



A Comprehensive Study of Strategic Business Promotion, Customer Engagement, and Competitive Market Positioning

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ABSTRACT

Strategic business promotion has evolved from traditional advertising and sales-oriented communication into a multidimensional process that integrates customer engagement, brand experience, digital interaction, and competitive market positioning. Increasing digitalization, heightened consumer expectations, and intensified market competition have compelled organizations to adopt customer-centric promotional strategies that not only increase brand awareness but also cultivate long-term relationships and sustainable competitive advantage. This review paper critically examines the relationship among strategic business promotion, customer engagement, customer satisfaction, brand trust, and competitive market positioning by synthesizing evidence from the selected literature. The study explores how promotional strategies influence consumer perceptions, purchasing intentions, and repurchase behavior through multiple mediating variables, including customer satisfaction, perceived quality, brand image, and experiential marketing. Furthermore, the review investigates the growing significance of digital marketing, e-service quality, social influence, and integrated promotional communication in strengthening organizational competitiveness across diverse industries.

The literature indicates that promotional effectiveness is no longer determined solely by advertising intensity but by the organization's ability to deliver valuable customer experiences throughout the customer journey. Studies consistently demonstrate that customer satisfaction functions as a central mechanism linking promotional activities with customer loyalty and repurchase intention. Similarly, experiential marketing, relationship quality, celebrity endorsement, electronic service quality, and online brand trust significantly enhance customer engagement and market performance. Despite substantial progress in marketing research, important gaps remain regarding the integration of strategic promotion with competitive positioning in rapidly changing digital environments. This paper addresses these gaps by providing a comprehensive synthesis of existing knowledge and proposing a conceptual understanding of how strategic promotion contributes to sustainable competitive advantage. The findings emphasize the necessity for organizations to integrate marketing communication, customer experience management, and technological innovation.

Keywords: Strategic Business Promotion, Customer Engagement, Competitive Market Positioning, Customer Satisfaction, Brand Experience, Repurchase Intention, Marketing Strategy, Brand Trust

1. INTRODUCTION

Business competition has become increasingly dynamic due to globalization, technological advancement, digital transformation, and rapidly changing consumer expectations. Organizations are no longer able to rely exclusively on product quality or competitive pricing to secure long-term success. Instead, sustainable competitiveness increasingly depends upon strategic business promotion that creates meaningful customer relationships while strengthening organizational positioning within highly competitive markets. Strategic promotion encompasses integrated marketing communication, advertising, sales promotion, public relations, digital marketing, relationship marketing, and customer experience management. Together, these components influence consumer perceptions, purchasing behavior, and long-term brand loyalty (Kotler & Keller, 2016).

The emergence of digital commerce has fundamentally transformed customer decision-making processes. Consumers now possess greater access to product information, online reviews, social media recommendations, and alternative purchasing channels than ever before. Consequently, organizations must develop promotional strategies that extend beyond persuasive communication toward creating valuable experiences capable of generating trust, satisfaction, and emotional attachment (Schmitt, 1999). Modern marketing therefore emphasizes engagement rather than transactional selling, recognizing that satisfied customers frequently become repeat buyers and positive brand advocates.

Customer engagement has emerged as a critical determinant of competitive advantage because engaged customers actively participate in value creation, provide positive electronic word-of-mouth, and demonstrate stronger repurchase intentions. Research suggests that promotional activities significantly influence customer satisfaction, which subsequently affects repurchase intention across online and offline business environments (Azmi et al., 2021; Mustikasari et al., 2021). Similarly, experiential marketing strengthens emotional connections between consumers and brands, enabling

organizations to differentiate themselves in saturated markets (Schmitt, 1999).

Digital transformation has also introduced new variables affecting promotional effectiveness. Electronic service quality, online brand trust, website usability, digital interaction, and personalized communication have become essential determinants of customer satisfaction and retention. Organizations investing in superior online customer experiences generally experience stronger customer loyalty and improved competitive positioning (Sullivan & Kim, 2018; Fared et al., 2021).

Although previous studies have independently examined advertising effectiveness, customer satisfaction, experiential marketing, and repurchase intention, relatively few investigations integrate these concepts within a comprehensive framework of strategic business promotion and competitive market positioning. Existing literature often concentrates on individual marketing instruments without adequately explaining their combined contribution toward sustainable organizational competitiveness.

Therefore, this review paper seeks to synthesize current academic knowledge concerning strategic promotion, customer engagement, and market positioning by examining relationships among promotional activities, customer satisfaction, brand experience, trust, and repurchase intention. Specifically, the objectives of this review are to:

1. Examine theoretical perspectives on strategic business promotion.
2. Analyze the relationship between customer engagement and competitive positioning.
3. Evaluate the mediating role of customer satisfaction in promotional effectiveness.
4. Identify research gaps within current literature.
5. Provide practical implications for organizations seeking sustainable competitive advantage.

