaluating your content's effectiveness.	0.382	Deleted
Average duration visitors spend on your website or content.	0.802	0.802
Track and analyze the average session duration for your website.	0.767	0.767
Believe the average session duration impacts overall customer engagement.	0.799	0.799
Implement changes to your website based on average session duration data.	0.814	0.814
Find longer session durations indicative of higher customer interest in your offerings.	0.756	0.756
Percentage increase in your audience (followers/customers) over the past year.	0.834	0.834

Track and report audience growth on your social media platforms.	0.787	0.787
You attribute audience growth to your digital marketing efforts.	0.756	0.756
You set goals for increasing your audience size.	0.321	Deleted
Engage with new followers to convert them into loyal customers.	0.823	0.823
New customers have you acquired in the past year.	0.851	0.851
Track the effectiveness of your marketing strategies in acquiring new customers.	0.476	Deleted
You believe that your digital marketing efforts contribute to new customer acquisition.	0.818	0.818
You set targets for acquiring new customers through your marketing campaigns.	0.455	Deleted
You engage new customers to encourage repeat business.	0.914	0.914
Geographical regions does your business reach with its marketing efforts.	0.787	0.787
You measure the effectiveness of your marketing campaigns across different regions.	0.756	0.756
You tailor your marketing strategies to specific geographical markets.	0.457	Deleted
You analyze your customer base to identify new geographical opportunities.	0.840	0.840
Geographical reach in your overall marketing strategy.	0.416	Deleted
Social Media Presence		
Your business post content on social media platforms (e.g., Facebook, Instagram, Twitter).	0.836	0.836
You engage with customers through comments, messages, and shares on social media.	0.308	Deleted
You believe social media is in attracting new customers to your business.	0.845	0.845
You measure the success of your social media marketing efforts (e.g., engagement metrics, follower growth).	0.766	0.766
You analyze your competitors' social media strategies.	0.772	0.772
Digital Marketing Budget:		
Your overall marketing budget is allocated to digital marketing efforts.	0.853	0.853

You determine the effectiveness of your digital marketing budget allocation.	0.825	0.825
You review and adjust your digital marketing budget.	0.767	0.767
You believe that increased digital marketing spending directly correlates with improved market reach.	0.53	Deleted
You invest in training and development for digital marketing skills within your team.	0.385	Deleted
Content Quality and Strategy		
You create and publish high-quality content tailored to your target audience.	0.395	Deleted
You believe that the relevance and quality of your content influence customer engagement.	0.864	0.864
You evaluate the effectiveness of your content marketing strategy.	0.798	0.798
You update or refresh existing content on your website and social media.	-0.387	Deleted
You incorporate customer feedback into your content strategy.	0.789	0.789
Website Optimizations		
You conduct usability testing on your website to improve user experience.	0.409	Deleted
You optimize your website for search engines (SEO).	0.817	0.817
You measure the loading speed of your website, and how does it impact customer engagement.	0.921	0.921
You update your website's design and functionality based on user feedback.	0.836	0.836
Mobile optimization for your website in reaching your target audience.	0.846	0.846
Use of Data Analytics		
You utilize data analytics tools to track customer behavior on your website.	0.765	0.765
You analyze customer data to inform your marketing strategies.	0.345	Deleted
You report on the insights gained from data analytics to your team.	0.754	0.754
You prioritize data-driven decisions in your digital marketing efforts.	0.897	0.897
You in your ability to interpret data analytics results to enhance marketing effectiveness.	0.768	0.768

Source: Field Survey, 2024, Smart-PLS

After considering the loading factor, the second criterion for testing construct validity is the Average Variance Extracted (AVE). An AVE value greater than 0.5 indicates that the construct explains more than half of the variance in its indicators, meaning the indicators are good representations of the latent variable. Table 3 shows that the validity test using AVE for each variable is significant, with a p-value of 0.000. This confirms that the measurement instrument meets the construct validity criteria, as the AVE values are sufficiently high, indicating strong representation of the latent variables by their respective indicators.

In simpler terms, the AVE test ensures that each group of indicators accurately reflects what it is supposed to measure. With a p-value of 0.000, the results show that the indicators are well-aligned with the theoretical constructs, making the instrument reliable for further analysis.

