

Determinants of Marketing Effectiveness in IT Service Firms: A Study in Maharashtra

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Abstract

With an emphasis on important elements including service quality, CRM, digital marketing, and data analytics, this study investigates the factors that determine marketing performance in IT service organisations in Maharashtra. A structured questionnaire was used to gather primary data from 120 managers and marketing experts using a quantitative research approach. Multiple regression analysis and correlation were two statistical methods used to examine the data. The results show that the most important factor influencing marketing efficacy is service quality, which is followed by CRM and digital marketing. While data analytics is important, its influence is rather small. The report emphasises the significance of implementing an integrated marketing strategy that blends technology capabilities with customer-centric tactics. The findings give IT service companies important information on how to improve their marketing effectiveness and maintain a competitive edge in a fast-paced business climate.

Keywords: Marketing Effectiveness, IT Service Firms, Service Quality, Customer Relationship Management, Digital Marketing, Data Analytics, Maharashtra

Introduction

In today's company contexts, marketing effectiveness has become a crucial performance construct, especially in knowledge-intensive industries like IT services. IT service companies must implement complex marketing tactics that not only draw clients but also guarantee ongoing engagement and value generation in an era marked by fast digital change, fierce global rivalry, and changing consumer expectations. The degree to which marketing initiatives help a firm achieve goals including attracting new customers, retention of clients, brand

equity, and revenue is referred to as marketing effectiveness (Keh, 2006).

India's IT services industry, especially in Maharashtra, is a vibrant and quickly expanding economic sector. Cities like Mumbai, Pune, and Nagpur have become significant IT hubs, housing a wide range of businesses, from small and medium-sized businesses to global multinationals. Differentiation via successful marketing becomes crucial in the highly competitive and innovative environment in which these companies compete. Because IT services are indistinguishable knowledge-based, and frequently customised in contrast to conventional industrial industries,

marketing efficacy is more intricate and multidimensional.

In IT service companies, elements including quality of service, technical skills, customer relationship management (CRM), online marketing integration, and data analytics are all important determinants of marketing performance that go beyond traditional promotional efforts. Marketing strategies have changed as a result of the increased reliance on digital platforms, allowing businesses to use data-driven insights for performance evaluation and targeted communication (Kumar et al., 2023). Additionally, the capacity of businesses to create value while enhancing marketing outcomes has been greatly improved by the combination of customer-centric methods and personalised marketing techniques.

The calibre of services provided is another significant factor affecting marketing efficacy. Customer impressions of dependability, responsiveness, and usability are crucial in determining marketing success in service-oriented sectors. Research on internet marketing shows that elements like dependability, ease, and interaction have a big impact on how successful marketing campaigns are (Ramanujam et al., 2020). Furthermore, it has been demonstrated that the use of cutting-edge technology, such CRM systems, increases the efficacy of one-to-one marketing by helping businesses better comprehend and address client demands (Mithas et al., 2006).

There is little empirical research that focuses particularly on regional contexts like Maharashtra, despite the rising significance of the efficacy of marketing in

IT services. Examining the factors that influence marketing efficacy in this particular context is crucial given the variety of businesses and the distinct economic environment of the area. By identifying and evaluating the critical elements affecting marketing efficacy in Maharashtra's IT service companies, this study seeks to close this gap.

Literature Review

In marketing literature, the idea of marketing performance has been extensively studied, with scholars highlighting its multifaceted character. Early research emphasised the significance of matching marketing strategies with organisational objectives by concentrating on the effectiveness and effectiveness of marketing activities (Keh, 2006). Customer happiness, relationship development, and long-term value generation are now included in the definition of marketing effectiveness.

One important area of study looks at how digital marketing might improve marketing efficacy. Convenience, interaction, dependability, and navigation all have a big impact on how successful internet marketing techniques are, according to Ramanujam et al. (2020). In a similar vein, Ranchhod (2001) found that web-based skills and technology infrastructure were important factors in determining marketing success in digital settings. For IT service companies, which mostly rely on online platforms for customer interaction, these findings are especially pertinent.

Additionally, content marketing has become more well-known as a major factor in marketing success. Effective

content marketing results are greatly influenced by strategy clarity, content quality, and performance assessment, according to Koob (2021). The report also emphasised the significance of continually enhancing marketing tactics based on data insights and matching content to client demands. This is consistent with IT companies' growing use of analytics-driven marketing strategies.

Service quality is a significant factor in determining marketing effectiveness. According to research on e-service quality, factors like dependability, responsiveness, security, and usability have a big impact on marketing results and consumer perceptions (Ighomereho et al., 2022). These elements are especially important in IT services as service delivery quality and customer experience are closely related.