The significance of this review extends beyond theoretical contribution by offering managers evidence-based insights into designing integrated promotional strategies capable of improving customer retention, organizational reputation, and long-term market performance. Through

comprehensive synthesis of existing literature, this paper provides a conceptual foundation for future empirical research exploring customer-centric marketing strategies within increasingly digital and competitive business environments.

2. LITERATURE REVIEW

Strategic business promotion has traditionally been defined as the coordinated use of marketing communication tools to inform, persuade, and remind consumers about products and services. Kotler and Keller (2016) argue that effective promotion integrates advertising, public relations, direct marketing, digital communication, and sales promotion into a unified strategy aligned with organizational objectives. Such integration enhances consistency of brand messaging while improving customer awareness and purchase intention.

Experiential marketing represents another influential perspective in contemporary promotional strategy. According to Schmitt (1999), consumers increasingly evaluate brands based on sensory, emotional, cognitive, behavioral, and relational experiences rather than purely functional product characteristics. Organizations capable of delivering memorable customer experiences establish stronger emotional connections that positively influence customer loyalty and competitive differentiation.

Several empirical studies support the positive relationship between promotional activities and repurchase intention. Azmi et al. (2021) found that advertising, sales promotion, and brand image significantly influence repurchase intention among Shopee users. Similarly, Ponggeng and Mulia (2020) demonstrated that promotional communication, including trailers, word-of-mouth, and celebrity influence, substantially affects consumer purchase decisions within the entertainment industry. These findings suggest that integrated promotional strategies influence both cognitive evaluation and emotional engagement.

Customer satisfaction consistently emerges as the principal mediating variable connecting promotional effectiveness with long-term customer loyalty. Mustikasari et al. (2021) reported that customer experience significantly influences repurchase intention through customer satisfaction in multichannel retail environments. Likewise, Fared et al. (2021) concluded that electronic service quality enhances repurchase

intention primarily by improving customer satisfaction during online shopping experiences. Studies investigating online consumer behavior further emphasize the importance of trust and relationship quality. Sullivan and Kim (2018) observed that positive product evaluations and online trust significantly increase repurchase intention in electronic commerce. Khan et al. (2020) similarly found that online brand experience strengthens online trust and customer attachment, ultimately encouraging repeated purchasing behavior.

Relationship marketing variables have also attracted considerable scholarly attention. Prajogo and Supriyadi (2020) identified celebrity endorsement, self-brand connection, relationship quality, customer satisfaction, and media type as significant determinants of repeat purchasing behavior. These findings demonstrate that successful promotion extends beyond awareness creation toward developing enduring customer relationships.

Despite broad agreement regarding the importance of customer satisfaction, existing literature remains fragmented. Most studies investigate isolated relationships such as advertising and purchase intention or service quality and customer satisfaction. Few studies comprehensively integrate strategic promotion, customer engagement, digital interaction, experiential marketing, and competitive positioning into a unified conceptual framework. Consequently, further synthesis is necessary to understand how these interconnected constructs collectively contribute to sustainable organizational competitiveness.

3. METHODOLOGY

This study adopts a systematic narrative review methodology to synthesize existing literature on strategic business promotion, customer engagement, and competitive market positioning. Unlike empirical studies that collect primary data through surveys or experiments, a review-based methodology enables the integration of theoretical and empirical findings from previously published studies to establish a comprehensive understanding of the relationships among promotional strategies, customer satisfaction, and organizational competitiveness.

The literature selection was limited exclusively to the sixteen references provided for this study. These publications include peer-reviewed journal

articles, academic books, and conference proceedings that investigate marketing promotion, customer satisfaction, brand experience, repurchase intention, service quality, experiential marketing, and digital consumer behavior. No external literature was incorporated, ensuring consistency with the study's scope and maintaining alignment with the specified reference base.

The review followed four analytical stages. First, each reference was examined to identify its principal research objective, theoretical foundation, methodology, and key findings. Second, recurring themes across the studies were categorized into broader dimensions, including strategic promotion, customer engagement, customer satisfaction, brand trust, experiential marketing, service quality, and competitive positioning. Third, similarities and differences among the studies were compared to identify consistent findings as well as areas of disagreement. Finally, the synthesized evidence was interpreted to develop an integrated conceptual understanding of how strategic promotional activities contribute to sustainable market positioning.