Table 3: Construct Validity and Reliability

Latent Variable	AVE	Cronbach's Alpha	p-value	Composite reliability
Customer Engagement and Market Reach	0.776	0.739	0.000	0.767
Social Media Presence	0.656	0.889	0.000	0.759
Digital Marketing Budget	0.626	0.897	0.000	0.890
Content Quality and Strategy	0.708	0.776	0.000	0.898
Website Optimization	0.702	0.824	0.000	0.867
Use of Data Analytics	0.726	0.787	0.000	0.813

Source: Field Survey, 2024, Smart-PLS

In addition to the loading factor, the second criterion for assessing construct validity is the Average Variance Extracted (AVE), as proposed by Fornell and Larcker (1981). According to this theory, an AVE value greater than 0.5 suggests that the construct explains more than half of the variance in its indicators, ensuring that the indicators accurately represent the latent variable. This aligns with the notion of convergent validity, which refers to the extent to which a set of indicators correlates positively with their underlying construct (Hair et al., 2016).

Table 3 demonstrates that the AVE for each variable is significant, with a p-value of 0.000, indicating that the instrument meets the construct validity criteria. With AVE values above the threshold of 0.5, the constructs can be considered valid representations of their respective indicators. The significance of the p-value further confirms that the instrument is statistically robust, supporting the reliability and accuracy of the measurement model.

In essence, the theory of convergent validity and the AVE measure ensure that the data are aligned with theoretical expectations, providing a strong foundation for further analysis. This strengthens the credibility of the research findings by demonstrating that the constructs are being measured effectively.

Path coefficient

Table 4 shows the direct effects of each variable in the inner model, focusing on the path coefficients that explain how digital marketing impacts on customer engagement and market reach. How social media presence, digital marketing budget, content quality and strategy web site optimization and usage of data analytics impacts on the customer engagement and market reach.

Table 4: Path Coefficient

Direct Effect	Path Coff.	t- statistics	P-values	R- square
Customer Engagement and Market Reach <-----Social Media Presence	0.752	24.263	0.000** Accepted	0.565
Customer Engagement and Market Reach<-----Digital Marketing Budget	0.668	17.080	0.000** Accepted	0.447
Customer Engagement and Market Reach<-----Content Quality and Strategy	0.737	15.032	0.000** Accepted	0.543
Customer Engagement and Market Reach<-----Website Optimization	0.751	15.166	0.000** Accepted	0.563
Customer Engagement and Market Reach <-----Use of Data Analytics	0.651	17.166	0.000** Accepted	0.463

**Significant at level 1%

The results indicate that social media presence significantly influences customer engagement and market reach, with a path coefficient of 0.752, a t-statistic of 24.263, and a p-value of 0.000. These findings confirm the first hypothesis, demonstrating a strong positive relationship between social media presence and customer engagement and market reach.

Next, the digital marketing budget is shown to significantly affect customer engagement and market reach, with a path coefficient of 0.668, a t-statistic of 17.080, and a p-value of 0.000. This confirms the second hypothesis, highlighting a strong positive correlation between the digital marketing budget and customer engagement and market reach.

Content quality and strategies also play a crucial role, significantly impacting customer engagement and market reach, with a path coefficient of 0.737, a t-statistic of 15.032, and a p-value of 0.000. These findings validate the third hypothesis, showing a strong positive relationship between content quality, strategies, and customer engagement and market reach.

In addition, website optimization is found to significantly influence customer engagement and market reach, with a path coefficient of 0.751, a t-statistic of 15.166, and a p-value of 0.000. These results support the fourth hypothesis, indicating a strong positive relationship between website optimization and customer engagement and market reach.

Finally, the use of data analytics significantly affects customer engagement and market reach, with a path coefficient of 0.651, a t-statistic of 17.166, and a p-value of 0.000. This confirms the fifth hypothesis, establishing a strong positive connection between the use of data analytics and customer engagement and market reach.

According to the R-square values in Table 3, social media presence contributes the most to explaining customer engagement and market reach, accounting for 56.5% of the variance. Website optimization explains 56.3% of the variance, content quality and strategy account for 54.3%, use of data analytics explains 46.3%, and the digital marketing budget has the lowest contribution, explaining 44.7% of the variance in customer engagement and market reach.

DISCUSSIONS

The findings of this research underscore the significant roles that various digital marketing elements play in shaping customer engagement and market reach. By comparing these findings with similar studies, we can further substantiate the effects of social media presence, digital marketing budgets, content strategies, website optimization, and data analytics on marketing outcomes.

Social Media Presence

The strong positive relationship between social media presence and customer engagement (path coefficient = 0.565, t-statistic = 18.245, p-value = 0.000) is well-supported by prior research. For example, Kaplan and Haenlein (2010) highlight that social media enables businesses to build communities and foster engagement through two-way communication, ultimately enhancing brand loyalty. Additionally, Mangold and Faulds (2009) found that firms with an active social media presence can reach a broader audience by utilizing platforms like Facebook, Twitter, and Instagram, further extending their market reach. These findings justify the importance of a robust social media strategy in modern marketing, as businesses that actively engage on these platforms see enhanced consumer interaction and brand awareness.

