



## THE ROLE OF MARKETING MANAGEMENT IN BUILDING LONG-TERM CUSTOMER VALUE (LITERATURE REVIEW)

Syabrina Fitriyani<sup>1\*</sup>, Martinus Tukiran<sup>2</sup>

<sup>1,2</sup>Universitas Pakuan, Indonesia

Correspondent Email: [syabrinafitriyani01@gmail.com](mailto:syabrinafitriyani01@gmail.com)<sup>1</sup>

### Abstract

This study aims to analyze the role of marketing management in building long-term customer value through a systematic approach to literature study. The results show that modern technologies, such as artificial intelligence (AI), metaverse marketing, and digital strategies, such as social media and omnichannel marketing, significantly increase customer engagement, loyalty, and trust. Customer Relationship Management (CRM) effectively increases customer lifetime value (CLV) by up to 30%, while digital personalization increases customer engagement by 42%. In addition, personalized value propositions play an important role in strengthening customer relationships and creating immersive experiences. This study affirms that utilizing technology, personalization, and relationship-oriented strategies is essential in contemporary marketing management. These findings provide an important contribution to understanding how strategic approaches can support the development of long-term customer value, increase retention, and strengthen customer loyalty in the digital era.

**Keywords:** Marketing Management, Customer Value, Digital Technology, Customer Loyalty.

### INTRODUCTION

Companies must concentrate on establishing sustainable long-term relationships with customers and achieve short-term transactions in an era of escalating business competition. Marketing management is critical in developing, communicating, and delivering pertinent value to customers, which can ultimately foster enduring loyalty (Kotler & Armstrong, 2018). The shift in the marketing paradigm from a transactional to a relational approach emphasizes the importance of building mutually beneficial relationships between companies and customers. This approach creates trust, commitment, and customer satisfaction through ongoing interactions. Thus, companies can increase customer retention, strengthen emotional relationships, and create a more lasting competitive advantage in an ever-evolving market.

In this context, customer value becomes a core element in modern marketing strategies. Customer value is defined as customers' perception of the benefits they receive compared to the sacrifices made to obtain the product or service (Kumar & Reinartz, 2020). This concept encompasses multiple dimensions, such as functional, emotional, social, and economic value, collectively determining customer satisfaction with a company's offerings. Superior customer value attracts new and retains existing customers, creates loyalty, and increases retention, all essential to long-term business sustainability.

The ability of a company to provide exceptional value to its customers is typically associated with increased levels of competitiveness in the market. It is necessary to comprehensively understand the customers' requirements, innovate products, and create services that are pertinent to their expectations. In addition, incorporating digital technologies, effective communication, and personalizing marketing strategies are all essential components in enhancing customer value. Businesses can strengthen their relationships with customers, establish trust, and secure a better position in the dynamic market competition if they provide experiences that meet or exceed the expectations of their customers.

Research conducted by Payne et al. (2020) shows that companies that adopt a customer value-based marketing management approach experience a significant increase in customer retention rates of up to 25% compared to companies that still use a traditional transactional approach. It emphasizes transforming marketing strategies towards a long-term customer value orientation.

The digital era has brought about a major transformation in how companies create and deliver customer value. Digital technologies enable companies to leverage big data to understand customer preferences and needs better. Zhang et al. (2019) explain that this technology enables large-scale personalization of customer experiences, facilitates real-time interactions, and provides deep insights that were previously difficult to access. With this approach, companies can create closer customer relationships, increase satisfaction, and drive long-term loyalty. However, the success of this strategy depends heavily on the company's ability to leverage technology and understand evolving customer behavior effectively.

However, the digital era also presents new challenges for businesses. Integrating a variety of digital touchpoints, including websites, applications, and social media, into a cohesive marketing strategy is one of the primary obstacles. Creating a seamless customer experience can be impeded by data fragmentation and a need for coordination between channels. Organizations must establish an integrated strategy integrating data analytics, technology, and a well-conceived marketing plan to surmount this obstacle. By managing digital touchpoints in an integrated manner, companies can maximize the potential of technology to create greater customer value and strengthen their competitive position in the market.

Another important aspect of building long-term customer value is customer relationship management. Research by Morgan et al. (2021) revealed that effective CRM implementation can increase customer lifetime value by up to 30% through increased cross-selling and up-selling. However, the success of CRM depends on the company's ability to integrate customer data, technology, and business processes to deliver a consistent customer experience.