A thematic analysis approach was employed to organize the literature into meaningful conceptual categories. This qualitative analytical technique facilitates the identification of recurring concepts without altering the original findings reported by individual authors. The themes generated include promotional communication effectiveness, customer experience, customer satisfaction as a mediating variable, online trust, digital engagement, and organizational competitiveness. The theoretical framework underlying this review integrates concepts from marketing management, experiential marketing, relationship marketing, and customer satisfaction theory. Marketing Management emphasizes the strategic coordination of promotional activities to achieve organizational objectives (Kotler & Keller, 2016). Experiential Marketing Theory explains how memorable customer experiences influence consumer behavior beyond functional product attributes (Schmitt, 1999). Customer satisfaction theory highlights satisfaction as the primary determinant of customer retention and repurchase behavior (Dutka, 2008). Relationship marketing extends these perspectives by emphasizing trust, commitment, and long-term customer relationships as sources of competitive advantage.

Based on the reviewed literature, a conceptual relationship can be described as follows:

Strategic Business Promotion → Customer Engagement → Customer Satisfaction → Brand Trust → Repurchase Intention → Competitive Market Positioning

This conceptual sequence suggests that effective promotional activities initially attract and engage consumers. Positive engagement enhances customer satisfaction, which subsequently strengthens trust and loyalty. These outcomes encourage repeat purchasing behavior and ultimately improve organizational competitiveness within dynamic markets.

Although this review does not involve statistical testing or hypothesis verification, the analytical framework provides a comprehensive synthesis capable of guiding future empirical investigations across various business sectors.

4. RESULTS AND FINDINGS

The literature consistently demonstrates that strategic business promotion significantly influences customer behavior by improving awareness, perceived value, and emotional attachment toward brands. However, promotional activities alone are insufficient to generate sustainable competitive advantage unless they are accompanied by superior customer experiences and high levels of satisfaction.

One of the strongest findings emerging from the reviewed studies is the mediating role of customer satisfaction. Multiple investigations conclude that promotional effectiveness translates into customer loyalty primarily when consumers perceive satisfactory experiences throughout the purchasing process. Studies by Mustikasari et al. (2021), Fared et al. (2021), and Tufahati et al. (2021) collectively indicate that customer satisfaction substantially increases repurchase intention across both traditional and digital business environments.

The review also identifies experiential marketing as a major contributor to customer engagement. Schmitt (1999) argues that organizations capable of stimulating consumers' sensory, emotional, intellectual, and behavioral responses establish stronger customer relationships than competitors relying solely on conventional advertising. These experiential dimensions create memorable interactions that strengthen long-term brand preference.

Digital marketing has emerged as another

dominant factor influencing competitive positioning. Sullivan and Kim (2018) demonstrate that electronic trust significantly affects online repurchase behavior, while Khan et al. (2020) emphasize that positive online brand experiences reinforce trust and emotional attachment. Similarly, Fared et al. (2021) show that high-quality electronic services directly enhance customer satisfaction, thereby improving repeat purchasing behavior.

Brand image and promotional communication were also found to influence customer decision-making significantly. Azmi et al. (2021) reported that advertising, sales promotion, and brand image jointly contribute to stronger repurchase intentions among online marketplace consumers. Likewise, Prajogo and Supriyadi (2020) observed that celebrity endorsement and relationship quality positively affect customer satisfaction and repeat purchasing behavior.

Another important finding concerns the increasing importance of integrated marketing communication. Rather than relying on isolated promotional tools, organizations that coordinate advertising, digital communication, relationship marketing, and customer service achieve stronger customer engagement and improved competitive positioning. This integrated approach creates consistency across customer touchpoints and enhances overall brand credibility.

Despite these positive findings, the review also identifies several research limitations within existing literature. Many studies examine specific industries such as online retail, e-commerce, beauty products, restaurants, or entertainment services, thereby limiting the generalizability of their findings. Additionally, most investigations analyze direct relationships between two or three variables without considering broader strategic interactions among promotion, engagement, innovation, and competitive positioning.

Overall, the synthesized evidence indicates that sustainable market success depends not merely on promotional expenditure but on the organization's ability to deliver integrated, customer-centered experiences that generate trust, satisfaction, and long-term loyalty.

5. DISCUSSION

The findings reinforce the growing consensus that modern marketing has shifted from transactional promotion toward relationship-oriented value creation. Traditional promotional approaches

primarily emphasized increasing product awareness and stimulating immediate sales. However, the reviewed literature demonstrates that long-term organizational success increasingly depends upon developing meaningful customer relationships through continuous engagement and superior customer experiences (Kotler & Keller, 2016; Schmitt, 1999).

Customer satisfaction emerges as the central mechanism connecting promotional activities with organizational performance. Promotional campaigns may attract consumers initially, but sustained competitive advantage requires organizations to fulfill or exceed customer expectations during every stage of the customer journey. This interpretation aligns with Dutka's (2008) customer satisfaction framework, which emphasizes satisfaction as the foundation of customer retention and positive behavioral intentions.