CRM has also been found to have a significant impact on the efficacy of marketing. According to Mithas et al. (2006), the use of CRM systems increases the efficacy of one-to-one marketing by allowing businesses to boost consumer engagement and personalise interactions. IT service companies, who frequently operate in B2B marketplaces and need long-term relationship management, should pay particular attention to this.

Shamsudeen and Khalufi (2018) discovered that message trustworthiness, relevance, and customer support had a major impact on marketing efficacy in the context of mobile and the internet marketing. Their research emphasises the value of authenticity and trust in digital communication, both of which are critical for developing enduring client connections.

Effective marketing is now made possible by data analytics. According to Kumar et al. (2023), using analytics tools to track client behaviour and campaign performance greatly improves marketing efficacy and decision-making. IT service companies are in a good position to use data analytics to improve marketing results because of their strong technological skills. Additionally, organisational elements like process integration, structural support, and strategy alignment are critical in determining marketing efficacy. Koob (2021) emphasised that the presence of specialised procedures and systems and organisational dedication to marketing strategies had a favourable impact on marketing efficacy. This implies that internal organisational qualities are just as important to marketing effectiveness as external elements.

There is still a lack of knowledge on how these factors interact in the unique setting of IT service companies in the local economies like Maharashtra, despite a wealth of study on marketing efficacy. The majority of research has limited its relevance to the Indian IT industry by concentrating on established markets or general service areas. Empirical study that incorporates several determinants like online advertising, quality of service, CRM, and analytics in a cohesive framework is therefore required.

By offering a thorough examination of the factors influencing marketing efficacy in IT service companies in Maharashtra, this study adds to the body of current work. The research attempts to provide useful insights for policymakers and practitioners looking to improve marketing

effectiveness in this quickly changing industry by looking at both organisational and technology aspects.

Objectives:

The study's objectives are to determine and analyse the major factors affecting marketing efficacy in Maharashtra's IT service companies, investigate the function of online marketing, service quality, management of client relationships, and data analytics, and assess their influence on attracting and retaining clients, and overall organisational performance in a cutthroat business environment.

Methodology:

The study uses a descriptive and analytical methodology with a quantitative research design. Convenience and purposive selection will be used to gather primary data from marketing experts and managers of IT service companies in Maharashtra using a standardised questionnaire. Journals and reports will be the source of secondary data. To investigate linkages and assess the influence of identified variables on marketing effectiveness, data will be analysed using statistical methods such factor analysis, regression, and correlation.

Results and Discussion

Marketing experts and managers of IT service companies in Maharashtra provided a total of 120 valid replies. To determine the factors influencing marketing effectiveness, the data were examined using multiple regression analysis, correlation analysis, and descriptive statistics.

Table 1 Key Variables

Variable	Mean	Std. Deviation
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Digital Marketing Adoption	4.12	0.68
Service Quality	4.25	0.59
CRM Effectiveness	3.98	0.72
Data Analytics Usage	3.85	0.75
Marketing Effectiveness	4.18	0.63

Service quality has the highest mean score (4.25), indicating it is perceived as the most critical determinant of marketing effectiveness. Data analytics usage shows comparatively lower mean (3.85), suggesting scope for improvement in leveraging analytics.

Table 2 Correlation

Variables	DM A	SQ	CRM	DA	ME
Digital Marketing (DMA)	1				
Service Quality (SQ)	0.52	1			
CRM	0.48	0.55	1		
Data Analytics (DA)	0.46	0.50	0.58	1	
Marketing Effectiveness	0.61	0.68	0.64	0.59	1

All independent variables show a positive and moderate to strong correlation with marketing effectiveness. Service quality exhibits the strongest correlation ($r = 0.68$), followed by CRM ($r = 0.64$), indicating their significant influence.

Table 3 Regression Analysis

Independent Variable	Beta	t-value	Significance (p-value)
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	(β)	e	
Digital Marketing	0.24	3.12	0.002
Service Quality	0.31	4.05	0.000
CRM Effectiveness	0.27	3.56	0.001
Data Analytics	0.19	2.78	0.006

Table 4 Model Summary

R	R ²	Adjusted R ²	F-value	Sig.
0.78	0.61	0.59	45.62	0.000

The results of the multiple regression analysis indicate that the overall model is statistically significant and provides a strong explanation of marketing effectiveness among IT service firms in Maharashtra, with an R² value of 0.61, implying that 61% of the variation in marketing effectiveness is explained by the selected independent variables. Among the determinants, service quality emerges as the most influential factor ($\beta = 0.31, p < 0.001$), highlighting the critical role of delivering reliable and high-quality services in enhancing marketing outcomes. Customer Relationship Management (CRM) effectiveness ($\beta = 0.27, p < 0.01$) also shows a significant positive impact, emphasizing the importance of maintaining strong customer relationships and personalized engagement. Digital marketing ($\beta = 0.24, p < 0.01$) significantly contributes to marketing effectiveness by improving visibility and customer reach through online platforms. Data analytics ($\beta = 0.19, p < 0.01$), although statistically significant, has a comparatively lower impact, suggesting

that while firms are adopting analytics, its full potential is yet to be realized. Overall, the findings indicate that both service-oriented and technology-driven factors collectively influence marketing effectiveness, with greater emphasis on service quality and relationship management.