The following is a table of research problems regarding the Role of Marketing Management in Building Long-Term Customer Value based on a literature review:

Table 1 Research Problems

No.	Research Problem	Problem Description
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No.	Research Problem	Problem Description
1.	Changes in Modern Marketing Management	How modern marketing management adapts new approaches to building long-term relationships with customers amidst increasingly fierce competition.
2.	The Influence of Customer Value on Loyalty	In long-term relationships, what is the relationship between superior customer value creation and customer loyalty?
3.	Long-Term Customer Value Creation Strategy	What strategies can companies use to create and maintain long-term customer value?
4.	Implementation of Digital Technology in Marketing Management	How digital technologies, such as personalization and real-time interactions, impact customer value and effective customer relationship strategies.
5.	Factors Affecting Customer Value	What internal and external factors can influence the creation and sustainability of customer value in the long term?
6.	Best Practices in Customer Relationship Management	What best practices do companies implement to build strong and sustainable customer relationships in the modern marketing world.
7.	Digital Integration Challenges in Marketing Strategy	What are the key challenges companies face in integrating various digital touchpoints into an effective marketing strategy to create customer value.
8.	Evaluation of Marketing Management Effectiveness in Building Loyalty	To what extent is marketing management effective in building customer loyalty by creating sustainable long-term value.

Through the use of personalization, real-time interactions, and a more in-depth understanding of customer preferences, the objective of this study is to investigate the role that digital technology plays in the process of creating value for customers. In addition, this study aims to determine the primary obstacles businesses require to incorporate various digital touchpoints into a unified marketing strategy successfully. As a result, this study is anticipated to provide insights into how businesses can effectively leverage digital technology to enhance the customer experience, generate a competitive advantage, and strengthen long-term customer relationships.

## LITERATURE REVIEW

### Marketing Management

Marketing management is the art and science of choosing target markets and getting, keeping, and growing customers through creating, delivering, and communicating superior customer value (Kotler & Keller, 2019). This theory emphasizes that modern marketing has evolved from a focus on transactions to a focus on relationships. According to Morgan et al. (2021), modern marketing management has five main components: Market opportunity analysis, Marketing strategy development, Marketing program planning, Marketing effort management, and Marketing performance control.

### Customer Value Theory

Customer value explains that the value perceived by customers is the difference between the prospective customer's evaluation of all the benefits and all the costs of a particular offer and other alternatives considered (Woodruff & Gardial, 2016). Customer value consists of four main dimensions, namely Functional value, Emotional value, Social value, and Economic value.

Kumar and Reinartz (2020) stated that creating sustainable customer value requires a deep understanding of customer needs and the ability to integrate company resources to meet those needs effectively and efficiently.

### **Relationship Marketing Theory**

Relationship marketing focuses on developing and maintaining long-term relationships with customers and other stakeholders. Payne et al. (2020) define relationship marketing as a strategic process that involves Identifying, Building, Maintaining, Strengthening, and terminating relationships with customers and other stakeholders. According to this theory, building long-term profitable customer relationships requires Trust, Commitment, and Customer satisfaction.

### **METHOD**

This research employs a qualitative methodology utilizing a literature review technique. This approach was selected to examine and integrate diverse studies and theories concerning the function of marketing management in cultivating enduring customer value.

### **Types of research**

This study uses a descriptive-analytical library research method to explore, analyze, and synthesize various research findings related to the studied topic. Snyder (2019) explains that systematic literature studies allow researchers to integrate data from various sources to produce a more holistic understanding. This approach is very relevant to identifying trends, patterns, and key challenges in research, thus providing significant theoretical contributions.

### **Data source**

The data used in this study were obtained from various credible sources to ensure the validity and relevance of the findings. The main data sources include international journals indexed by Scopus and Web of Science and national journals accredited by Sinta, which provide access to the latest and licensed articles. In addition, academic textbooks and international conference proceedings were used to enrich theoretical insights, while published research reports provided empirical evidence related to the topics studied. To maintain the freshness of the data, the publication period used was the last five years (2019-2024), except for basic theories that remain valid in the broader research framework. This approach ensures that the data used is relevant to the latest trends and developments in the field studied.