The increasing role of digital technologies further transforms strategic promotion. Electronic commerce environments require organizations to build trust through reliable service quality, transparent communication, and secure online transactions. The reviewed studies indicate that digital trust significantly influences repurchase behavior, suggesting that technological capabilities now constitute an important dimension of competitive positioning (Sullivan & Kim, 2018; Pandiangan et al., 2021).

Experiential marketing also represents a strategic differentiator within highly competitive markets. Rather than competing solely through price or product characteristics, organizations increasingly create competitive advantage by designing memorable customer experiences. Such experiences generate emotional attachment, strengthen brand identity, and encourage positive word-of-mouth communication, thereby extending promotional effectiveness beyond traditional advertising.

From a managerial perspective, the literature suggests that organizations should adopt integrated promotional strategies combining advertising, digital marketing, customer relationship management, social media engagement, service quality improvement, and personalized communication. These complementary activities collectively enhance customer satisfaction and improve market positioning more effectively than isolated promotional campaigns.

Nevertheless, several limitations remain evident

within existing research. Many studies employ cross-sectional research designs, restricting the ability to establish long-term causal relationships. Future research should utilize longitudinal methodologies to investigate how promotional effectiveness evolves over time. Furthermore, comparative international studies could provide valuable insights into cultural differences affecting customer engagement and promotional effectiveness.

Another limitation involves the concentration of existing research on online retail environments. Additional studies across manufacturing, healthcare, education, financial services, tourism, and public sector organizations would enhance understanding of how strategic promotion influences customer engagement within diverse organizational contexts.

Overall, the reviewed evidence supports the proposition that strategic business promotion functions as a multidimensional process integrating communication, experience management, relationship development, and customer satisfaction. Organizations capable of coordinating these dimensions effectively are more likely to achieve sustainable competitive market positioning in increasingly dynamic business environments.

6. CONCLUSION

Strategic business promotion has become a fundamental component of modern organizational competitiveness because markets are increasingly influenced by customer expectations, digital transformation, and relationship-based consumption patterns. This review paper examined the interconnected relationship among promotional strategies, customer engagement, customer satisfaction, and competitive market positioning by synthesizing the provided academic literature. The analysis demonstrates that effective promotion is no longer limited to communication activities designed to stimulate immediate purchasing decisions; rather, it represents a comprehensive strategic process aimed at creating meaningful customer experiences and developing sustainable relationships.

The reviewed studies collectively indicate that customer satisfaction serves as a critical bridge between promotional activities and long-term customer behavior. Advertising, sales promotion, brand image development, experiential

marketing, and digital service quality contribute to customer engagement only when they successfully generate positive perceptions and satisfactory experiences. Customers who experience value, reliability, and emotional connection with a brand are more likely to demonstrate loyalty, repeat purchasing behavior, and positive recommendations.

The findings further highlight the importance of experiential and digital dimensions within contemporary marketing strategies. Organizations operating in competitive environments must consider customer interactions across multiple channels, including physical stores, online platforms, social media, and service environments. The integration of these touchpoints enables organizations to create consistent brand experiences that strengthen trust and improve market differentiation. Research on online brand experience, electronic service quality, and digital trust demonstrates that technological capabilities have become essential elements of competitive positioning.

This review contributes to academic understanding by integrating previously separated research areas into a unified conceptual perspective. While previous studies have examined individual relationships between advertising and purchase intention, service quality and satisfaction, or brand experience and loyalty, this paper presents a broader interpretation of how these factors collectively influence organizational competitiveness. The proposed framework suggests that strategic promotion initiates customer engagement, customer engagement strengthens satisfaction and trust, and these outcomes contribute to stronger market positioning.

From a practical perspective, managers should move beyond short-term promotional campaigns and focus on developing customer-centered strategies. Organizations should invest in meaningful customer experiences, personalized communication, service quality improvement, and digital engagement mechanisms. Such strategies can increase customer retention and create competitive advantages that are difficult for competitors to replicate.

Future research should investigate these relationships through empirical studies involving larger and more diverse samples across different industries and geographical contexts. Longitudinal research designs could provide deeper understanding of how promotional

strategies influence customer relationships over time. Additionally, future studies may explore the role of emerging technologies, data-driven personalization, and artificial intelligence-based marketing approaches in enhancing customer engagement and competitive positioning.

In conclusion, strategic business promotion represents an integrated organizational capability rather than an isolated marketing activity. Organizations that successfully combine promotional effectiveness, customer experience management, and relationship development are better positioned to achieve sustainable growth and maintain competitive advantage in rapidly changing markets.

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