Table 5 Ranking of Determinants

Rank	Factor	Mean Score
1	Service Quality	4.25
2	Marketing Effectiveness	4.18
3	Digital Marketing	4.12
4	CRM Effectiveness	3.98
5	Data Analytics	3.85

Service quality is ranked as the most important determinant, followed by digital marketing and CRM. Data analytics ranks lowest, suggesting that firms need to strengthen their analytical capabilities.

The investigation makes it abundantly evident that a mix of relational and technological aspects affect marketing efficacy in IT service organisations. CRM and service quality stand out as the most important factors, underscoring the need of customer-centric tactics. While data analytics helps make well-informed decisions, its potential is not completely realised, and digital marketing expands market reach. The results highlight the necessity for IT companies to use an integrated marketing strategy that combines digital technologies, data-driven insights, and service quality in order to achieve superior success.

Discussion

The findings of the study provide significant insights into the determinants

of marketing effectiveness in IT service firms in Maharashtra, highlighting the combined influence of service-oriented and technology-driven factors. The results indicate that service quality is the most dominant determinant, reaffirming the fundamental premise of service marketing that customer perceptions of reliability, responsiveness, and performance are central to achieving marketing success. In the context of IT services, where offerings are intangible and highly customized, superior service delivery becomes a key differentiator, directly influencing client satisfaction, retention, and positive word-of-mouth.

The study also reveals that CRM plays a crucial role in enhancing marketing effectiveness. The positive and significant impact of CRM suggests that IT firms benefit from maintaining long-term relationships with clients through personalized communication, timely support, and value-added services. This finding is particularly relevant in B2B environments, where repeat business and client trust are essential for sustained growth. Effective CRM practices enable firms to better understand client needs and tailor their offerings accordingly, thereby improving both customer loyalty and marketing performance.

Another important determinant identified is digital marketing, which significantly contributes to marketing effectiveness by expanding market reach and improving engagement through online platforms. The growing reliance on digital channels such as social media, search engines, and content marketing reflects the evolving nature of customer interaction in the IT

sector. Digital marketing not only enhances brand visibility but also facilitates targeted communication and real-time feedback, enabling firms to respond quickly to market demands.

Although data analytics was found to have a positive and statistically significant impact, its relatively lower influence compared to other variables suggests that IT service firms may not be fully leveraging its potential. While firms are increasingly adopting analytics tools, there appears to be a gap in translating data insights into actionable marketing strategies. This highlights the need for better integration of analytics into decision-making processes and the development of advanced analytical capabilities to maximize marketing effectiveness.

Overall, the discussion underscores that marketing effectiveness in IT service firms is not driven by a single factor but by an integrated approach that combines high service quality, strong customer relationships, effective digital marketing strategies, and data-driven insights. The findings align with existing marketing theories that emphasize customer-centricity and technological adoption as key drivers of performance. However, the study also points to the need for IT firms in Maharashtra to strengthen their use of analytics and adopt a more holistic marketing framework to remain competitive in a rapidly evolving business environment.

Conclusion

The study comes to the conclusion that a mix of service quality, management of client relationships, online marketing, and

information analytics has a major impact on marketing performance in IT service organisations in Maharashtra. The most important factor among them is service quality, which is followed by CRM and digital marketing, highlighting the significance of customer-focused and relationship-driven tactics. Although data analytics also makes a positive contribution, its relatively smaller influence points to underutilisation. Overall, the results show that in order to improve acquiring and keeping customers, and organisational success, marketing effectiveness necessitates an integrated strategy that synchronises service excellence with technical capabilities and tactics for strategic marketing.

Recommendations

According to the results, IT service providers should place a high priority on enhancing service quality by guaranteeing dependability, responsiveness, and service customisation to satisfy customer expectations. To improve individualised engagement and create enduring connections with clients, businesses should fortify their CRM systems. To increase brand recognition and successfully reach targeted consumers, more money should be spent on digital marketing methods. To properly use data-driven insights, companies should also concentrate on building sophisticated data analytics skills and incorporating them into marketing decision-making procedures. Adopting a comprehensive marketing strategy and educating staff members about analytics technologies can increase overall marketing efficacy and competitiveness.

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