### Collection Techniques

Data collection in this study was conducted through systematic searches using keywords relevant to the topic, namely "Marketing management," "Customer value," "Customer relationship management," "Long-term customer value," "Relationship marketing," and "Customer loyalty." The search was conducted on various trusted databases to obtain comprehensive and up-to-date sources, including Science Direct, Emerald Insight, JSTOR, Google Scholar, and ProQuest. Using these databases, researchers can access scientific articles, journals, and publications that can provide in-depth insights into marketing management and customer relationships in long-term marketing. This search technique ensures that the data obtained comes from credible sources and is relevant to the focus of the study.

### Analysis Techniques

Data analysis in this study used the systematic literature review (SLR) method, which consists of several stages according to the procedure proposed by Xiao & Watson (2019). The first stage, Planning, includes identifying review needs, developing a review protocol, and validating the protocol. Furthermore, in the Selection stage, a search for relevant literature is carried out, screening based on inclusion and exclusion criteria and evaluating the quality of the literature. The next stage is Extraction, where data is extracted, and the Extraction quality is monitored. In the last stage, Execution, data analysis, and synthesis are carried out to interpret findings and conclusions. The inclusion criteria include articles published in Indonesian or English, peer-reviewed publications focusing on marketing management and customer value, clear methodology, and published in the last five years (except basic theory). Articles that are incomplete, paid and inaccessible, irrelevant, or not peer-reviewed will be excluded from this study.

### Analysis Framework

The analysis in this study was conducted by identifying key themes relevant to understanding modern marketing management's dynamics. The first theme is the concept and practice of modern marketing management, which includes the latest approaches to attracting and retaining customers. The second theme focuses on customer value creation strategies, highlighting companies' various methods to improve customer experience. Furthermore, factors that influence long-term customer value are analyzed to understand the elements that can influence customer loyalty in the long term.

## FINDINGS

Table 2 Research Findings

Author (year)	Research purposes	Theoretical Framework	Method	Participant	Key Findings
Rodriguez &	Evaluating	Metaverse	Experimental	1000	Immersive

Author (year)	Research purposes	Theoretical Framework	Method	Participant	Key Findings
Smith (2024)	the impact of metaverse marketing on customer experience	Marketing Theory, Immersive Experience Framework	Study	metaverse users	experiences increase brand recall by 65%. Virtual engagement increases purchase intention by 38%.
Chen & Liu (2023)	Examining the impact of artificial intelligence in customer relationship management	AI-Driven Marketing Theory, Customer Experience Framework	Mixed Method Research	200 technology companies	AI-driven personalization increases customer satisfaction by 48%. Predictive analytics increases retention rate by 37%.
Wang et al. (2022).	Analyzing the role of social media marketing in building customer value	Social Media Marketing Theory, Customer Engagement Framework	Longitudinal Study	450 brands on social media	Social media engagement increases brand loyalty by 43%. User-generated content increases trust by 52%.
Morgan et al. (2021)	Identifying key factors in a successful CRM implementation	CRM Theory, Strategic Marketing Management	Longitudinal Study	180 retail and service sector companies	Effective CRM implementation increases CLV by 30%. Analytics increases customer behavior prediction accuracy by 45%
Kumar & Reinartz (2020)	Analyzing the evolution and implementation of customer value management in the digital era	Customer Value Theory, Digital Marketing Framework	Mixed Method: Survey & Case Study	250 B2C companies in America and Europe	It increased customer retention by 35%. Digital personalization increased engagement by 42%.
Payne et al. (2020)	Evaluating the effectiveness of value propositions	Value Proposition Canvas, Relationship Marketing	Qualitative Case Study	15 Fortune 500 companies	Personalized value propositions increase loyalty.

Author (year)	Research purposes	Theoretical Framework	Method	Participant	Key Findings
	in building long-term customer relationships	Theory			Integration of digital touchpoints improves customer experience by 28%
Zhang et al. (2019)	Analyzing the impact of digital transformation on relationship marketing	Digital Transformation Theory, Dynamic Marketing Capabilities	Mixed Method	300 marketing managers	Digital transformation increases efficiency by 40%. Omnichannel marketing increases engagement by 55%

## RESULTS AND DISCUSSION

This study aims to understand the role of marketing management in building long-term customer value based on literature studies. The findings are compared with previous studies to identify similarities, differences, and key contributions to the existing literature.

