

ABSTRACT

Digital transformation is a must for companies that want to maintain the sustainability of their business. Digitalization through e-commerce is a source of strength for companies in expanding their markets. However, there are different facts where e-commerce implementation does not always affect company performance. This creates room for further investigation. Referring to the Resource Advantage Theory of Competition (RAToC), this research explores a new perspective regarding informational and relational resources that can improve company performance.

This research uses a RAToC perspective to propose the concept of diversified viral marketing as an effort to deliver value to consumers who are classified into several potential groups quickly and widely. The research question asked is how does e-commerce implementation contribute to improving company performance through rapid and broad marketing diversification. The aim of this research is to build a new conceptual model to maximize the application of marketing technology and overcome the gap between e-commerce implementation and company performance.

This model tests the role of e-commerce implementation, diversified viral marketing, operational ambidexterity, customer acquisition optimization, and SMEs performance using Structural Equation Modeling procedures. 438 respondents' data was processed and it was found that the five hypotheses were accepted and one was rejected. Based on the results of mediation relationship research, it can be concluded that companies that implement diversified viral marketing and customer acquisition optimization will improve business performance. This research provides confirmation of RAToC in explaining the process of using resources in the form of speedy wide-spread informational and relational relationships which are able to improve company performance.

Keyword: e-commerce implementation, customer acquisition optimization, diversified viral marketing, operational ambidexterity, performance, SMEs