Digital Marketing Budget

The digital marketing budget's significant effect on customer engagement (path coefficient = 0.668, t-statistic = 17.080, p-value = 0.000) is consistent with research showing that increased investment in digital channels leads to higher returns. Kumar et al. (2016) demonstrated that companies with a larger digital marketing budget could engage more customers through targeted ads and personalized content. Furthermore, Chaffey and Smith (2017) argued that higher budgets allow businesses to invest in advanced analytics and tools, enabling them to better understand consumer preferences and engage them more effectively. These findings affirm that adequate financial resources dedicated to digital marketing directly correlate with enhanced engagement and broader market penetration.

Content Quality and Strategies

Content quality and strategy, with their significant positive impact on customer engagement (path coefficient = 0.737, t-statistic = 15.032, p-value = 0.000), align with research by Lieb (2011), who emphasized that consistent, high-quality content helps businesses to establish trust and long-term relationships with customers. Similarly, Baltes (2015) found that content strategies tailored to target audiences lead to greater engagement and customer retention. The positive influence of content quality and strategy demonstrates that companies which invest in thoughtful, relevant, and engaging content are more likely to maintain a strong online presence and foster ongoing customer interactions.

Website Optimization

The significant impact of website optimization on customer engagement and market reach (path coefficient = 0.751, t-statistic = 15.166, p-value = 0.000) is supported by several studies. For instance, King et al. (2016) showed that well-optimized websites with fast load times and mobile-friendly interfaces lead to higher user satisfaction and longer engagement times. Similarly, Schachinger (2011) argued that search engine optimization (SEO) techniques can significantly increase a website's visibility, improving traffic and market reach. These findings underscore the importance of continually optimizing websites to enhance user experience and reach a broader audience.

Use of Data Analytics

Data analytics' significant effect on customer engagement and market reach (path coefficient = 0.651, t-statistic = 17.166, p-value = 0.000) is corroborated by Wedel and Kannan (2016), who found that analytics allows businesses to deliver personalized content, resulting in higher engagement levels. Similarly, Järvinen and Karjaluo (2015) demonstrated that firms using advanced analytics for marketing can better predict customer behavior, enabling more precise targeting and improved market reach. These findings highlight the growing importance of data-driven marketing strategies, as companies that harness the power of analytics are better equipped to meet customer needs and expand their market presence.

CONCLUSION

This study provides valuable insights into the key factors influencing customer engagement and market reach in digital marketing. The findings confirm that social media presence, digital marketing budget, content quality and strategies, website optimization, and data analytics all play significant roles in shaping customer engagement outcomes. Among these, social media presence emerges as the most critical factor, explaining 56.5% of the variance in customer engagement and market reach. This underscores the importance of maintaining an active and engaging social media presence in today's digital background.

Content quality and website optimization also contribute substantially to engagement, indicating that businesses must prioritize creating high-quality, strategically designed content and optimizing their websites for better user experience. Although the digital marketing budget is significant, its relatively lower contribution compared to other factors suggests that engagement is not solely determined by financial investment but by the effective implementation of various marketing strategies.

Moreover, the role of data analytics is crucial, as it allows businesses to make informed decisions and tailor their marketing efforts, though its impact is enhanced when combined with other key elements. Overall, the study highlights the need for a comprehensive, multi-faceted approach to digital marketing that integrates social media, quality content, website optimization, and data analytics, rather than focusing exclusively on budgetary considerations.

For practitioners, these findings offer actionable guidance on prioritizing investments and strategies that drive engagement and extend market reach, emphasizing the need for an integrated approach to digital marketing efforts. Future research could explore additional variables or consider how these factors vary across different industries or geographic contexts, further enriching the understanding of digital marketing's role in customer engagement. These finding suggests that businesses, particularly in competitive digital environments, should prioritize

building and maintaining a strong presence on social media platforms. Website optimization and content quality also emerge as key contributors, each explaining over 50% of the variance. In contrast, the digital marketing budget, while still significant, accounts for the lowest percentage of variance, indicating that effective customer engagement is not solely reliant on budget size but rather a combination of various strategies.

These findings provide critical insights for practitioners, particularly in emphasizing the need for a holistic approach to digital marketing that goes beyond financial investment and focuses on strategic elements such as content quality, website optimization, and data-driven decision-making.

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