### Research result

#### 1. The Role of Technology in Increasing Customer Value

Research by Chen & Liu (2023) and Rodriguez & Smith (2024) shows that the use of advanced technologies, such as artificial intelligence (AI) and metaverse marketing, has a significant impact on increasing customer value. In their study, AI-driven personalization increased customer satisfaction by up to 48% due to the technology's ability to offer more personalized and relevant experiences based on consumer data. This technology allows companies to provide more precise product recommendations, increase interactions, and strengthen customer relationships. Thus, customers feel more valued, positively impacting their loyalty and satisfaction.

In addition, metaverse technology provides a more immersive experience for customers, which also strengthens the influence of marketing on them. According to Rodriguez & Smith (2024), marketing through metaverse increases brand recall by up to 65%, thanks to visual and interactive experiences that invite customer involvement in the virtual world. It shows that customers interact with brands passively and engage more deeply and enjoyably. Applying technologies such as AI and metaverse in marketing gives companies the advantage of building stronger and more sustainable customer relationships and creating more engaging and innovative consumer experiences.

#### 2. Digital Strategy and Engagement

Wang et al. (2022) and Zhang et al. (2019) emphasized that digital strategies, such as social media marketing and omnichannel marketing, play a crucial role in building customer loyalty and improving the operational efficiency of companies. Based on their research, customer engagement through social media increases loyalty by up to 43% due to direct interaction and more personalized communication between brands and customers. It shows that social media is a marketing channel and a platform to strengthen relationships with consumers, increase trust, and create a more immersive experience for them.

On the other hand, digital transformation through the implementation of omnichannel marketing has been proven to increase operational efficiency by up to 40% and customer engagement by up to 55%. The concept of omnichannel marketing allows customers to interact with brands through various integrated channels, both online and offline, creating a more seamless and consistent shopping experience. It makes it easier for customers to shop anytime and anywhere, strengthening the relationship with the brand. By optimally utilizing digital technology, companies increase operational efficiency and strengthen customer engagement and trust, essential in winning the competition in an increasingly digital market.

### **3. CRM and Customer Value Management**

Morgan et al. (2021) and Kumar & Reinartz (2020) highlight the importance of customer relationship management (CRM) and customer value management (CVM) in building strong and sustainable relationships with customers. Effectively implemented CRM can increase Customer Lifetime Value (CLV) by 30%, which reflects the total value generated by a customer throughout their relationship with the company. CRM enables companies to identify customer preferences, understand behavioral patterns, and offer more personalized and relevant experiences. It extends the relationship with customers and increases their loyalty and contribution to the company's revenue in the long run.

Additionally, digital personalization is a key element of this strategy, proven to increase customer engagement by up to 42%. Personalization allows companies to offer content, products, or services more tailored to customers' needs and preferences, directly improving the customer experience. Companies can create deeper relationships and strengthen customer emotional bonds by providing more relevant and tailored interactions. This strategy supports long-term customer retention, increases marketing effectiveness, and accelerates purchasing decisions, ultimately providing companies a significant competitive advantage in an increasingly competitive market.

### **4. The Importance of Value Proposition**

Payne et al. (2020) emphasized that personalized value propositions significantly increase customer loyalty. Value propositions tailored to customers' needs and preferences help brands build stronger and more personal relationships with consumers. This study shows that customers are likelier to remain loyal to brands that can offer unique and relevant solutions, directly reflecting the brand's understanding of their desires. Thus, personalization in offering products or

services becomes important in creating a more valuable customer experience, encouraging repeat purchases, and strengthening long-term relationships between customers and brands.

This research aligns with findings that show that integrating personalized value propositions with digital touchpoints can improve customer experience by up to 28%. Integrating digital channels allows customers to interact with brands more easily and flexibly, increasing their convenience and satisfaction. By leveraging technology to deliver relevant value propositions across multiple touchpoints whether through websites, apps, social media or other digital channels, companies can create a more holistic and connected customer experience. Strengthens the brand's position in customers' minds and increases their trust in it, increasing loyalty and the likelihood of customers continuing to choose the brand in the future.

## **DISCUSSION**

The results of this study strengthen the theoretical framework that marketing management plays an important role in building long-term customer value through a personal, technology-based, and strategic approach. A comparison of findings shows that:

### **1. Technology as a Key Enabler**

Advanced technologies such as artificial intelligence (AI), metaverse, and digital transformation have become key enablers in optimizing operational efficiency, increasing engagement, and enriching customer experiences. AI enables companies to personalize their services and products more precisely, increasing customer satisfaction. For example, through predictive algorithms, AI can analyze customer data and provide relevant recommendations, speeding up decision-making and creating more efficient interactions between brands and consumers. In this case, technology reduces operational burden and creates a more responsive and personalized customer experience.

Additionally, technologies like the metaverse open up new opportunities in marketing and brand engagement with customers. Companies can significantly increase customer engagement by providing immersive experiences that allow customers to interact in a virtual space. These experiences allow companies to build deeper and more meaningful customer relationships, making them part of the wider brand universe. Integrating digital technology into various aspects of operations increases internal efficiency. It strengthens the appeal and relevance of brands in the eyes of consumers who increasingly value more personalized and interactive experiences.

### **2. Personalization and Engagement as Critical Factors**

Personalization has become key to building long-term relationships between brands and customers. A more personalized approach, delivered through various digital channels, allows companies to deliver relevant and tailored experiences to specific customer needs. Using customer data, such as purchase history, preferences, and online behavior, companies can offer products or

services more tailored to the individual's desires. It increases customer satisfaction and builds stronger loyalty, as customers feel valued and understood by their chosen brands. Therefore, personalization is about offering the right product and delivering an experience that creates an emotional connection with customers.

Additionally, customer engagement through digital channels is increasingly important in this hyper-connected era. Social media, email, mobile apps, and responsive websites allow brands to stay in touch with customers in real-time, creating more open and direct communication. Through ongoing interactions, companies can gather deeper insights into customer preferences and needs, which in turn can improve the quality of service and products offered. This strategy leads to increased engagement and encourages customers to stay loyal and engage further with the brand, making them part of a larger community. This ongoing engagement through digital channels provides a more holistic experience, strengthening long-term, mutually beneficial relationships.

### **3. Integrated Value Proposition**

Delivering a value proposition integrated with digital technology is one of the main factors in building customer loyalty and trust. Brands that can deliver relevant and relevant value through integrated digital channels will find it easier to win the hearts of consumers. For example, companies that combine online shopping experiences with AI-based recommendations, fast delivery, and responsive customer support create a more engaging and functional value proposition. This technology helps personalize offerings and provides a smoother and more comprehensive experience for customers. In this way, customers feel more valued and prioritized, strengthening their loyalty to the brand.

Integrating value propositions with digital technology creates a more consistent experience across customer touchpoints. Interconnected digital channels, such as mobile apps, websites, and social media, allow customers to interact with brands seamlessly without friction. It streamlines the customer experience and strengthens their trust in the brand. When customers can access relevant information, receive personalized offers, and experience a cohesive experience across multiple channels, they are more likely to build long-term relationships with the brand. In this case, an integrated value proposition gives customers a clear reason to stay loyal, because they feel the company understands and meets their needs in a highly relevant and efficient manner.

Successful marketing management in building long-term customer value requires implementing strategies that prioritize integrating technology, personalization, and optimizing customer relationships through effective digital approaches. Advanced technologies such as artificial intelligence (AI) and data analytics enable companies to understand customer needs and preferences better and offer more relevant and tailored products or services. On the other hand, personalization, which is consistently applied through various digital channels, such as social media, applications, and email, strengthens the emotional bond between brands and customers, creating a more comprehensive and valuable customer experience. This approach, which utilizes digital channels to facilitate

communication and interaction, enables companies to maintain ongoing customer engagement, reduce churn, and increase customer loyalty in the long term. With a strategy that focuses on these three aspects, companies can sustainably meet customer expectations and build closer and more profitable relationships.

## CONCLUSION

The study revealed that marketing management strategically builds long-term customer value by applying modern technologies, personalization strategies, and digital approaches. The findings show that artificial intelligence (AI), metaverse marketing, and digital transformation can improve efficiency, customer engagement, and customer experience. Digital strategies such as social media and omnichannel marketing have been shown to strengthen customer loyalty and trust by increasing engagement by up to 55%. In addition, Customer Relationship Management (CRM) and customer value management are vital in supporting customer retention. Effective CRM can increase customer lifetime value (CLV) by up to 30%, while digital personalization increases engagement by up to 42%. Personalized value propositions also contribute to increased customer loyalty and deeper experiences.

This study confirms that personalization and integration of digital technology are key determinants in building strong customer relationships. In conclusion, modern marketing management that is technology-based, customer-oriented, and strategic can create sustainable customer value, increase retention, and strengthen long-term loyalty.

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